HELLENIC EXCHANGES – ATHENS STOCK EXCHANGE S.A.

1st HALF 2021 FINANCIAL REPORT

For the period 1 January 2021 – 30 June 2021

In accordance with the International Financial Reporting Standards

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1. DECLARATIONS BY MEMBERS OF THE BOARD OF DIRECTORS

(in accordance with article 5 of Law 3556/2007)

WE DECLARE THAT

1. to the best of our knowledge, the separate and consolidated Financial Statements of the Group and the Company, which have been prepared in accordance with the International Financial Accounting Standards in effect, reflect in a true manner the assets, liabilities and equity on 30.06.2021 and the results for the first half of 2021 of HELLENIC EXCHANGES-ATHENS STOCK EXCHANGE S.A. (ATHEX), as well as of the companies that are included in the consolidation taken as a whole;

2. to the best of our knowledge, the attached report of the Board of Directors for the first half of 2021 reports in a truthful manner the performance and position of HELLENIC EXCHANGES-ATHENS STOCK EXCHANGE S.A. (ATHEX), as well as of the companies that are included in the consolidation taken as a whole, including a description of the main risks and uncertainties that they face;

3. to the best of our knowledge, the separate and consolidated Financial Statements for the first half of 2021 are those that have been approved by the Board of Directors of HELLENIC EXCHANGES-ATHENS STOCK EXCHANGE S.A. (ATHEX) on 26.07.2021 and have been published by being uploaded on the internet, at www.athexgroup.gr.

Athens, 26 July 2021

THE CHAIRMAN OF THE BoD	THE CHIEF EXECUTIVE OFFICER	THE MEMBER OF THE BoD
GEORGE HANDJINICOLAOU **ID: X-501829**	**SOCRATES LAZARIDIS** **ID: AK-218278**	**GIORGOS DOUKIDIS** **ID: X-468731**

2. MANAGEMENT REPORT OF THE BOARD OF DIRECTORS

OF

"HELLENIC EXCHANGES-ATHENS STOCK EXCHANGE S.A."

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2021

(in accordance with article 5 of Law 3556/2007
and Law 4548/2018)

The Board of Directors of HELLENIC EXCHANGES-ATHENS STOCK EXCHANGE SA (Athens Exchange or ATHEX or the Company) publishes its Report on the separate and consolidated interim Financial Statements for the period that ended on 30.06.2021, in accordance with Law 4548/2018 and article 5 of Law 3556/2007.

The separate and consolidated annual financial statements have been prepared in accordance with the International Financial Reporting Standards that were adopted by the European Union.

Business Development

2020 was marked by an unprecedented global health crisis which dramatically weakened all economies and unavoidably shook capital markets. Despite the fact that the crisis and the measures to reduce economic activity in order to contain the spread of the virus continued into the first few months on 2021, the start of the vaccination campaigns both internationally and in our country led to a gradual lifting of these restrictions and a partial return to normality in the 2nd quarter. Unfortunately, the appearance of virus mutations postpones the full return to normality.

In this environment, the Group continues its smooth operation with high rates of teleworking, taking advantage of the acceleration of the digital transformation brought about by the pandemic.

An indicative example is the further development and improvement, during the 1st half of the year, of the **AXIA e-Shareholders Meeting platform**, through which companies can conduct their General Meetings remotely and in real time, ensuring ease of access and identification of participants and registration of their vote by electronic means. In 2020 31 listed companies organized their General Meetings using this platform, while for this year, 74 General Meetings have taken place or are planned. The aim is to upgrade the operation of the platform through; a) its adaptation and automation in the CSDR and SRD II environment; b) the holding of hybrid General Meetings; and c) the enrichment of the services it offers (vote per topic, receiving updates directly from proxies and companies).

In order to increase liquidity and strengthen relations with market participants:

- The anniversary 10th Greek Investment Forum in NY (8-11.06.2021) took place, in which 32 listed companies participated, mainly from the Large Cap index.
- The 4th Mid Cap Conference was also organized, aiming to present dynamic, emerging companies of the middle and small capitalization, mainly to the Greek investment community.

In order to strengthen the market with new listings and at the same time to expand the penetration of financing solutions offered by the Athens Stock Exchange to SMEs [Small and Medium Enterprises], ATHEX is implementing the Roots program, which aims to enhance SME access to the Greek capital market. It also collaborates with the EBRD in its SME Pre-Listing Support program, with the aim of enhancing the recognition of the ATHEX corporate bond and equity market, as an alternative form of ATHEX financing, while exploring the possibility of the creation, jointly with ATHEX, of an investment scheme that will be addressed to SMEs.

Based on the initial planning, the submission of the complete dossier to the Hellenic Capital Market Commission (HCMC) was completed at the beginning of the year in order for ATHEXCSD to be licensed under CSDR and law 4569/2018, which was approved, effective 12 April 2021. In this new environment ATHEXCSD has the opportunity to develop additional services both to Athens Stock Exchange listed companies in order for them and for ATHEXCSD to comply with the requirements of the SRD II regulatory framework (law 4706/2020 and Implementing Regulation (EU) 2018/1212) on shareholder identification and the transfer of information about general meetings and other corporate events.

The 20th Annual General Meeting on 30.05.2021 elected four (4) new members to the Board of Directors of the company, increasing the body's independence and enriching its knowledge and experience.

Lastly, the Group starting on 1.1.2021 (1.7.2021 for the branch in Thessaloniki), it is consuming electricity that is 100% from renewable sources for its operation, through PPC [Public Power Corp]. The transition to using green electricity is an important step towards the implementation of the Sustainability policy of the Group, as part of which it is reexamining all aspects of its operation in order to reduce its footprint.

The operation with green electricity includes the colocation service that the Group has been successfully providing for years. Through this initiative, the Group responds to the challenges of today and at the same time provides the level of service that is required to its present and future clients.

Significant information on the Athens Stock Exchange markets

Key market data

The Athens Exchange General Index closed on 30.06.2021 at 884.89 points, 38.5% higher than the close at the end of the corresponding period in 2020 (638.90 points). The average capitalization of the market was €57.6bn, increased by 16.6% compared to the 1st half of 2020 (€49.4bn).

The total value of transactions in the 1st half of 2021 (€9.7bn) is 7.8% higher compared to the 1st half of 2020 (€9.0bn), while the average daily traded value was €81.3m compared to €75.3m in 2020, increased by 8.0%.

In the derivatives market, total trading activity increased by 66.0% (1st half 2021: 8.3m contracts, 1st half 2020: 5.0m).

Organized market – corporate actions

During the 1st half of 2021 the listing for trading in the main market of the Athens Stock Exchange of the shares of INTERLIFE took place.

In addition, the issue of a corporate bond and the listing of the bonds issued by COSTAMARE PARTICIPATIONS PLC and MOTOR OIL (HELLAS) CORITH REFINERY for trading in the Fixed Income Segment of the Athens Stock Exchange organized market. These issues took place by public offer using the EBB [Electronic Book Building], and raised a total of €300 million.

PIRAEUS FINANCIAL HOLDINGS increased its share capital by €2.366 billion by issuing new shares, converting all of the Contingent Convertible Bonds (CoCos) of the company in shares, while during the 1st half of 2021 it raised €1.38 billion through the issue of new shares.

AEGEAN AIRLINES and CORINTH PIPEWORKS increased their share capital through a rights issue totaling €63 million.

PREMIA did a rights issue raising €9 million by the issue and contribution in kind of new shares in NOE METAL CONSTRUCTIONS, which contributed part of the ownership of two real estate properties, and STERNER STENHUS GREECE which contributed shares issued by JPA CONSTRUCTION AND SCHOOL MANAGEMENT IN ATTICA and corporate bonds by the same company.

PAPOUTSANIS did a rights issue by capitalizing reserves and the issue of free shares.

ALPHA BANK, FOURLIS, ALPHA TRUST and COCA-COLA HBC listed new shares from rights issues from the exercise of stock options.

AUDIOVISUAL listed new shares that arose from the conversion of an equal number of non-listed preferred shares of the company.

Comment on the results

1st half results of the Group

Turnover in the 1st half of 2021 for the Athens Exchange Group was €18.41m compared to €15.18m in the corresponding period in 2020, increased by 21.3%. Approximately 50% of the turnover of the Group is from fees on trading, clearing and settlement of trades on the Athens Exchange, 22% is from fees on the market capitalization mainly of stocks (listed company subscriptions, corporate actions), and 23% is from other services (market data, support of other markets, X-NET, colocation et al).

In the 1st half of 2021 EBITDA was €7.45m compared to €5.01m in the corresponding period in 2020, increased by 48.5%.

Earnings Before Interest and Taxes (EBIT) were €5.29m vs. €2.88m in the corresponding period in 2020, increased by 83.8%.

After deducting €533 thousand in income tax, the net after tax earnings of the Athens Exchange Group amounted to €5.06m compared to €2.27m, increased by 122.7%. After including Other Comprehensive Income (valuation of shares), earnings amount to €5.73m compared to €2.54m in the corresponding period in 2020, increased by 117%.

Parent Company of the Athens Exchange Group

For the parent company, turnover was €9.28m vs. €7.39m, increased by 26% compared to the corresponding period in 2020, while net after tax earnings were €5.69m in the 1st half of 2021 compared to €8.51m in the corresponding period last year, decreased by 33% due to the dividends totaling €7.9m received from its subsidiaries ATHEXClear (€4.01m) and ATHEXCSD (€3.2m) compared to dividends totaling €3.8m from its subsidiaries ATHEXClear (€0.4m) and ATHEXCSD (€3.2m) in 2021.

Financial assets at fair value through other comprehensive income

After its successful participation in the contest by CMA Kuwait to privatize Boursa Kuwait, ATHEX is a shareholder of Boursa Kuwait with a 0.779% stake, corresponding to 1,564,500 shares.

The shares of Boursa Kuwait began trading in the Kuwait organized securities market on 14.09.2020. On 30.06.2021 the shares posted a valuation gain of €1,135,728.27 compared to 31.12.2020 which is accounted in the special securities valuation reserve.

Third party balances in ATHEXClear bank accounts

The Group, through its subsidiary ATHEXClear is aligned with the corporate governance framework determined by Regulation (EU) 648/2012 of the European Parliament and Council (EMIR Regulation), and keeps all cash collaterals that are being managed by the Company and concern the cash market and the derivatives market, as well as the cash balances of ATHEXClear, in an account it maintains at the Bank of Greece (BoG) as a direct participant over the internet to the TARGET2-GR Express Transfer of Capital and Settlement System in real time (TARGET2-GR).

Therefore, its own cash balance and the balances of third parties (margins) are deposited in the same account that ATHEXClear maintains at the Bank of Greece, and as a result a separation of the assets is necessary in order for the collateral that ATHEXClear collects to be shown separately in the current assets of 30.06.2021. In the Statement of Financial Position of 30.06.2021, they are reported as equal amounts in both current assets and short term liabilities as “third party balances at the bank account of the company” and concern exclusively the margins in the derivatives market that were deposited in the bank account maintained by ATHEXClear at the BoG on 30.06.2021.

On 30.06.2021 at the BoG bank account cash market margins of €205.1m and derivatives market margins of €69.1m had been deposited.

Share Capital

The Company is listed on Athens Exchange, and its shares are traded in the ATHEX cash market, in the Main Market segment. The shares of the Company are common registered, with a voting right.

With the decision of the Repeat General Meeting of 16.06.2021 to return €0.07 per share with an equal reduction in the stock’s par value, the share capital became €25,346,160 divided into 60,348,000 shares with a par value of €0.42 each.

The Equity of the Group on 30.06.2021 was €102.5m and the Company’s €88.8m.

Treasury Stock

The Company and the Group did not possess treasury stock on 30.06.2021.

Dividend policy

The Annual General Meeting of Hellenic Exchanges-Athens Stock Exchange shareholders on 31.05.2021 decided to distribute dividend for fiscal year 2020 amounting to €4,224,360 or €0.07 per share to shareholders. The ex-date of the right to the dividend was on 04.06.2021, and the dividend was paid on 11.06.2021.

Related party transactions

Transactions that concern payroll costs for 16 executives and the executive members of the BoD for the 1st half of 2021 amounted to €1,428 thousand for the Group and €1,106 thousand for the Company. Besides these transactions, there are no other related party transactions, as defined by IAS 24, which could materially affect the financial position or the performance of the Group during the period in question. There is no (credit or debit) balance from these transactions on 30.06.2021. For the other related party transactions, see note 5.36.

Branch Offices

The Group through its subsidiary "HELLENIC CENTRAL SECURITIES DEPOSITORY" – ATHEXCSD has a branch office in Thessaloniki, at Katouni St.

Prospects for 2021 and beyond

The Greek economy is expected to grow at more than 3% in 2021, while this rate may exceed 4% according to an estimate by the European Commission. As the economy returns to growth and in the future the contribution of the resources of the Recovery Fund are expected to be felt as described in the Greece 2.0 plan, the Greek capital market is expected to play a central role.

The greater the penetration of vaccines in the population, the greater seems to be the possibility of a faster return to normalcy and the emerging risk-taking appetite is expected to be maintained, creating a positive outlook for strengthening the climate in domestic companies.

The prospects of the Group and the Company, in the normalizing operating conditions, are positive and are also influenced by the regulatory changes that are taking place at the European level, as well as by the broader policies of the European Commission, which are, lately, focused on the financing of small and medium sized enterprises through the capital markets.

The excellent organization of the Group, the reliable operation of the capital market even in extremely difficult conditions such as at present, the continuous investment in modern equipment and processes, the lack of debt obligations, the recognition of its reliability by internationally recognized rating agencies, as well as the liquidity that it possesses, guarantee its survival in the long term, with significant benefits for shareholders, employees and society at large.

Turnover – risks and uncertainties

Besides the fees from trading that takes place in the ATHEX markets and which are collected through the Members, important revenue streams for the Athens Exchange Group are also fees from orders and Member terminals, revenue from Member and Operator subscriptions, revenue from subscriptions and rights issues of listed companies and corporate actions in general, revenue from data vendors, revenue from administrative, IT and IT support services, educational services etc.

The turnover of the Athens Exchange Group depends, to a large extent, on factors over which it has no influence, since they are connected with developments in the Greek capital market, which in turn are affected by a series of factors such as, the key financial data of listed companies, the fundamental macroeconomic data of the Greek economy as well as developments in international capital markets.

Contrary to revenues, which cannot be controlled by the companies of the Group, on the cost side concerted efforts are being made to rationalize them, in order to improve the financial results of the Group and allocate them in activities of added value.

Risk Management

General – Risk management environment

A major consideration of the Athens Exchange Group is the management of risk that arises from its business activities and its business operation.

The Group, as organizer of the capital market, has developed a framework for managing the risks to which it is exposed, ensuring its viability and development, and contributing to the stability and security of the capital market. Risk management is recognized as part of its supervisory functions which, together with the regulatory compliance system, form the second level of defense of the organization to the pressures that the quality of services provided and the development initiatives face, from the constant challenges of the space in which it is active.

In particular, Athens Exchange Clearing House (ATHEXClear), 100% subsidiary of ATHEX, operates as a Central Counterparty (CCP) for clearing cash and derivative markets products and as such is obliged to satisfy the strict requirements of the current regulatory framework EMIR (European Market Infrastructure Regulation) concerning risk management in accordance with which it has been licensed since 2015.

In addition, Hellenic Central Securities Depository (ATHEXCSD), 100% subsidiary of ATHEX, follows the particularly extensive requirements of the CSDR (Central Securities Depositories Regulation) framework, in view of its imminent licensing.

Finally, at the parent company ATHEX, the risk management system operates effectively, coordinating the actions and priorities of all the companies of the Group at the Board of Directors Committees level, protecting shareholder interests from risks, irrespective of their source.

Risk Strategy and Risk Management

The risk strategy of the Group is aligned with its business strategy to provide the appropriate infrastructure for the reliable, secure and continuous operation of the capital market. In accordance with the strategy of the Group, the risk appetite level is set in order to correspond with the capital adequacy of the companies of the Group, satisfy the needs of the market, limit costs for participants, maximize the exploitation of business opportunities but also ensure market security and compliance with regulatory requirements.

Organizational structure

The risk management system is managed through the risk management committees of each company in the group, while the alignment of the risk management strategy, the risk-taking appetite and the priorities of the risk areas, on which the efforts to improve the control environment are coordinated by the coordination committee of the three companies. The operational structure of the organization follows the three lines of defense model, establishing the intermediate line between the first and the second line of defense, especially for the business continuity systems (BCP), information security (DPO) and information systems security (ISO). It supports the second line of defense in a single organic unit, the Risk Management & Regulatory Compliance Unit, in order to achieve the maximum possible synergy regarding regulatory compliance risks.

Besides the comprehensive measures for ensuring the smooth operation of the systems of the Group, each organizational unit of the Group is responsible for monitoring and managing the sources of risk related to its activity and scope of competence in such a way as to react immediately and effectively in case of occurrence of events or incidents, carry out the analysis of key objections and introduce or improve the control environment.

In particular, for each company of the Group separately, the organizational structure that supports risk management includes the following units:

- *Board of Directors*, which has the final responsibility and accountability regarding the risk management function of the company.
- *Risk Committee*, which advises the Board of Directors on risk management matters.
- *Risk Management Department of the Risk Management & Clearing Division of ATHEXClear*, which is sufficiently independent from the other functions of the company, and whose main responsibility is the comprehensive approach to the risks that ATHEXClear faces.
- *Risk & Compliance Unit of the Group*, headed by the Chief Risk Officer of the parent company ATHEX, which is responsible for the efficient and effective operation of the oversight functions of the Group.
- *ATHEX Regulatory Compliance Unit*, headed by the Chief Compliance Officer.
- *Risk Management Coordinating Committee*. The coordinating committee consists of the Chairpersons of the Risk Committees of the three companies of the Group, which are members of the corresponding Boards of Directors, and the Group Chief Risk Officer.
- *Organizational Units* which are responsible for identifying and managing risks within their scope and participate in the overall risk management at the Group.

Single risk management

The services that the Group provides involve various types and levels of risk, and it is recognized that effective risk management consists of the following:

- *Identifying and assessing risks*
- *Controlling risks*
- *Risk mitigation*
- *Monitoring and reporting risks*

Risk categories

The Group ensures that it deals with all risks, internal or external, present or future, and especially those that have been recognized as significant. It is recognized that each service provided by the Group can expose it to any combination of the risks mentioned below.

The usual risks to which, due to the nature of its activities, the Group may be exposed to are:

Financial Risk

1. Credit Counterparty risk (credit risk arising from the default of the clearing obligations by one or more clearing member counterparties)
2. Market risk (changes in exchange rates, interest rates, market prices, commodities and volatility), mainly as a result of credit counterparty risk
3. Credit risk (mainly from equity investments)
4. Liquidity risk (mainly cash flow risk), mainly as a result of counterparty risk

Operational Risk

Risk of loss resulting from inadequate or failed internal processes, people and systems or from external events, including legal risk. Risk corresponding to the security of the IT systems, as in the majority of companies, is now becoming very important, and appropriate measures to contain it are being taken.

Business Risk

Risk due to new competitors, drop in trading activity, deterioration of the domestic and international economic situation etc.

Description of categories and main risk factors

Market risk

The Group is exposed to a limited extent to market risk resulting from its activities. In each case, the Group monitors the potential exposure that may result in market risk and calculates any capital that it must maintain against market risk in accordance with the capital adequacy methodology that it uses.

Currency exchange risk

This risk does not materially affect the operation of the Group, given that transactions with clients and suppliers in foreign currency are limited.

Credit Counterparty Risk

The Group's credit counterparty risk mainly concerns transactions in the cash and derivatives markets, in which ATHEXClear operates as Central Counterparty.

Credit risk

The Group faces credit risk both from equity investments as well as from client balances. As part of its Investment Policy, specific principles are defined for cash deposit arrangements. Cash deposit arrangements are with the four systemic banks of the country, in approximately equal amounts, minimizing credit risk levels, while protecting the capital of the companies from the erosion due to the negative interest rates of the central banks.

Short term cash arrangements that do not exceed three months take place at Greek Systemic Banks, in accordance with the Investments Policy set by the management of the ATHEX Group.

In addition, the Group systematically monitors late payments and open client balances.

Out of total cash and cash equivalents of the Group of €71.0m, approximately €56.4m is deposited in Greek systemic banks, and the remaining approximately €14.6m at the Bank of Greece.

Liquidity Risk

Liquidity risk as a whole for the Group is kept at low levels by maintaining adequate cash.

The main liquidity risk for the Group mainly concerns transactions in the cash market and the derivatives market in which ATHEXClear operates as Central Counterparty.

Operational risk

It is recognized that operational risk may arise among others because of: outsourcing, supervisory or regulatory non-compliance, business continuity failure, risks from IT systems, information security and project implementation.

Operational risk is maintained at acceptable levels, through a combination of good corporate governance and risk management, robust systems and controls.

Measures to reduce operational risk

The Group recognizes the need to determine, estimate, monitor and reduce operational risk that is inherent in its operations and activities, as well as the need to maintain adequate capital, in order to face this particular type of risk.

Business continuity plan

The Group has processed and put into operation an appropriate infrastructure and a disaster recovery plan, which includes:

- *Operation of a Disaster Recovery Site:* The Group maintains a disaster recovery site for its IT systems. In addition, the Group has received and maintains the ISO-22301 business continuity certification.
- *Formation of crisis management teams and emergency incident management:* The purpose of these teams is to maintain continuity in the provision of trading services in case of an unforeseen event. They have been assigned specific responsibilities and specially trained Group staff have been assigned to them.
- *Existence of back up IT systems:* The IT systems of the Group are installed and operate in the data center at the headquarters of the Group. The data center consists of two, independent as to location, supporting infrastructure and technological services provided, individually mirrored data centers, in order to provide redundancy and high availability, ensuring continuous systems operation.

The above were tested by the recent rapid spread of coronavirus which was an unforeseen event of considerable extent, and to which the Group reacted effectively while maintaining its business continuity.

Compliance function

Having as the key objectives to ensure compliance with the legal and regulatory framework, regulations and policies, measure and minimize the risk of regulatory compliance and address the consequences of non-compliance with the legal and regulatory framework, a Chief Compliance Officer for ATHEX and the Group, as well as Chief Compliance Officers for the two companies ATHEXCSD and ATHEXClear have been appointed, with clear and separate reporting lines from those of other company functions.

Their main responsibilities are to:

1. Monitor changes in the regulatory and supervisory framework and inform the BoD and staff.
2. Conduct gap analysis between the existing and future conditions brought about by regulatory and supervisory changes.
3. Monitor compliance of the companies with the legal and regulatory framework.
4. Handle requests related to compliance matters.
5. Measure and monitor compliance risk.

Indicatively, policies are in effect concerning conflict of interest, outsourcing, complaint management, staff remuneration of staff, executives and members of the BoD and records management.

Business risk

The Group recognizes that the appearance of business risk depends on macroeconomic developments and is affected by external events such as changes in the competitive capital markets environment, changes in the international and domestic economic environment, legal and regulatory developments, changes in taxation policy and in technology etc. Such events may impact the growth and sustainability of the Group, causing a reduction in trading activity, a drop in expected profits, inability to liquidate and/or asset impairment etc.

In this context, the Group continually and systematically monitors developments and adapts to the environment, and calculates on an annual basis its capital requirements for business risk.

Internal Audit

The primary concern of the Company is the development and the constant improvement and upgrade of the Internal Audit System, which comprises all of the recorded audit mechanisms and processes that cover the whole range of daily operations and procedures of the Company.

In particular, with regard to the Company's financial operations, a system of safeguards is in place that aims to prevent and/ or detect material errors in time in order to ensure the reliability of the financial statements, the effectiveness and efficiency of operations and compliance with the rules and regulations. Based on specific significance criteria (quantitative and qualitative), important accounts are identified, procedures are recorded, responsibilities and policies are assigned and control points are designed which are being implemented on an ongoing basis by management and staff.

The Board of Directors has the ultimate responsibility to monitor and assess the effectiveness and sufficiency of the Internal Audit System.

Responsible for monitoring compliance with the Internal Audit System are: a) the Audit Committee and b) the Internal Audit Division.

The **Audit Committee** of the Company has been set up by decision of the Board of Directors of the Company and operates based on the Standards for the Professional Application of Internal Audit of the Institute of Internal Auditors, decision 5/204/14.11.2000 of the Hellenic Capital Market Commission, Law 3016/2002 on corporate governance, Regulation (EU) 537/2014, the provisions of Law 4449/2017, as well as the notes, clarifications and recommendations of the Hellenic Capital Markets Commission, as set out in its letter (Protocol no. 1302/28.04.2017).

The main purpose of the Audit Committee is to assist the Board of Directors in the supervision of the quality, adequacy and effectiveness of the internal audit and risk management system.

The **Internal Audit Division** operates in the manner prescribed by the Code of Conduct and the International Professional Practices Framework (IPPF) of the Institute of Internal Auditors (IIA), decision 5/204/14.11.2000 of the Hellenic Capital Market Commission and Law 3016/2002 on corporate governance. The Internal Audit Division reports to the Board of Directors, through the Audit Committee which supervises it. The above also holds for the subsidiary companies of the Athens Exchange Group.

The main responsibility of the Internal Audit Division is to express an opinion on the compliance or non-compliance of the internal processes of each audited area, as well as to apply the safeguards that have been adopted by Management, in order to prevent and avoid risk.

Hellenic Corporate Governance Council (HCGC)

The Hellenic Corporate Governance Council (HCGC) operates as a Non-Profit Organization, is an entity specializing in the spread of corporate governance principles and strives to develop a culture of good governance in the Greek economy and society.

In the 1st half of 2021, the HCGC:

- Applied to the Hellenic Capital Market Commission to be recognized as a Nationally Recognized Entity for the issuance of a Corporate Governance Code, in accordance with the provisions of Law 4706/2020, which was approved by the Board of Directors of the Hellenic Capital Market Commission (meeting 916/7.6.2021).
- It published the new Corporate Governance Code, which complements the corporate governance framework, as legislated by law 4706/2020 which goes into effect on 17 July 2021. The main goal of the revised Code is to create an accessible and understandable reference guide, which codifies in a single text, high (higher than the mandatory) requirements and corporate governance standards.
- Carried out the first two rounds of seminars (out of four in total), with the aim of training senior executives of Greek companies. Each training cycle consists of two parts. The first part concerns the introduction to Corporate Governance, and will be common to all four cycles (basic course) and the second part will delve into two specialized courses at a time (advanced courses).
- Created its new website (https://www.esed.org.gr)

Alternative Performance Measures

An Alternative Performance Measure (APM) is an adjusted financial measurement of past or future financial performance, financial position or cash flows that is different from the financial measurement defined in the applicable financial reporting framework. In other words, an APM on the one hand is not exclusively based on financial statement standards, and on the other it provides material supplementary information, excluding items that may potentially differentiate from the operating results or the cash flows.

Transactions with a non-operational or non-cash valuation that have a significant effect in the Statement of Comprehensive Income are considered items that affect the adjustment of the indices to APMs. These, non-recurring in most cases, items may arise among others from:

- Asset impairments
- Restructuring measures
- Consolidation measures
- Sale or transfer of assets
- Changes in legislation, compensation for damages or legal claims

APMs must always be taken into consideration in conjunction with the financial results that have been drafted based on IFRS, and in no instance should they be considered as replacing them. The Athens Exchange Group used APMs for the first time in fiscal year 2016, in order to better reflect the financial and operational performance related to the activity of the Group as such in the fiscal year in question, as well as the previous comparable period.

The definition, analysis and calculation basis of the APMs used by the Group is presented below.

Items affecting the adjustment

In accordance with the financial statements for the 1st half of 2021, the items that affect the adjustment of the indices used by the Group in order to calculate APMs are the valuation loss of the shares of a listed bank and the valuation gains of the participation in Boursa Kuwait, which is recorded in the Statement of Comprehensive Income and the table of Other Comprehensive Income.

in € thousand	**01.01-30.06.2021**	**01.01-30.06.2020**
Other Comprehensive Income	**0**	**0**
Share valuation	664	366
Total	**664**	**366**
Grand total	**664**	**366**

EBITDA and EBIT are not differentiated due to the lack of adjustment items:

1. EBITDA	=	Earnings Before Interest, Taxes, Depreciation & Amortization	-	items affecting the adjustment

€ thousand	**01.01-30.06.2021**	**01.01-30.06.2020**	**Deviation %**
EBITDA	**7,448**	**5,014**	**49%**

2. EBIT = Earnings Before Interest & Taxes - items affecting the adjustment

€ thousand	01.01-30.06.2021	01.01-30.06.2020	Deviation %
EBIT	**5,285**	**2,875**	**84%**

3. EBT = Earnings Before Taxes - items affecting the adjustment

€ thousand	01.01-30.06.2021	01.01-30.06.2020	Deviation %
EBT	**5,596**	**2,988**	**87%**

4. EAT = Earnings After Taxes - items affecting the adjustment

€ thousand	01.01-30.06.2021	01.01-30.06.2020	Deviation %
EAT	**5,063**	**2,273**	**123%**

5. Cash flows after investments

(cash flows before financial activities in the Statement of Cash Flows)

Net cash flows from operating activities - Net cash flows from investment activities - items affecting the adjustment

€ thousand	01.01-30.06.2021	01.01-30.06.2020	Deviation %
Net cash flows from operating activities	12,224	11,185	9%
Net cash flows from investment activities	(800)	(838)	(5)%
Cash flows after investment activities	**11,424**	**10,347**	**10%**
Items affecting the adjustment	0	0	
Adjusted cash flows from investment activities	**11,424**	**10,347**	**10%**
Deviation	**0%**	**0%**	

6. Return on Equity (ROE), %

$$= \frac{\text{Earnings After Taxes – items affecting the adjustment}}{\text{Total Equity (average)}} \times 100$$

€ thousand	01.01-30.06.2021	01.01-30.06.2020	Deviation %
Return on Equity	**4.83%**	**2.16%**	**124%**

7. Degree of Financial Self-Sufficiency

$$= \frac{\text{Total Equity – items affecting the adjustment}}{\text{Total Balance sheet – third party cash assets}} \times 100$$

€ thousand	01.01-30.06.2021	01.01-30.06.2020	Deviation %
Degree of Financial Self-Sufficiency	**82%**	**80%**	**2%**
Total Equity	102,491	101,010	1%
Share valuation	(664)	(366)	81%
Total (a)	**101,827**	**100,644**	**1%**
Total Balance Sheet - Third party cash & cash equivalents (b)	**125,080**	**123,156**	**2%**
Adjusted Degree of Financial Self-Sufficiency (a/b)	**81%**	**82%**	**(1)%**
Deviation %	**(1)%**	**2%**	

8. Adjusted EPS

$$= \frac{\text{Net Earnings attributable to the owners of the parent Company – items affecting the adjustment}}{\text{Average number of shares during the period}} \times 100$$

€ thousand	01.01-30.06.2021	01.01-30.06.2020	Deviation %
EPS	**0.095**	**0.044**	**116%**
Other comprehensive income	5,727	2,639	117%
Adjustment items	(664)	(366)	81%
Net adjusted other comprehensive income	**5,063**	**2,273**	**123%**
Average number of shares during the period	**60,348,000**	**60,348,000**	**0%**
Adjusted EPS	**0.084**	**0.038**	**121%**
Deviation	**(12)%**	**(14)%**	

Composition of the BoDs of the companies of the Group

The members of the Boards of Directors of the companies of the ATHEX Group on 30.06.2021 are listed in the following tables.

HELLENIC EXCHANGES - ATHENS STOCK EXHANGE S.A. HOLDING	
Name	**Position**
George Handjinicolaou	Chairman, non-executive member
Alexios Pilavios	Vice Chairman, non-executive member
Socrates Lazaridis	Chief Executive Officer, executive member
Konstantinos Vassiliou	Non-executive member
Dimitrios Dosis	Independent non-executive member
Giorgos Doukidis	Independent non-executive member
Ioannis Emiris	Non-executive member
Polyxeni Kazoli	Independent non-executive member
Theano Karpodini	Independent non-executive member
Nicholaos Krenteras	Independent non-executive member
Ioannis Kyriakopoulos	Non-executive member
Spyridoula Papagiannidou	Independent non-executive member
Pantelis Tzortzakis	Independent non-executive member

The term of office of the BoD is four years, i.e. until 30.05.2023, which is automatically extended until the Annual General Meeting of the Company that will convene or will be convened following the end of its term of office.

The composition of the Boards of Directors of the subsidiaries ATHEXCSD and ATHEXClear is the following:

ATHENS EXCHANGE CLEARING HOUSE S.A	
Name	**Position**
Alexios Pilavios	Chairman, non-executive member
Charalambos Saxinis *	Vice Chairman, independent non-executive member
Socrates Lazaridis	Chief Executive Officer, executive member
Giorgos Doukidis	Independent non-executive member
Theano Karpodini	Independent non-executive member
Spyridoula Papagiannidou *	Independent non-executive member
Nikolaos Pimplis *	Executive member

* *On 7.7.2021 the BoD elected Mrs. Polyxeni Kazoli and Messeurs. Pantelis Tzortzakis and George Handjinicolaou to replace Mrs. Spyridoula Papagiannidou and Messeurs. Harry Sachinis and Nikolaos Pimplis.*

HELLENIC CENTRAL SECURITIES DEPOSITORY S.A.	
Name	**Position**
George Handjinicolaou	Chairman, non-executive member
Adamantini Lazari *	Vice Chairman, Independent non-executive member
Socrates Lazaridis	Chief Executive Officer, executive member
Theano Karpodini	Independent non-executive member
Polyxeni Kazoli	Independent non-executive member
Spyridoula Papagiannidou	Independent non-executive member
Nikolaos Pimplis *	Executive member

* *On 6.7.2021 the BoD elected Messeurs. Alexios Pilavios and Giorgos Doukidis to replace Mrs. Adamantini Lazari and Mr. Nikolaos Pimplis.*

Significant events after 30.06.2021

There is no other event that has a significant effect in the results of the Group which has taken place or was completed after 30.06.2021, the date of the six month 2021 financial statements and up until the approval of the financial statements by the Board of Directors of the Company on 26.07.2021.

Athens, 26 July 2021

The Board of Directors

3. AUDIT REPORT BY THE INDEPENDENT CERTIFIED AUDITORS ACCOUNTANTS

[Translation from the original text in Greek]

Report on Review of Interim Financial Statements

To the Board of directors of "HELLENIC EXCHANGES-ATHENS STOCK EXCHANGE S.A"

Introduction

We have reviewed the accompanying interim company and consolidated statement of financial position of "HELLENIC EXCHANGES-ATHENS STOCK EXCHANGE S.A" (the "Company"), as of 30 June 2021 and the related company and consolidated statements of comprehensive income, changes in equity and cash flow statements for the six-month period then ended, and the selected explanatory notes that comprise the interim company and consolidated financial statements and which form an integral part of the six-month financial report as required by L.3556/2007.

Management is responsible for the preparation and presentation of these company and consolidated financial statements in accordance with International Financial Reporting Standards as they have been adopted by the European Union. Our responsibility is to express a conclusion on these company and consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, as they have been transposed into Greek Law and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim company and consolidated financial statements do not present fairly, in all material respects the separate and consolidated financial position of the Company and the Group as at 30 June 2021, their separate and consolidated financial performance and their separate and consolidated cash flows for the period then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Report on other legal and regulatory requirements

Our review has not revealed any material inconsistency or misstatement in the statements of the members of the Board of Directors and the information of the six-month Board of Directors Report, as defined in articles 5 and 5a of Law 3556/2007, in relation to the accompanying interim company and consolidated financial statements.

PricewaterhouseCoopers S.A.

268 Kifissias Avenue, 152 32 Athens

Reg. No. 113

Despina Marinou Reg N. 17681	Fotis Smyrnis Reg N. 52861

26 July, 2021

4. 1st HALF 2021 COMPANY & CONSOLIDATED INTERIM FINANCIAL STATEMENTS

for the fiscal year 1 January 2021 to 30 June 2021

In accordance with the International Financial Reporting Standards

4.1. Interim Statement of Comprehensive Income

		Group		Company	
		01.01	01.01	01.01	01.01
	Notes	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Revenue					
Trading	5.8	2,947	2,915	2,947	2,915
Clearing	5.9	5,400	5,180	0	0
Settlement	5.10	905	803	0	0
Exchange services	5.11	1,939	1,525	1,939	1,525
Depository services	5.12	1,958	1,146	0	0
Clearinghouse services		64	64	0	0
Market Data		1,366	1,349	1,519	1,486
IT services		281	257	229	240
Revenue from re-invoiced expenses	5.13	403	397	288	287
Ancillary services	5.14	2,814	1,261	1,971	596
Other services		328	282	389	345
Total turnover		**18,405**	**15,179**	**9,282**	**7,394**
Hellenic Capital Market Commission fee		(719)	(682)	(274)	(251)
Total revenue		**17,686**	**14,497**	**9,008**	**7,143**
Expenses					
Personnel remuneration & expenses	5.15	5,448	5,443	3,159	2,991
Third party remuneration & expenses	5.16	857	509	705	309
Utilities		355	357	45	44
Maintenance / IT support		945	686	738	491
Other Taxes		636	629	435	312
Building / equipment management		303	279	56	61
Other operating expenses	5.17	953	924	889	875
Total operating expenses before ancillary services and depreciation		**9,497**	**8,827**	**6,027**	**5,083**
Re-invoiced expenses	5.18	278	313	161	193
Expenses for ancillary services	5.19	463	343	171	75
Total operating expenses, including ancillary services before depreciation		**10,238**	**9,483**	**6,359**	**5,351**
Earnings before Interest, Taxes, Depreciation & Amortization (EBITDA)		**7,448**	**5,014**	**2,649**	**1,792**
Depreciation	5.20 & 5.21	(2,163)	(2,139)	(946)	(1,024)
Earnings Before Interest and Taxes (EBIT)		**5,285**	**2,875**	**1,703**	**768**
Capital income	5.26	37	73	20	29
Dividend income	5.25	187	108	3,817	7,946
Income from participations	5.23	132	14	132	14
Financial expenses	5.26	(45)	(82)	(32)	(31)
Earnings Before Tax (EBT)		**5,596**	**2,988**	**5,640**	**8,726**
Income tax	5.28 & 5.35	(533)	(715)	52	(220)
Earnings after tax		**5,063**	**2,273**	**5,692**	**8,506**

(Amounts in thousands euro, unless otherwise noted) 26

		Group		Company	
		01.01	01.01	01.01	01.01
	Notes	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Earnings after tax (A)		**5,063**	**2,273**	**5,692**	**8,506**
Financial assets at fair value through comprehensive income					
Valuation profits / (losses) during the period	5.25	766	481	766	481
Income tax included in other comprehensive income / (losses)		(169)	(115)	(169)	(115)
Income tax due to a change in income tax rates		67		67	
Other comprehensive income / (losses) after taxes (B)		**664**	**366**	**664**	**366**
Total other comprehensive income (A) + (B)		**5,727**	**2,639**	**6,356**	**8,872**

Distributed to:		**2021**	**2020**
Company shareholders		5,727	2,639
Profits after tax per share (basic & diluted; in €)		0.095	0.044
Weighted average number of shares		60,348,000	60,348,000

Any differences between the amounts in the financial statements and the corresponding amounts in the notes are due to rounding.

The notes in chapter 5 form an integral part of the annual financial statements of 30.06.2021.

(Amounts in thousands euro, unless otherwise noted) 27

4.2. Interim Statement of Financial Position

	Note	Group		Company	
		30.06.2021	31.12.2020	30.06.2021	31.12.2020
ASSETS					
Non-Current Assets					
Tangible owner-occupied assets	5.20	23,455	23,933	1,264	1,217
Right of use assets	5.21	122	85	1,340	1,361
Real Estate Investments	5.22	2,700	2,700	2,700	2,700
Intangible assets	5.20	6,440	6,765	3,802	3,917
Deferred tax	5.28	47	51	0	0
Participations & other long term receivables	5.23	6,103	5,966	51,045	63,488
Financial assets at fair value through other income	5.25	5,544	5,278	5,544	5,278
		44,411	**44,778**	**65,695**	**77,961**
Current Assets					
Trade receivables	5.24	4,192	4,112	2,201	1,995
Other receivables	5.24	4,985	5,244	1,991	2,062
Income tax receivable	5.35	516	1,515	199	229
Third party balances in Group bank accounts	5.27	277,585	224,557	2,939	3,219
Cash and cash equivalents	5.26	70,976	68,000	32,907	17,863
		358,254	**303,428**	**40,237**	**25,368**
Total Assets		**402,665**	**348,206**	**105,932**	**103,329**
EQUITY & LIABILITIES					
Equity & Reserves					
Share capital	5.30	25,346	29,571	25,346	29,571
Share premium	5.30	157	157	157	157
Reserves	5.30	55,006	55,113	47,209	47,489
Retained earnings	5.30	21,982	20,675	16,122	14,010
Total Equity		**102,491**	**105,516**	**88,834**	**91,227**
Non-current liabilities					
Grants and other long term liabilities	5.31	50	50	50	50
Contractual obligation	5.29	1,381	665	663	337
Deferred tax	5.28	2,053	2,119	557	236
Lease liabilities	5.21	91	55	1,268	1,282
Staff retirement obligation	5.32	2,185	2,357	1,391	1,490
Other provisions	5.32	60	60	0	0
		5,820	**5,306**	**3,929**	**3,395**
Current liabilities					
Trade and other payables	5.33	11,007	6,553	8,366	3,939
Contractual obligation	5.29	1,301	578	659	233
Taxes payable	5.34	3,790	4,734	535	462
Social Security		643	936	543	731
Lease liabilities	5.21	28	26	127	123
Third party balances in Group bank accounts	5.27	277,585	224,557	2,939	3,219
		294,354	**237,384**	**13,169**	**8,707**
Total Liabilities		**300,174**	**242,690**	**17,098**	**12,102**
Total Equity & Liabilities		**402,665**	**348,206**	**105,932**	**103,329**

Any differences between the amounts in the financial statements and the corresponding amounts in the notes are due to rounding.

The notes in chapter 5 form an integral part of the annual financial statements of 30.06.2021.

(Amounts in thousands euro, unless otherwise noted) 28

4.3. Interim Statement of Changes in Equity

4.3.1. Group

	Share Capital	Share Premium	Reserves	Retained Earnings	Total Equity
Balance 01.01.2020	**35,002**	**157**	**51,396**	**21,473**	**108,028**
Earnings for the period		0	0	2,273	2,273
Profits/(losses) from valuation of financial assets at fair value through other comprehensive income	0	0	366	0	366
Total comprehensive income after taxes	**0**	**0**	**366**	**2,273**	**2,639**
Earnings distribution to reserves	0	0	248	(248)	0
Share capital return	(5,431)	0	0	0	(5,431)
Dividends paid		0	0	(4,224)	(4,224)
Balance 30.06.2020	**29,571**	**157**	**52,010**	**19,272**	**101,010**
Earnings for the period		0	0	1,597	1,597
Actuarial profit/ (loss) from defined benefit pension plans	0	0	0	(195)	(195)
Profits/(losses) from valuation of financial assets at fair value through other comprehensive income	0	0	1,343	0	1,343
Total comprehensive income after taxes	**0**	**0**	**1,343**	**1,402**	**2,745**
Formation of real estate revaluation reserves	0	0	1,761	0	1,761
Balance 31.12.2020	**29,571**	**157**	**55,113**	**20,675**	**105,516**
Balance 01.01.2021	**29,571**	**157**	**55,113**	**20,675**	**105,516**
Earnings for the period	0	0	0	5,063	5,063
Earnings/(losses) from valuation of financial assets at fair value through other comprehensive income	0	0	598	0	598
Total comprehensive income after taxes	**0**	**0**	**598**	**5,063**	**5,661**
Earnings distribution to reserves	0	0	173	(173)	0
Stock sales reserve	0	0	(878)	643	(235)
Share capital return	(4,225)	0	0	0	(4,225)
Dividends paid	0	0	0	(4,224)	(4,224)
Balance 30.06.2021	**25,346**	**157**	**55,006**	**21,982**	**102,491**

Any differences between the amounts in the financial statements and the corresponding amounts in the notes are due to rounding.

The notes in chapter 5 form an integral part of the annual financial statements of 30.06.2021.

(Amounts in thousands euro, unless otherwise noted) 29

4.3.2. Company

	Share Capital	Share Premium	Reserves	Retained Earnings	Total Equity
Balance 01.01.2020	**35,002**	**157**	**46,014**	**9,328**	**90,501**
Earnings for the period		0	0	8,506	8,506
Profits/(losses) from valuation of financial assets available for sale		0	366	0	366
Total comprehensive income after taxes	**0**	**0**	**366**	**8,506**	**8,872**
Return of share capital	(5,431)	0	0	0	(5,431)
Dividends paid		0	0	(4,224)	(4,224)
Balance 30.06.2020	**29,571**	**157**	**46,378**	**13,610**	**89,716**
Earnings for the period		0	0	513	513
Actuarial profit/ (loss) from defined benefit pension plans		0	0	(115)	(115)
Profits/(losses) from valuation of financial assets at fair value through other comprehensive income		0	1,336	0	1,336
Total comprehensive income after taxes	**0**	**0**	**1,336**	**398**	**1,734**
Cancellation of stock options	0	0	(227)	0	(227)
Balance 31.12.2020	**29,571**	**157**	**47,489**	**14,010**	**91,227**
Balance 01.01.2021	**29,571**	**157**	**47,489**	**14,010**	**91,227**
Earnings for the period		0		5,692	5,692
Profits/(losses) from valuation of financial assets at fair value through other comprehensive income		0	598	0	598
Total comprehensive income after taxes	**0**	**0**	**598**	**5,692**	**6,290**
Stock sales reserve		0	(878)	643	(235)
Share capital return	(4,225)	0	0	0	(4,225)
Dividends paid		0	0	(4,224)	(4,224)
Balance 30.06.2021	**25,346**	**157**	**47,209**	**16,122**	**88,834**

Any differences between the amounts in the financial statements and the corresponding amounts in the notes are due to rounding.

The notes in chapter 5 form an integral part of the annual financial statements of 30.06.2021.

(Amounts in thousands euro, unless otherwise noted) 30

4.4. Interim Cash Flow Statement

	Notes	Group		Company	
		01.01-30.06.2021	01.01-30.06.2020	01.01-30.06.2021	01.01-30.06.2020
Cash flows from operating activities					
Earnings before tax		5,596	2,988	5,640	8,726
Plus / (minus) adjustments for					
Depreciation	5.20 & 5.21	2,163	2,139	946	1,024
Staff retirement obligations	5.32	(172)	24	(100)	14
Interest Income	5.26	(37)	(73)	(20)	(29)
Dividends received	5.25	(187)		(3,817)	(7,838)
Income from participations	5.38	(132)		(132)	
Interest and related expenses paid	5.26	45	82	32	31
Plus/ (minus) adjustments for changes in working capital accounts or concerning operating activities					
Reduction/(Increase) in receivables		179	67	(135)	316
(Reduction)/Increase in liabilities (except loans)		4,814	5,961	5,178	5,487
Total adjustments for changes in working capital		**12,269**	**11,188**	**7,592**	**7,731**
Interest and related expenses paid	5.26	(45)	(82)	(32)	(31)
Return of income tax prepayment	5.35	0	79	0	26
Net inflows / outflows from operating activities (a)		**12,224**	**11,185**	**7,560**	**7,726**
Cash flows from investing activities					
Purchases of tangible and intangible assets	5.20	(1,336)	(911)	(797)	(408)
Sale of financial assets at fair value through other income	5.25	499		499	
Interest received	5.26	37	73	20	29
Dividends received		0	0	3,630	7,838
Share capital return received from ATHEXClear	5.23	0	0	12,580	0
Total inflows / (outflows) from investing activities (b)		**(800)**	**(838)**	**15,932**	**7,459**
Cash flows from financing activities					
Share capital return	5.37	(4,224)	(5,431)	(4,224)	(5,431)
Dividend payments	5.37	(4,224)	(4,224)	(4,224)	(4,224)
Total outflows from financing activities (c)		**(8,448)**	**(9,655)**	**(8,448)**	**(9,655)**
Net increase/ (decrease) in cash and cash equivalents from the beginning of the period (a) + (b) + (c)		**2,976**	**692**	**15,044**	**5,530**
Cash and cash equivalents at start of period	**5.26**	**68,000**	**73,426**	**17,863**	**17,283**
Cash and cash equivalents at end of period	**5.26**	**70,976**	**74,118**	**32,907**	**22,813**

Any differences between the amounts in the financial statements and the corresponding amounts in the notes are due to rounding.

The notes in chapter 5 form an integral part of the annual financial statements of 30.06.2021.

(Amounts in thousands euro, unless otherwise noted) 31

5. NOTES TO THE 2021 INTERIM FINANCIAL STATEMENTS

5.1. General information about the Company and its subsidiaries

The Company “HELLENIC EXCHANGES-ATHENS STOCK EXCHANGE S.A. (ATHEX)” with the commercial name “ATHENS STOCK EXCHANGE” was founded in 2000 (Government Gazette 2424/31.3.2000) and has General Electronic Commercial Registry (GEMI) No 3719101000 (former Companies Register No 45688/06/B/00/30). Its head office is in the Municipality of Athens at 110 Athinon Ave, Postal Code 10442. The shares of the Company are listed in the Main Market segment of the Athens Exchange cash market.

The interim financial statements for 2021 of the Group and the Company have been approved by the Board of Directors on 26.07.2021. The interim financial statements of the parent company and the Group as well as of the subsidiaries have been published on the internet, at www.athexgroup.gr.

5.2. Basis of preparation of the company and consolidated financial statements for the 1st half of 2021

The company and consolidated financial statements for the 1st half of 2021 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB) and their interpretations as issued by the International Financial Reporting Interpretations Committee (IFRIC) of IASB and adopted by the European Union and are mandatory for fiscal years starting on 1.1.2021. There are no standards and interpretations of standards that have been applied before the date they go into effect.

The attached financial statements have been drafted on the basis of historical cost (except owner-occupied assets, investments in real estate and financial assets through other income, which are valued at fair value) and the principle of “going concern”.

The preparation of financial statements in accordance with the International Financial Reporting Standards requires that the Management of the Group make important assumptions and accounting estimates that affect the balances of the Asset and Liability accounts, the disclosure of contingent claims and liabilities on the preparation date of the Financial Statements, as well as the revenues and expenses presented in the fiscal year in question. Despite the fact that these estimates are based on the best possible knowledge of the management of the Company as regards the current conditions, actual results may differ from these estimates in the end.

Estimates and judgments are continuously evaluated, and are based on empirical data and other factors, including anticipation of future events that are to be expected under reasonable conditions.

Going concern

Management examines the main financial data and, on occasion, the fulfillment of medium term budgets, together with the existing loan conditions, if available, in order to arrive at the conclusion that the assumption of going concern is appropriate for use in preparing the annual financial statements of the Group and the Company.

The uncertainty that prevailed in the stock market for the past year since the start of the pandemic is expected to recede as the vaccination of the population intensifies. We believe that, starting in the second half of 2021, the situation will normalize and that there will be a gradual return to normality. The Group has created a strong crisis response mechanism, which ensures both seamless business continuity and systems security (including cyber security and data protection systems in a remote work environment).

Assessment of the impact of COVID-19 in the results of the Group

A. Revenue assumptions

A significant portion of the revenue of the Group is affected by trading activity, which in turn is affected by the prices of securities, trading velocity and the overall investment climate. However, the Group also has additional sources of revenue which have relatively less volatility, and as a result a drop in the Average Daily Traded Value (ADTV) affects total revenue, but to a lesser degree.

B. Expenses estimate

Due to the COVID-19 pandemic, the Group made extraordinary expenses for tests, antiseptic, masks etc., which were fully offset by the reduction in operating expenses, mainly from the reduction in business travel and remote work.

C. Overdue debts

The consistent monitoring of receivables with continuous communication, following the approved procedure for doubtful claims yields results with the continuous reduction of total overdue receivables. In the pessimistic scenario where we make a provision for all overdue receivables then the total impact on the results of the Group would not exceed €225 thousand on 30.06.2021. We note that for overdue receivables of more than 360 days, 100% provisions are taken.

D. Valuation of participations

Valuation of Boursa Kuwait participation

The shares of Boursa Kuwait began trading in the organized securities market in Kuwait began on 14.09.2020. On 30.06.2021 the valuation of the participation is €5.5m, a gain of €4.5m which is reflected in Other Comprehensive Income (OCI). The management of the Group therefore estimates that there will not be a significant impact in the short-term taking into consideration the subsequent increase in the share price.

E. Fair value of real estate

According to recent estimates by the Bank of Greece (BoG), real estate prices were expected to increase in 2021.

The lockdowns that took place, remote work as well as the continuing concern and uncertainty regarding the spread of COVID-19 have aggravated the climate and reversed the upward trend.

However, in accordance with the BoG the short and long term effects will depend based on the category, the position and the specific characteristics of the real estate properties.

In particular for commercial real estate (office space), which is of interest to the ATHEX Group, remote work may affect demand for office space. In any case, the Group intends to carry out an assessment of the commercial value of all the properties it owns at the end of the current year.

5.3. Basic Accounting Principles

The basic accounting principles adopted by the Group and the Company for the preparation of the attached financial statements are as follows.

5.3.1. Basis for consolidation

(a) Subsidiaries

The Consolidated Financial Statements include the Financial Statements of the Group and its subsidiaries. Subsidiaries are all companies (including special purpose vehicles) whose operation the Group controls. The Group controls a company when it is exposed to, or has rights to, various returns of the company due to its participation in it, and has the ability to affect these returns through its authority over the company.

Subsidiaries are fully consolidated from the date that control is transferred to the Group and cease being consolidated from the date that this control no longer exists.

The Group uses the acquisition method to account for business combinations. The acquisition price for a subsidiary is calculated as the total of the fair values of the assets transferred, liabilities assumed and participation titles issued by the Group. The consideration of the transaction also includes the fair value of the assets or liabilities that arise from a contingent consideration agreement.

In a business combination the costs related to the acquisition are expensed. The identifiable assets acquired, the liabilities and contingent liabilities are measured at fair value on the acquisition date. In case of a non-controlling participation, the Group either recognizes it at fair value, or at the equity share value of the company acquired.

If an acquisition takes place in stages, the book value of the assets of the company that is acquired and possessed by the Group on the acquisition date is revalued at fair value. The profit or loss from the revaluation at fair value is recognized in the Statement of Comprehensive Income.

Each contingent consideration provided by the Group is recognized at fair value on the acquisition date. Subsequent changes in the fair value of the contingent consideration, which is considered an asset or a liability, are recognized either in accordance with IAS 39, in the profit and loss statement, or as a change in other comprehensive income. The contingent consideration that is classified as an asset is not revalued and subsequent arrangements take place in equity.

Goodwill initially recognized in the acquisition cost is the excess amount from the total consideration that was paid and the amount recognized as a non-controlling participation, against the net assets that were acquired and the liabilities assumed. Provided that the fair value of assets is greater than the total consideration, the profit from the transaction is recognized in the Statement of Comprehensive Income.

Following the initial recognition, goodwill is measured at cost minus accumulated impairment losses. For the purposes of an impairment test, goodwill created from company acquisitions is distributed after the acquisition date to each cash generating unit of the Group that is expected to benefit from the acquisition, irrespective of whether the assets or liabilities of the acquired firm are transferred to that unit.

If goodwill is allocated to a cash generating unit and part of the activity of that unit is sold, goodwill associated with that part of the activity is included in the book value when determining profit and loss from the sale. In that case, goodwill sold is calculated based on the relative values of the activity sold and the part of the cash flow generating unit that is maintained.

Any losses are distributed to non-controlling participations, even if the balance becomes negative.

In the Statement of Financial Position of the Company, investments in subsidiaries are shown at the acquisition value minus any impairment losses. The acquisition value is adjusted in order to incorporate the changes in the consideration from the changes in the contingent consideration.

The financial statements of the subsidiaries are prepared on the same date and use the same accounting principles as the parent Company. Intra-group transactions, balance and accrued profits/ losses in transactions between the companies of the Group are eliminated.

(b) Changes in the participation in subsidiaries without change in control

Transactions with non-controlling participations that result in control of a subsidiary by the Group being maintained are considered equity transactions, i.e. transactions between owners. The difference between the fair value of the consideration paid and the part of the book value of the net assets of the subsidiary company that has been acquired is also recognized in equity.

(c) Sale of subsidiaries

When the Group ceases to have control, any remaining participation is revalued at fair value, while any differences that arise compared to the book value are recorded in the results. Then the asset is recognized as an associate company, joint venture or financial asset at that fair value.

In addition, relevant amounts previously recognized in other comprehensive income concerning that company, are accounted using the same method that the Group would have used in case the assets or liabilities had been liquidated, i.e. they may be transferred to the results.

(d) Participation in affiliated companies

Affiliates are the companies in which the Group exercises material influence under the provisions of IAS 28 but does not exercise control. In general, material influence arises when the Group holds between 20% and 50% of the voting rights. The existence and influence of potential voting rights that are directly exercisable or convertible is taken into consideration in the assessment of the exercise of material influence by the Group.

Investments in affiliated companies are valued using the equity method. Investments in affiliated companies are initially recorded in the Statement of Financial Position at cost, which is increased or decreased by the proportion of the Group in the results of the affiliated company after the acquisition date. The Group checks on each reporting date, whether there is an indication that an investment in an affiliate is impaired. If there is such an indication, an impairment test is performed, comparing the recoverable amount of the investment with the book value of the investment. If the book value of the investment exceeds its recoverable value, the book value is reduced to the recoverable value.

Impairment losses recognized in previous fiscal years, may be reversed only if there is a change in the assumptions used to determine the recoverable amount of the investment, since the last time that an impairment loss was recognized. In that case, the book value of the investment is increased to the recoverable amount and the increase is a reversal of the impairment loss.

The share of the Group in the results of the affiliated company is recognized in the consolidated Statement of Comprehensive Income and the share in the reserves is recognized in the reserves of the Group. The accumulated changes in the reserves / results adjust the book value of the investment in the affiliated company. When the share of the Group in the losses of an affiliated company is equal to, or exceeds the participation amount in it, the Group does not recognize any further losses, unless it has incurred obligations, or made payments on behalf of the affiliated company.

Significant gains and losses from transactions between the affiliated company and the Group are eliminated by the percentage held by the Group in it.

Gains or losses from the sale of stakes in affiliated companies are recognized in the Consolidated Profit & Loss Statement. If there is a loss of substantial influence in an affiliated company, the Group measures at fair value any remaining investment in the affiliated company. The difference between the book value of the investment and the fair value on the date the substantial influence was lost is recognized in the results. The fair value of the company that ceases being affiliated, is considered to be the fair value that was determined when the investment was recognized as a financial asset.

5.3.2. Conversion of foreign currencies

Functional and presentation currency

The data in the Financial Statements of the companies of the Group are measured in the currency of the financial environment in which each company functions (functional currency). The consolidated interim Financial Statements are presented in euro, the functional currency of the parent company.

Transactions and balances

Transactions in foreign currency are converted to the functional currency using the exchange rates in effect on the date of the transactions. Profits and losses that arise from the settlement of transactions in foreign currency, as well as from the valuation, at the end of the fiscal year, of the currency assets and liabilities that are expressed in foreign currency, are booked in the Statement of Comprehensive Income. Foreign exchange differences from non-currency assets that are valued at fair value are considered part of the fair value and are therefore booked just like differences in fair value.

5.3.3. Tangible assets

Investments in real estate

Investments in real estate are those assets which are owned either for rental income or for capital gains or both. Plots of land and buildings are the only investments considered investments in real estate.

Investments in real estate are initially measured at cost. Initial cost includes transaction expenses: professional and legal expenses, transfer taxes and other direct costs.

Following the initial measurement, investments in real estate are measured at cost minus accumulated depreciation and any impairments in value. In 2020, the Company and the Group chose to change the measurement base for Investments in real estate from cost base to fair value.

Management considers that this change in the accounting policy provides more reliable and relevant information, for the better and more uniform presentation of its investment properties, in accordance with the current market conditions.

Profits or losses that arise from a change in the fair value of an investment in real estate will be included in the net profits or losses in the period in which they arise.

Transfers to investments in real estate only take place when the purpose of their use changes, as demonstrated with the end of their use, the start of a long term financial lease to third parties or the completion of their construction or development. Transfers from investments in real estate only take place when there is a change in use, as demonstrated by the start of their use by the Group or the start of development with the intent to sell.

For a transfer from investments in real estate that is presented at fair value to owner-occupied property, the cost of the property for subsequent accounting treatment (in accordance with IAS 16), is the acquisition cost minus accumulated depreciation.

Tangible owner-occupied assets

Real estate (plots of land – buildings) belonging to fixed assets are recorded at their adjusted values, during the first application of IFRS, and subsequently at fair value which is based on estimates made by independent estimators, less future building depreciation. Estimations are made regularly in order for the fair value of the adjusted asset not to differ significantly from its accounting value.

Other tangible owner-occupied assets used are recorded in the financial statements at acquisition cost minus accumulated depreciation and any value impairment provisions. The acquisition cost includes all the direct expenses for the acquisition of the assets.

Later expenses are recognized as an increase in the book value of the tangible fixed assets or as a separate asset only if it is probable that future financial benefits will flow to the Group, and the cost can be reliably measured.

The cost of repairs and maintenance is recognized in the Statement of Comprehensive Income when incurred.

Depreciation of other tangible assets (except plots of land which are not depreciated) is calculated using the straight line method during their useful life.

The useful lives of tangible assets are shown below:

	Useful life after 1.1.2014
Buildings and construction	25 years ή 4%
Machinery	5 years ή 20%
Means of transportation	6.25 years ή 16%
Other equipment	5-10 years ή 20-10%

(Amounts in thousands euro, unless otherwise noted) 37

The useful life of tangible assets and their salvage values are revised annually. When the book value of the fixed assets exceeds their recoverable value, the difference (impairment) is recognized as an expense in the Statement of Comprehensive Income.

When tangible assets are retired or sold, the associated cost and the accumulated depreciation are eliminated from the relevant accounts at the time the asset is retired or sold, and the associated profits or losses are recognized in the Statement of Comprehensive Income.

5.3.4. Intangible assets

Intangible assets include software licenses and software development expenses, which are valued at the acquisition cost minus accumulated depreciation and any impairment. Depreciation is calculated using the straight line method during the useful life of these assets, which is budgeted at 5 years.

It is noted that the depreciation rate applied by the Group for development expenses – upgrade of its core systems is 20% for expenses capitalized starting on 1.1.2020 (note 5.20).

5.3.5. Impairment of non-financial assets

The Company and the Group examine at each date of the financial statements, whether there are impairment indications for non-financial assets. The book values of assets are revised for any impairment, whenever events or changed circumstances indicate that the book value may not be recoverable. When the book value of an asset exceeds its recoverable value, an impairment loss is recognized in the Statement of Comprehensive Income. The recoverable amount is calculated as the greater of the fair value less sale expenses and value-in-use.

The fair value less sale expenses is the amount that results from the sale of an asset in an independent transaction between informed and willing parties, after subtracting all direct additional sale expenses, while the value-in-use is the present value of the estimated future cash flows that are expected to occur from the continuous use of the asset and its disposal at the end of its useful life. In order to evaluate the impairment, assets are grouped at the lowest level for which there are discrete recognizable cash flows.

5.3.6. Financial instruments

A financial instrument is any contract that simultaneously creates a financial asset for one financial entity and a financial liability or participatory title for another financial entity.

Initial recognition and subsequent measurement of financial assets

Starting on 1 January 2018, financial assets are classified, when initially recognized, and subsequently measured at amortized cost, at fair value through other comprehensive income or at fair value through results. The classification of financial assets when initially recognized is based on the contractual cash flows of the financial assets and the business model within which the financial asset is kept.

Excluding client claims, the Group initially values a financial asset at fair value plus transaction costs, in case of a financial asset that is not valued at fair value through results. Client claims are initially valued at transaction cost as specified by IFRS 15.

In order to classify and value a financial asset (excluding equity securities) at amortized cost or at fair value through other comprehensive income, cash flows that constitute "exclusively principal and interest payments" on the outstanding balance of capital. This assessment is known as SPPI ("Solely Payments of Principal and Interest") criterion and is made at the level of the individual financial instrument.

Following initial recognition, financial assets are classified in three categories:

- At amortized cost
- At fair value through other comprehensive income
- At fair value through results

The Group and the Company do not possess assets that are valued at fair value through results on 30 June 2021.

Financial assets at amortized cost

Financial assets recorded at amortized cost are later valued based on the Effective Interest Rate (EIR) method and are subject to an impairment test of their value. Profits and losses are recognized in the results when the asset ceases to be recognized, modified or impaired.

Financial assets classified at fair value through comprehensive income

At initial recognition, the Group can choose to irrevocably classify equity investments as equity investments at fair value through comprehensive income when they fulfil the definition of equity position in accordance with IAS 32 Financial instruments: Presentation, and are not held for trading. Classification takes place for each financial instrument individually.

Profits and losses from these financial assets are never recycled in profits or losses. Dividends are recognized as other revenue in the profit and loss statement when the right to payment has been established, unless the Group benefits from that revenue to recuperate part of the cost of the financial asset, in which case this income is recognized in the statement of comprehensive income. Equity instruments identified at fair value through comprehensive income are not subject to an impairment test.

The Group chose to classify the listed company shares in its possession in this category. In addition, the participation in Boursa Kuwait is classified in this category.

Impairment of financial assets

The Group and the Company evaluate at each financial statement reporting date information concerning whether the value of a financial asset or a group of financial assets has been impaired as follows:

For client claims and contractual assets, the Group and the Company apply the simplified approach to calculate expected credit losses. Therefore, on each reporting date, the Group and the Company measure the loss provision for a financial asset in an amount equal to the expected credit losses for the life of the asset. See Credit Risk in note 5.4.

Derecognition of financial assets

A financial asset (or part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to the inflow of cash resources have expired
- The Group or the Company retains the right to the inflow of cash flows from the financial asset, but has also assumed the obligation to pay them to third parties in full, without substantial delay, in the form of a transfer agreement, or
- The Group or the Company has transferred the right to the inflow of cash flows from the asset and at the same time has either (a) essentially transferred all risks and benefits from it, or (b) has not essentially transferred all risks and benefits, but has transferred control of the asset.

When the Group or the Company transfers the cash inflow rights from an asset or concludes a transfer contract, it assesses the extent to which it retains the risks and benefits of ownership of the asset. When the Group neither transfers nor substantially retains all risks and benefits of the asset being transferred and retains control of the asset, then the asset is recognized to the extent that there is continuous participation of the Group in that asset. In that case, the Group also recognizes a related obligation. The transferred asset and the related liability are measured on a basis that reflects the rights and commitments that the Group or the Company have retained.

Initial recognition and subsequent measurement of financial obligations

All financial liabilities are initially valued at fair value less transaction costs in the case of loans and payables.

Derecognition of financial obligations

A financial obligation is deleted when the commitment resulting from the obligation is cancelled or expires. When an existing financial obligation is replaced by another one by the same creditor but with substantially different conditions, or the conditions of an existing obligation are substantially altered, this exchange or amendment is treated as a derecognition of the original obligation and a recognition of a new obligation. The difference in the corresponding accounting values is recognized in the income statement.

Offsetting financial claims and obligations

Financial claims and liabilities are offset and the net amount is shown in the statement of financial position only when the Group or the Company has a legal right to do so and intends to offset them on a net basis between them or claim the asset and settle the obligation at the same time. The legal right must not depend on future events and must be able to be enforced in the normal course of the work even in the event of default, insolvency or bankruptcy of the company or counterparty.

5.3.7. Other long term claims

Other long term claims may include rent guarantees, guarantees to utilities (OTE, PPC etc.) and other long term duration amounts. Other long term claims are valued at book value using the real interest rate method.

5.3.8. Clients and other trade receivables

Client receivables are initially recognized at fair value, and subsequently valued at amortized cost using the real interest rate, less any impairment losses. On each financial reporting date, all past due or doubtful debts are evaluated in order to determine whether or not a provision for doubtful debts is required. The balance of the particular provision for doubtful debts is appropriately adjusted on each closing date of the financial statements in order to reflect the possible risks.

It is the policy of the Group almost never to write-off any such claims until all possible legal recourse for their collection has been exhausted. Commercial and other short term client claims and debtors are usually settled by the Group and the Company within 60 days, while if they become past due, no late payment fees are charged to clients.

5.3.9. Cash and cash equivalents

Cash and cash equivalents include cash at hand, sight deposits and short term (up to 3 months) investments, having high liquidity and low risk.

For the purposes of preparing the Statement of Cash Flows, cash assets consist of cash and bank deposits, as well as cash equivalents as described above.

5.3.10. Third party balances in ATHEXClear bank accounts

In order to comply with the corporate governance framework defined by Regulation (EU) 648/2012 of the European Parliament and Council (EMIR Regulation), the Company keeps all cash collateral that are being managed by the Company and concern the cash market and the derivatives market, as well as its own cash balances, in an account that it maintains at the Bank of Greece as a direct participant over the internet to the TARGET2-GR Express Transfer of Capital and Settlement System in real time (TARGET2-GR).

Therefore, its own cash balance and the balances of third parties (margins) are deposited in the same account that ATHEXClear maintains at the Bank of Greece, and as a result a separation of the assets is necessary in order for the collateral that ATHEXClear collects to be shown separately in the current assets of 30.06.2021 and 31.12.2020. In the Statement of Financial Position of 30.06.2021 and 31.12.2020, they are reported as equal amounts in both current assets and short term liabilities as “third party balances at the bank account of the company” and concern exclusively the margins in the derivatives market that were deposited in the bank account maintained by ATHEXClear at the BoG on 30.06.2021 and 31.12.2020 respectively.

5.3.11. Share Capital

Share capital includes the common stock of the Company that has been issued and is in circulation.

Treasury stock are the EXAE shares that are purchased, through the Exchange, by the Company or a subsidiary of the Group, following the decision of the Annual General Meeting of shareholders. The acquisition cost as well as the acquisition expenses of treasury stock are, in accordance with IFRS, shown in equity as reducing the share capital.

The acquisition cost of treasury stock is shown as reducing the equity of the Company, until the treasury stock is sold or cancelled.

5.3.12. Current and deferred income tax

Current and deferred tax is calculated based on the Financial Statements in accordance with the tax laws in effect in Greece. Income tax is calculated based on the profits of each company as restated in their tax declarations, additional income tax that is assessed by the tax audits of the tax authorities, and from deferred income taxes based on the statutory tax rates.

Deferred income tax is determined using the liability method and arises from the temporary differences between the book value and the tax basis of the assets and liabilities.

Deferred tax is not recognized when it arises at the initial recognition of an asset or a liability from a transaction that is not a business combination and at the time of the transaction it affects neither the accounting nor the taxable result (profit / loss).

Deferred tax is determined using the tax rates (and tax laws) that have been implemented or effectively implemented until the date of the Financial Statements and are expected to be implemented when the asset in question is recovered or the liability settled.

Deferred tax claims are recognized to the extent that there will be a future tax gain for the offset of the temporary difference that creates the deferred tax claim.

Deferred income tax is determined on the temporary differences that arise from investments in subsidiaries and affiliated companies, with the exception of the case when reversal of the temporary differences is controlled by the Group and it is likely that the temporary differences will not be reversed in the foreseeable future.

Deferred tax claims and liabilities are offset when there is a legally enforceable right to offset current tax claims and liabilities, and when the deferred tax claims and liabilities concern income tax that is imposed by the same tax authority either to the same taxable entity or to different taxable entities when there is the intention to settle the balances on a net basis.

The tax rate of 22% was used in the interim financial statements for the first half of 2021, while for fiscal year 2020 the tax rate of 24% was used.

5.3.13. Employee benefits

Current benefits

Current benefits to employees in cash and in kind are recognized as an expense when they accrue.

Staff retirement obligations

Staff retirement obligations include both defined contributions plans as well as defined benefits plans.

Defined contribution plan

Under the defined contributions plan, the obligation of the company (legal) is limited to the amount agreed to be contributed to the organization (social security fund) which manages the contributions and grants the benefits (pensions, health care etc.).

The accrued cost of the defined contributions schemes is recognized as an expense in the corresponding period.

Defined benefits plan

The defined benefits plan of the Group concerns its legal obligation to pay a lump sum indemnity to each employee upon retirement.

The liability recognized in the Statement of Financial Position for this plan is the present value of the obligation for the defined benefit depending on the accrued right of the employees and in relation to the specific point of time that this benefit is expected to be paid.

The present value of the defined benefit liability is calculated by discounting the future cash outflows with a discount rate equal to the interest rate of long-term, high credit rating corporate bonds that have a duration approximately equal to the pension plan.

The actuarial profits or losses that arise from the adjustments based on historical data are directly recognized in Other Comprehensive Income (note 5.15).

5.3.14. Government grants

Government grants related to the subsidy of tangible assets are recognized when there is reasonable assurance that the grant will be collected and that the Company will comply with the terms and conditions that have been set for payment. When government grants are related to an asset, the fair value is recorded in long term liabilities as deferred revenue and is transferred to the Statement of Comprehensive Income in equal annual installments based on the expected useful life of the relevant asset that was subsidized. When the grant is related to an expense, it is recognized as revenue in the fiscal year required in order for the grant to correspond on a systematic basis to the expenses it is intended to compensate. Grant depreciation is recorded in “Other Revenue” in the Statement of Comprehensive Income.

5.3.15. Provisions and contingent liabilities

Provisions are recognized when:

- the Company has a current commitment (legal or inferred) as a result of a past event;
- it is likely that an outflow of resources incorporating financial benefits will be required to settle the commitment and it is possible to reliably estimate the amount of the commitment.

Provisions are re-examined on the preparation date of the financial statements and are adjusted so as to reflect the best possible estimates.

If the effect of the time value of money is significant, provisions are recognized on a discounted basis by using an interest rate before taxes that reflects current market estimates about the time value of money and the risks associated with the liability. When provisions are discounted, the increase in the provision due to the passage of time is recognized as a borrowing cost.

Contingent liabilities are not recognized in the financial statements, but are published, unless the possibility of an outflow of resources which incorporate financial benefits is minimal. Contingent claims are not recognized in the financial statements, but are published provided the inflow of economic benefit is likely (note 5.40).

5.3.16. Revenue Recognition

Revenue includes the fair value of the transactions, net of any taxes recovered, rebates and returns. Intragroup revenue within the Group is eliminated in full. Revenue is recognized to the extent that it is possible that the economic benefits will flow to the Group and the relevant amounts can be reliably measured.

The Group and the Company recognize revenue, excluding interest income, dividends and any other source derived from financial instruments (which are recognized based on IFRS 9), to the extent that they reflect the consideration which the Company is entitled to from the transfer of the goods and services on the basis of a five-step approach:

- Recognition of client contracts
- Recognition of the terms of the contracts
- Determination of the price of the transaction
- Allocation of the price of the transaction according to the terms of the contracts
- Revenue recognition when the Company fulfills the terms of the contracts

Clients are invoiced based on the agreed-upon payment timeframe and the consideration is paid when invoiced. When the invoice time differs from the fulfilment time of the obligation, the Group recognizes contractual assets and contractual obligations (see notes 5.11, 5.12 & 5.29).

The following specific recognition criteria must also be satisfied when revenue is recognized:

Revenue from shares, bonds, ETFs (Trading, Clearing & Settlement)

Concerns Member subscriptions based on trades in the cash market.

Revenue from stock, bond etc. trading is recognized at the time the transaction is concluded and clearing and settlement take place at the Exchange.

Collection for trading in the cash market takes place on the day following trade settlement or the third working day of the following month, provided the Member submits such a request.

Revenue from derivative products

Concerns Member subscriptions based on trades in the derivatives market.

Revenue from the derivatives market is recognized at the time the transaction is cleared at Athens Exchange through ATHEXClear, the transactions clearing entity.

Collection for trading in the derivatives market takes place on the day following settlement.

Revenue from Members (fees)

Concerns Member subscriptions and IT services to Members.

Revenue is recognized when the Members are invoiced at the end of each month or quarter in question.

Revenue from listed companies

Revenue concerning subscriptions, one-off fees, company listings, rights issues, and HERMES System services. In addition, subscriptions are included which are recognized as revenue at the beginning of each quarter.

As part of IFRS 15, revenue from new listings at ATHEX, as well as rights are recognized and allocated to the duration that the company remains listed at ATHEX, during which the service is expected to be provided. As such, a “Contractual Obligation” is recognized for future fiscal years in the Statement of Financial Position.

Revenue from market data vendors

Revenue from this source is recognized at the time of invoicing, together with the completion of the provision of that service.

IT services

Revenue from IT services is recognized at the time the service provided is completed. IT services concern the Exchange trading network and DSS terminal licenses.

Other services

Revenue from other services concern education, rents and the provision of support services, and, depending on its nature, is recognized at the time the service provided is completed or the time the service is provided.

Interest income

Interest income is recognized on an accrual basis and with the use of the real interest rate. When there is an impairment indication about claims, their book value is reduced to their recoverable amount, which is the present value of the expected future cash flows, discounted by the initial real interest rate. Next, interest is assessed at the same interest rate on the impaired (new book) value.

Dividends

Dividend income is recognized when the right to collect by the shareholders is finalized, i.e. when approved by the General Meeting.

5.3.17. Commercial and other liabilities

Supplier balances and other liabilities are recognized at the cost associated with the fair value of the future payment for the purchase of services provided. Commercial and other short term liabilities are not interest bearing and are usually settled within 60 days by the Group and the Company.

5.3.18. Expenses

Expenses are recognized in the Statement of Comprehensive Income (“Income Statement”) on an accrued basis.

Dividend distribution

The distribution of dividends to shareholders is recognized directly to equity, net of any relevant income tax benefit (until the approval of the financial statements), and is recorded as a liability in the financial statements when distribution is approved by the General Meeting of shareholders.

5.3.19. Profits / (losses) per share

Basic profits / (losses) per share are calculated by dividing the net profits / (losses) that correspond to the shareholders of the parent company by the average weighted number of shares that are in circulation during each year, excluding the average of the common stock that was acquired by the Group as treasury stock.

Adjusted profits / (losses) per share are calculated by dividing the net profit that is distributed to Parent company shareholders (after it is adjusted for the effects of all potential shares that dilute participation) by the weighted average number of shares in circulation during the year (adjusted for the effect of all potential shares that dilute participation), excluding the average of the common stock that was acquired by the Group as treasury stock.

5.3.20. Research and development

Expenditures for research activities that take place with the intent that the Group acquire new technical knowledge and expertise are recognized in the Statement of Comprehensive Income as an expense when they occur. Development activities presuppose the drafting of a study or a plan for the production of new or significantly improved products, services and IT systems. Development costs are capitalized only when the cost of development can be reliably measured, the product or the process is productive, feasible technically and commercially, future financial benefits are expected, and the Group has the intention, having at the same time sufficient means at its disposal, to complete the development and use or sell the asset.

The capitalization of expenditures includes the cost of direct expenses and direct work. Other development costs are recognized in the Statement of Comprehensive Income as an expense when they occur.

Development costs that have been capitalized are valued at the acquisition cost less accumulated depreciation and accumulated impairment losses. On 30.06.2021 there were no impairment indications.

Subsequent expenditures are capitalized only when they increase the expected future economic benefits that are incorporated in the specific asset to which they refer. All other expenditures, including expenditures for internally created surplus value and trademarks, are entered in the Statement of Comprehensive Income.

Depreciation is recognized in the Statement of Comprehensive Income using the straight line method for the duration of the useful life of the intangible assets, starting on the date they are available for use. The useful life for the current and the comparative period in the capitalization of development costs is 10 years until 31.12.2017, while for capitalized development costs starting on 1.1.2018 a 5-year period is used.

The profit or loss that arises from derecognizing an intangible asset is determined as the difference between the net disposal proceeds, if they exist, and the book value of the asset. This profit or loss is recognized in the Statement of Comprehensive Income when the asset is derecognized.

5.3.21. Leases

The determination of whether an arrangement contains a lease or not is based on the substance of the transaction on the date the relevant contract is concluded, namely on whether fulfilment of the arrangement depends on the use of one or more assets or whether the arrangement assigns the right to use the asset. Starting on 1.1.2019 the new IFRS 16 “Leases” is applied.

The Group as lessee

In accordance with the new IFRS 16, the leases of the Group starting on 1.1.2019 are treated using the modified retrospective approach.

When adopting IFRS 16, the Group applied a unified accounting framework for all leases in which it is the lessee. The leases of the Group concern automobiles, while those of the Company concern automobiles and office rental from a subsidiary.

The Group recognized asset rights-of-use and liabilities for these lease payments that were previously classified as operating, except for leases of low value.

The Group used the modified retrospective approach. Under this approach, the lease liability is recognized as the present value of the remaining lease payments, discounted using the incremental borrowing rate on the date of initial application. The asset right-of-use is recognized by an amount equal to the lease liability.

The Group has implemented the following facilitation practices:

- A single discount rate for leases with similar characteristics was used
- Leases with a residual duration of 12 months or less were excluded
- The initial direct costs of the contracts were excluded
- The incremental borrowing rate used was 4%.

The Company had to estimate the duration of the property lease from a subsidiary, taking into account all the significant financial incentives it has to remain in the contract after the original period. Factors taken into consideration were the strategic importance of the property and, above all, the amount of investment needed to find a suitable building that meets the security requirements required for the operation of the Group.

The Group as lessor

The new standard for the most part retained the requirements for lessors as they were under IAS 17. Therefore, the standard had no effect on the contracts to which the Group is a lessor.

Cases of leasing assets to third parties where the Group does not transfer all the risks and rewards of owning an asset are treated as operating, and the lease payments are recognized as revenue in the Statement of Comprehensive Income on a consistent basis over the term of the lease.

The initial direct costs incurred by the lessors in negotiating an operating lease are added to the carrying amount of the leased asset and recognized during the lease on the same basis as the lease revenue.

The Company and the Group lease office space and automobiles. These leases are treated as operating leases.

Asset right-of-use

The Group recognizes right-of-use assets at the start of the lease (the date when the asset is available for use). The asset rights-of-use are measured at cost, reduced by accumulated depreciation and value impairment adjusted during the measurement of the corresponding lease obligations.

The cost of the asset right-of-use consists of the amount of initial measurement of the lease liability, any lease payments on the start date of the lease period or earlier, any initial direct costs incurred by the lessee and the costs incurred by the lessee in order to disassemble and remove the underlying asset at the termination of the lease, if there is such an obligation.

The asset rights-of-use are depreciated using the straight line method at the earlier between the useful life of the asset and the duration of the lease. When in estimating the present value it is assumed that any option to purchase the underlying asset will be exercised, then the asset right-of-use is depreciated during its useful life.

The right-of-use assets are subject to an impairment check.

Lease liabilities

At the start of the lease the Company recognizes lease liabilities equal to the present value of the lease payments for the duration of the lease contract. The leases include:

- Fixed leases (including substantially fixed payments)
- Variables leases which depend on an index or interest rate
- The amounts expected to be paid by the Group based on guaranteed residual values
- The exercise price on a call option, if it is almost certain the Group will exercise this right, and
- termination penalty for early termination of the lease, if the duration of the lease reflects the exercise of the right by the Group to terminate the lease.

In order to estimate the present value of the payments, the Company uses the incremental borrowing rate on the start day of the lease, if the real interest rate is not directly determined by the lease contract. Following the start of the lease, the amount of the lease liabilities is increased by the interest expense and reduced by the lease payments that take place.

5.3.22. Determination of fair value

The fair value of a financial asset is the price that someone would obtain from the sale of an asset, or someone would pay for transferring the obligation in a real transaction between market participants on the measurement date. The fair value of financial assets in the financial statements on 30 June 2021 was determined using the best possible estimates by management. When there is no data available, or data from active markets is limited, the fair value valuations are derived from management estimates in accordance with available information.

The Group makes the required disclosures concerning fair value measurement through a three-tier hierarchy:

Tier 1: Traded (non-adjusted) prices in active markets for similar assets or liabilities,

Tier 2: Other techniques for which all inflows that have a significant impact in recorded at fair value are observable, either directly or indirectly,

Tier 3: Techniques that use data that have a significant impact on the recorded fair value and are not based on observable market data.

The following tables present the financial assets that are measured at fair value, classified by fair value tier.

The financial assets that are measured at fair value on 30 June 2021 are as follows:

	Tier 1	Tier 2	Tier 3
Asset items			
Owner occupied tangible assets (Plots of land – buildings)			21,127
Investments in real estate			2,700
Financial assets at fair value through other income	5,544		

The financial assets that are measured at fair value on 31 December 2020 are as follows:

	Tier 1	Tier 2	Tier 3
Asset items			
Owner occupied tangible assets (Plots of land – buildings)			21,783
Investments in real estate			2,700
Financial assets at fair value through other income	5,278		

As mentioned in note 5.20, the Group on 31.12.2020 performed an independent assessment of the properties by independent, recognized assessors.

During the fiscal year there were no transfers between tiers 1 and 2, nor transfers into and out of tier 3 when measuring fair value. In addition, during the same period there was no change in the purpose of any financial asset that would lead to a different classification of that asset.

The amounts shown in the Statement of Financial Position, cash & cash equivalents, claims and short-term liabilities approach their corresponding fair values due to their short term maturity. As a result, there are no differences between fair values and the corresponding book values of financial assets and liabilities. The Company does not use financial derivative products.

5.3.23. Significant estimates and judgement

The sectors that require a higher degree of judgment and where the assumptions and estimations are significant for the Financial Statements are noted below:

Income tax

Current tax obligations, both for the current as well as for previous fiscal years, are calculated based on the amounts that are expected to be paid to the tax authorities, using the tax rates that have been legislated up until the date of the Statement of Financial Position. Income tax in the income statement includes the tax for the current year, as expected to be declared in the income tax declaration, as well as estimated additional taxes that may be imposed by the tax authorities during the auditing of the unaudited fiscal years. These assumptions take into consideration past experience and an analysis of current facts and circumstances. As such, the final income tax settlement may deviate from the income tax booked in the financial statements.

If the final tax is different than the amount initially recognized, the difference will affect the income tax in the fiscal year the determination of the tax differences takes place (note 5.35).

Provisions for doubtful claims

Management applies the simplified approach of IFRS 9 to estimate expected credit losses, in accordance with which, an impairment loss provision is estimated based on expected credit losses for the duration of the client claims (note 5.24).

The Group and the Company have formed a provision for doubtful claims in order to adequately cover the loss that may be reliably measured and arises from these claims.

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Because of the large number of clients, it is not practical to consider the collection of each account separately, and as such, on each financial reporting date, all claims are estimated on the basis of historical trends, as well as estimates on current and future market conditions (note 5.24).

Useful lives of tangible and intangible assets - Valuation

Management makes certain estimates concerning the useful life of depreciable assets. These remaining useful lives are periodically reexamined in order to estimate whether they continue to be appropriate. In addition, management evaluates market conditions in the real estate market and makes estimates regarding their valuation (notes 5.20 & 5.22).

Defined benefits plans

The cost of the benefits for defined benefits plans is calculated using actuarial estimates, which in turn use assumptions about the discount rates, the rate of salary increases, and mortality rates. Due to the long term nature of these plans, these assumptions are subject to significant uncertainty, and are reevaluated on each reporting date.

Management strives to estimate in the best possible manner these parameters on each reporting date when this provision is revised (note 5.15).

Impairment check for participations

The Company carries out an impairment check of its participations when there are impairment indications. In order to perform an impairment check a determination of the value-in-use of the subsidiaries takes place. The determination of the value in-use requires that the future cash flows of each subsidiary be estimated and the appropriate discount rate chosen, based on which the present value of the above future flows is determined (note 5.23).

Deferred tax claims

Deferred tax claims are recognized for all deductible temporary differences and tax losses carried forward to the extent that it is probable that taxable profits will be available in the future to be used against those deductible temporary differences and tax losses carried forward. Important estimates by management are required in order to ascertain the size of the deferred tax claim that may be recognized, based on the possible time and size of future taxable profits in conjunction with the tax planning of the entity (note 5.28).

Contingent liabilities

The existence of contingent liabilities requires that management constantly make assumptions and value judgments regarding the possibility that future events may or may not occur, as well as the effect that these events could have on the activity of the Group (note 5.40).

Based on historical data, the analysis of the average duration that a company remains listed on the exchange compared to all listed companies, as well as its experience, the management of the Group determines the estimated average duration of a listing on the exchange, during which it will continue to provide its services. Obviously, this assessment contains an element of uncertainty in relation with the length of the listing, as it takes into consideration factors which cannot be affected by the Group. The assessment of the length of time that the services will be provided by the Athens Exchange is regularly adjusted, in order to be as close to reality as possible.

Capitalization of development expenses

Development costs are capitalized only when the cost of development can be reliably measured, the product or the process is productive, feasible technically and commercially, future financial benefits are expected, and the Group has the intention, having at the same time sufficient means at its disposal, to complete development and use or sell the asset.

The capitalization of expenses includes strictly the cost of direct expenses, direct work and the appropriate share of general expenses. Development costs that have been capitalized are valued at the acquisition cost minus accumulated depreciation and accumulated impairment losses. Later expenses are capitalized only when they increase the expected future economic benefits that are incorporated in the specific asset to which they refer. They are depreciated in 5 years (20%).

Revenue from new listings and changes in share capital

In the context of IFRS 15, revenue from new listing at ATHEX as well as other corporate actions, is recognized based on estimates, which are based on an analysis of historical data concerning the time companies remain listed on ATHEX. This estimate has a degree of uncertainty as to the accuracy of calculating the length of time companies remain listed at ATHEX and depends on factors which are not under the control of the Company. Management re-estimates the expected length of time companies remain listed at ATHEX on each reporting date, in order to reflect the best estimate.

5.3.24. New standards, amended standards and interpretations

New standards, amendments to standards and interpretations: Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after 1 January 2021. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions'

The amendment provides lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for rent concessions in the same way as they would for changes which are not considered lease modifications.

IFRS 4 (Amendment) 'Extension of the Temporary Exemption from Applying IFRS 9'

The amendment changes the fixed expiry date for the temporary exemption in IFRS 4 'Insurance Contracts' from applying IFRS 9 'Financial Instruments', so that entities would be required to apply IFRS 9 for annual periods beginning on or after 1 January 2023.

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments) 'Interest rate benchmark reform – Phase 2'

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 the change in its hedging relationships and the information it should disclose.

Standards and Interpretations effective for subsequent periods

IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions' (effective for annual periods beginning on or after 1 April 2021)

The amendment extends the application period of the practical expedient in relation to rent concessions by one year to cover rental concessions that reduce leases due only on or before 30 June 2022.

IFRS 17 'Insurance contracts' and Amendments to IFRS 17 (effective for annual periods beginning on or after 1 January 2023)

IFRS 17 has been issued in May 2017 and, along with the Amendments to IFRS 17 issued in June 2020, supersedes IFRS 4. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard and its objective is to ensure that an entity provides relevant information that faithfully represents those contracts. The new standard solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Insurance obligations will be accounted for using current values instead of historical cost. The standard has not yet been endorsed by the EU.

IAS 16 (Amendment) 'Property, Plant and Equipment – Proceeds before Intended Use' (effective for annual periods beginning on or after 1 January 2022)

The amendment prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also requires entities to separately disclose the amounts of proceeds and costs relating to such items produced that are not an output of the entity's ordinary activities.

IAS 37 (Amendment) 'Onerous Contracts – Cost of Fulfilling a Contract' (effective for annual periods beginning on or after 1 January 2022)

The amendment clarifies that 'costs to fulfil a contract' comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognizes any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract.

IFRS 3 (Amendment) 'Reference to the Conceptual Framework' (effective for annual periods beginning on or after 1 January 2022)

The amendment updated the standard to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, an exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognize contingent assets, as defined in IAS 37, at the acquisition date.

IAS 1 (Amendment) 'Classification of liabilities as current or non-current' (effective for annual periods beginning on or after 1 January 2023)

The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The amendment has not yet been endorsed by the EU.

IAS 1 (Amendments) 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Disclosure of Accounting policies' (effective for annual periods beginning on or after 1 January 2023)

The amendments require companies to disclose their material accounting policy information and provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendments have not yet been endorsed by the EU.

IAS 8 (Amendments) 'Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates' (effective for annual periods beginning on or after 1 January 2023)

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. The amendments have not yet been endorsed by the EU.

IAS 12 (Amendments) 'Deferred tax related to Assets and Liabilities arising from a Single Transaction' (effective for annual periods beginning on or after 1 January 2023)

The amendments require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases for the lessee and decommissioning obligations. The amendments have not yet been endorsed by the EU.

Annual Improvements to IFRS Standards 2018–2020 (effective for annual periods beginning on or after 1 January 2022)

IFRS 9 'Financial instruments'

The amendment addresses which fees should be included in the 10% test for derecognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% test.

IFRS 16 'Leases'

The amendment removed the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 of the standard in order to remove any potential confusion about the treatment of lease incentives.

5.3.25. Rounding

Any differences between the amounts in the financial statements and the corresponding amounts in the notes are due to rounding.

5.3.26. Adjustments

During the current fiscal year, adjustments of accounts took place. See note 5.42, Adjustments.

5.4. Risk Management

General – Risk management environment

A major consideration of the Athens Exchange Group is the management of risk that arises from its business activities and its business operation.

The Group, as operator of the capital market, has developed a framework for managing the risks to which it is exposed, ensuring its viability and development, and contributing to the stability and security of the capital market. Risk management is recognized as part of its supervisory functions which, together with the regulatory compliance system, form the second level of defense of the organization

Risk Strategy and Risk Management

The risk strategy of the Group is aligned with its business strategy to provide the appropriate infrastructure for the reliable, secure and continuous operation of the capital market. In accordance with the strategy of the Group, the risk appetite level is set in order to correspond with the capital adequacy of the companies of the Group, satisfy the needs of the market, limit costs for participants, maximize the exploitation of business opportunities but also ensure market security and compliance with regulatory requirements.

Organizational structure

The risk management system is managed through the risk management committees of each company in the group, while the alignment of the risk management strategy, the risk-taking appetite and the priorities of the risk areas, on which the efforts to improve the control environment are coordinated by the coordination committee of the three companies. The operational structure of the organization follows the three lines of defense model, establishing the intermediate line between the first and the second line of defense, especially for the business continuity systems (BCP), information security (DPO) and information systems security (ISO). It supports the second line of defense in two separate organic units, the Risk Management & Regulatory Compliance Unit.

Besides the comprehensive measures for ensuring the smooth operation of the systems of the Group, each organizational unit of the Group is responsible for monitoring and managing the sources of risk related to its activity and scope of competence in such a way as to react immediately and effectively in case of occurrence of events or incidents, carry out the analysis of key objections and introduce or improve the control environment.

In particular, for each company of the Group separately, the organizational structure that supports risk management includes the following units:

- *Board of Directors*, which has the final responsibility and accountability regarding the risk management function of the company.
- *Risk Committee*, which advises the Board of Directors on risk management matters.
- *Risk Management Department of the Risk Management & Clearing Division of ATHEXClear*, which is sufficiently independent from the other functions of the company, and whose main responsibility is the comprehensive approach to the risks that ATHEXClear faces.
- *Risk & Compliance Unit of the Group*, headed by the Chief Risk Officer of the parent company ATHEX, which is responsible for the efficient and effective operation of the oversight functions of the Group.
- *ATHEX Regulatory Compliance Unit*, headed by the Chief Compliance Officer.
- *Risk Management Coordinating Committee*. The coordinating committee consists of the Chairpersons of the Risk Committees of the three companies of the Group, which are members of the corresponding Boards of Directors, and the Group Chief Risk Officer.
- *Organizational Units* which are responsible for identifying and managing risks within their scope and participate in the overall risk management at the Group.

Single risk management

The services that the Group provides involve various types and levels of risk, and it is recognized that effective risk management consists of the following:

- *Identifying and assessing risks*
- *Controlling risks*
- *Risk mitigation*
- *Monitoring and reporting risks*

Risk Categories

The Group ensures that it deals with all risks, internal or external, present or future, and especially those that have been recognized as significant. It is recognized that each service provided by the Group can expose it to any combination of the risks mentioned below.

The usual risks to which, due to the nature of its activities, the Group may be exposed to are:

Financial Risk

1. Credit Counterparty risk (credit risk arising from the default of the clearing obligations by one or more clearing member counterparties)
2. Market risk (changes in exchange rates, interest rates, market prices, commodities and volatility), mainly as a result of credit counterparty risk
3. Credit risk (mainly from equity investments)
4. Liquidity risk (mainly cash flow risk), mainly as a result of counterparty risk

Operational Risk

Risk of loss resulting from inadequate or failed internal processes, people and systems or from external events, including legal risk. Risk corresponding to the security of the IT systems, as in the majority of companies, is now becoming very important, and appropriate measures to contain it are being taken.

Business Risk

Risk due to new competitors, drop in trading activity, deterioration of the domestic and international economic situation etc.

5.5. Capital Management

The primary aim of the capital management of the Group is to maintain its high credit rating and healthy capital ratios, in order to support and expand the activities of the Group and maximize shareholder value.

There were no changes in the approach adopted by the Group concerning capital management in the 1st half of 2021.

5.6. Segment Information

In accordance with the provisions of IFRS 8, the determination of operating segments is based on a "management approach." Based on this approach, information that is disclosed for operating segments must be that which is based on internal organizational and managerial structures of the Group and the Company, and in the main accounts of the internal financial reports that are being provided to the chief operating decision makers. The chief business decision market of the Group is the Chief Executive Officer (Executive member of the BoD).

An **operating segment** is defined as a group of assets and operations exploited in order to provide products and services, each of which has different risks and returns from other business segments. For the Group, the main interest in financial information focuses on operating segments since the company's electronic systems – located at its headquarters - are at the disposal of investors irrespective of their physical location.

On 30 June 2021 the core activities of the Group were broken down in the following operating segments:

Group	Segment information on 30.06.2021						
	Trading	Clearing - Clearing house services	Settlement - Depository services	Data feed	IT - Other *	Exchange services	Total
Revenue	2,947	5,464	2,863	1,366	3,826	1,939	18,405
Capital income	57	106	55	26	74	38	356
Expenses	(1,762)	(3,266)	(1,711)	(817)	(2,287)	(1,159)	(11,002)
Depreciation	(346)	(642)	(336)	(161)	(450)	(228)	(2,163)
Taxes	(85)	(158)	(83)	(40)	(111)	(56)	(533)
Earnings after tax	**811**	**1,504**	**788**	**374**	**1,052**	**534**	**5,063**
Assets	5,239	9,713	5,089	2,428	6,801	3,447	32,717
Cash and cash equivalents	11,365	21,071	11,041	5,268	14,754	7,477	70,976
Other assets	47,871	88,758	46,507	22,189	62,150	31,497	298,972
Total assets	**64,475**	**119,542**	**62,637**	**29,885**	**83,705**	**42,421**	**402,665**
Total liabilities	**48,064**	**89,114**	**46,694**	**22,279**	**62,400**	**31,623**	**300,174**

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Group	Segment information on 30.06.2020						
	Trading	Clearing - Clearing house services	Settlement - Depository services	Data feed	IT - Other *	Exchange services	Total
Revenue	2,915	5,244	1,949	1,349	2,197	1,525	15,179
Capital income	37	67	25	17	28	21	195
Expenses	(1,968)	(3,540)	(1,316)	(911)	(1,483)	(1,029)	(10,247)
Depreciation	(411)	(739)	(275)	(190)	(310)	(214)	(2,139)
Taxes	(137)	(247)	(92)	(64)	(103)	(72)	(715)
Earnings after tax	**436**	**785**	**291**	**201**	**329**	**231**	**2,273**
Assets	5,822	10,473	3,892	2,694	4,388	3,046	30,315
Cash and cash equivalents	14,234	25,606	9,517	6,587	10,728	7,446	74,118
Other assets	44,556	80,156	29,791	20,620	33,582	23,309	232,014
Total assets	**64,612**	**116,235**	**43,200**	**29,901**	**48,698**	**33,801**	**336,447**
Total liabilities	**45,214**	**81,338**	**30,230**	**20,924**	**34,077**	**23,654**	**235,437**

The distribution of expenses was made based on fixed distribution percentages for each business segment.

* In revenue it includes: revenue from re-invoiced expenses, X-NET revenue from other services.

5.7. Overview of the capital market

The Athens Exchange General Index closed on 30.06.2021 at 884.89 points, 38.5% higher than the close at the end of the corresponding period in 2020 (638.90 points). The average capitalization of the market was €57.6bn, increased by 16.6% compared to the 1st half of 2020 (€49.4bn).

The total value of transactions in the 1st half of 2021 (€9.7bn) is 7.8% higher compared to the 1st half of 2020 (€9.0bn), while the average daily traded value was €81.3m compared to €75.3m in 2020, increased by 8.0%.

In the 1st half rights issues totaling €3.8bn took place, and €300m were raised through bond issues.

5.8. Trading

Revenue from trading in the 1st half of 2021 is analyzed in the table below:

	Group		Company	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Shares	2,605	2,583	2,605	2,583
Derivatives	331	319	331	319
ETFs	1	2	1	2
Bonds	10	11	10	11
Total	**2,947**	**2,915**	**2,947**	**2,915**

5.9. Clearing

Revenue from clearing in the 1st half of 2021 is analyzed in the following table:

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	Group	
	30.06.2021	30.06.2020
Shares	3,806	3,548
Bonds	10	11
Derivatives	787	761
ETFs	1	3
Transfers - Allocations (Special settlement instruction)	248	266
Trade notification instructions	548	591
Total	**5,400**	**5,180**

5.10. Settlement

Revenue from this category is analyzed in the following table:

	Group	
	30.06.2021	30.06.2020
Off-exchange transfers OTC (1)	743	771
Off-exchange transfers (2)	161	30
Rectification trades	1	2
Total	**905**	**803**

(1) Transactions through DSS operators.

(2) Transfers, public offers, donations.

5.11. Exchange services

Revenue from exchange services includes revenue from issuers for quarterly subscriptions and corporate actions such as rights issues from ATHEX listed companies, as well as quarterly ATHEX member subscriptions in the cash and derivatives markets.

Exchange services are analyzed in the table below:

	Group		Company	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Corp. actions by listed companies (rights issues etc.) (1)	251	110	251	110
Quarterly subscriptions by listed companies	1,055	1,005	1,055	1,005
Member subscriptions	279	250	279	250
Bonds - Greek government securities	14	2	14	2
Other services to issuers (listed companies)	340	158	340	158
Total	**1,939**	**1,525**	**1,939**	**1,525**

(1) Fees on corporate actions by listed companies (includes rights issues by companies and the listing of corporate bonds). Part of the corporate actions that were invoiced in the 1st half of 2021 concerning rights issues and new listings (Piraeus financial Holdings, Aegean Airlines, Interlife etc.) has been transferred to future fiscal year (See note 5.29, contractual obligations).

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(2) Revenue from other services to issuers concern one-off fees for listing at ATHEX, digital certificate services, as well as "HERMES" services to listed companies and services from securities identification and Electronic Book Building.

5.12. Depository Services

This category includes revenue from rights issues by listed companies, quarterly operator subscriptions, inheritances and other fees for safekeeping securities.

Revenue is analyzed in the following table:

	Group	
	30.06.2021	30.06.2020
Corp. actions by issuers (Rights issues - Axia Line, etc) (1)	995	412
Bonds - Greek government securities	2	2
Investors	34	37
Operators	878	695
Listed company subscriptions	49	0
Total	**1,958**	**1,146**

(1) Fees on corporate actions by issuers include rights issues by listed companies and the listing of corporate bonds.

Part of the amount of that was invoiced in 2021 concerning rights issues and new listings (Piraeus Financial Holdings, Interlife etc.) has been transferred to following fiscal years (See note 5.29, contractual obligations).

Also includes revenue from the provision of information to listed companies through electronic means, revenue from notifications of beneficiaries for cash distributions, revenue from Electronic Book Building etc.

5.13. Revenue from re-invoiced expenses

Revenue from re-invoiced expenses are analyzed in the table below:

	Group		Company	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Exchange trading network (ATHEXNet)	256	282	253	282
Sponsorship revenue -NY, London roadshows	35	5	35	5
Revenue from electricity - Colocation	112	110	0	0
Total	**403**	**397**	**288**	**287**

ATHEXnet revenue of €256 thousand concerns the re-invoicing of expenses of the Group for the use of the ATHEX Exchange Transactions network to members. The corresponding expenses are shown in re-invoiced expenses (see note 5.18).

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5.14. Ancillary Services

This category includes support services of other markets as well as new services provided by the Group that are not directly related with its core businesses, such as colocation services, which refer to the concession to use the premises and IT systems of the Group, as well as the provision of software services to third parties. This revenue is analyzed in the following table:

	Group		Company	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Revenue from X-NET/InBroker (see table below)	566	416	164	101
Support of other markets (1)	1,581	258	1,321	80
Colocation Services	478	411	477	411
Market Suite	57	53	9	4
UNAVISTA LEI - EMIR TR	132	123	0	0
Total	**2,814**	**1,261**	**1,971**	**596**

(1) Support of other markets includes support services to the Energy Exchange Group. This significant increase is mainly due to the provision of additional services following the start of the operation of the spot electricity market of the Energy Exchange under the European Model (Target Model), revenue from Boursa Kuwait, CSE [Cyprus Stock Exchange], and DESFA [Hellenic Gas Transmission System Operator].

5.15. Personnel remuneration and expenses

The change in the number of employees of the Group and the Company, as well as the breakdown in staff remuneration is shown in the following table.

	Group		Company	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Salaried staff	233	220	119	114
Total Personnel	**233**	**220**	**119**	**114**

	Group		Company	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Personnel remuneration	4,014	3,985	2,318	2,234
Social security contributions	790	872	447	482
Termination benefits	106	57	106	0
Net change in the compensation provision (actuarial valuation)	28	25	16	15
Other benefits (insurance premiums, day care / summer camp)	510	504	272	260
Total	**5,448**	**5,443**	**3,159**	**2,991**

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5.16. Third party remuneration & expenses

Third party fees and expenses include the remuneration of the members of the BoDs of all the companies of the Group.

	Group		Company	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
BoD member remuneration	80	59	51	31
Attorney remuneration and expenses	55	37	55	36
Fees to auditors (1)	44	38	18	15
Fees to consultants (2)	572	234	497	115
Fees to FTSE (ATHEX)	55	66	55	66
Committee remuneration - other fees (3)	47	53	25	33
Fees to training consultants	4	22	4	13
Total	**857**	**509**	**705**	**309**

5.17. Other operating expenses

Other operating expenses in the 1st half of 2021 increased by 3.1% compared to the corresponding period in 2020, and are analyzed in the table below:

	Group		Company	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Other	319	423	298	398
BoD member civil liability ins. Premiums (D&O, DFL & PI)	299	238	299	238
Subscriptions to professional organizations & contributions	335	263	292	239
Total	**953**	**924**	**889**	**875**

5.18. Re-invoiced expenses

Expenses in this category in the 1st half of 2021 are analyzed in the table below:

	Group		Company	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Leased Lines (ATHEXNet)	142	140	138	136
Electricity consumption - Colocation	113	110	0	0
Other	23	63	23	57
Total	**278**	**313**	**161**	**193**

The corresponding revenue is shown in note 5.13.

(Amounts in thousands euro, unless otherwise noted) 58

5.19. Expenses for ancillary activities

Expenses on this category are shown in the table below:

	Group		Company	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Expenses from new activities	20	17	20	18
X-NET Expenses	240	139	132	34
Expenses on IT Services to third parties	203	187	19	23
Total	**463**	**343**	**171**	**75**

5.20. Owner occupied tangible assets and intangible assets

It is the policy of the Group to re-estimate the market value of its real estate (owner-occupied or investment) every year, unless there are indications earlier than that. The last real estate estimate took place at the end of February 2021 with a reference date of 31.12.2020. The Group adjusted the value of its properties based on the findings of the study, in order to show in the statement of financial position of 31.12.2020 the fair value of its properties. For the 1st half of 2021 there were no impairment indications, and therefore there was no need to re-estimate the value of the real estate.

The tangible assets of the Group on 30.06.2021 and 31.12.2020 are analyzed as follows:

Group	TANGIBLE ASSETS					
	Plots of Land	Building and Construction	Machinery & other equip.	Means of Transportation	Furniture fittings and equip.	Total
Acquisition and valuation on 31.12.2019	**4,500**	**29,527**	**127**	**166**	**10,272**	**44,592**
Additions in 2020	0	71	0	0	693	764
Acquisition and valuation on 31.12.2020	**4,500**	**29,598**	**127**	**166**	**10,965**	**45,356**
Accumulated depreciation on 31.12.2019	**0**	**13,369**	**127**	**162**	**8,015**	**21,673**
Depreciation in 2020	0	1,332	0	2	804	2,138
Accumulated depreciation on 31.12.2020	**0**	**14,701**	**127**	**164**	**8,819**	**23,811**
Book value						
on 31.12.2019	**4,500**	**16,158**	**0**	**4**	**2,257**	**22,919**
on 31.12.2020	**4,500**	**14,897**	**0**	**2**	**2,146**	**21,545**
Revaluation due to estimate by independent assessor	64	2,324	0	0	0	2,388
Book value after the revaluation on 31.12.2020	**4,564**	**17,221**	**0**	**2**	**2,146**	**23,933**

(Amounts in thousands euro, unless otherwise noted) 59

Group	TANGIBLE ASSETS & INTANGIBLE ASSETS					
	Plots of Land	Building and Construction	Machinery & other equip.	Means of Transportation	Furniture fittings and equip.	Total
Acquisition and valuation on 31.12.2020	**4,564**	**31,922**	**127**	**166**	**10,965**	**47,744**
Additions in 2021	0	0	0	0	601	601
Acquisition and valuation on 30.06.2021	**4,564**	**31,922**	**127**	**166**	**11,566**	**48,345**
Accumulated depreciation on 31.12.2020	**0**	**14,701**	**127**	**164**	**8,819**	**23,811**
Depreciation in 2021	0	658	0	0	423	1,081
Accumulated depreciation on 30.06.2021	**0**	**15,359**	**127**	**164**	**9,242**	**24,892**
Book value						
on 31.12.2020	**4,564**	**17,221**	**0**	**2**	**2,146**	**23,933**
on 30.06.2021	**4,564**	**16,563**	**0**	**2**	**2,324**	**23,455**

The tangible and intangible assets of the Company on 30.06.2021 and 31.12.2020 are analyzed as follows:

Company	Building and Construction	Machinery & other equip.	Means of Transportation	Furniture fittings and equip.	Total
Acquisition and valuation on 31.12.2019	**15**	**103**	**157**	**7,190**	**7,465**
Additions in 2020	0	0	0	405	405
Reductions in 2020	0	0	0	0	0
Acquisition and valuation on 31.12.2020	**15**	**103**	**157**	**7,595**	**7,870**
Accumulated depreciation on 31.12.2019	**1**	**103**	**156**	**5,883**	**6,143**
Depreciation in 2020	0	0	1	509	510
Accumulated depreciation on 31.12.2020	**1**	**103**	**157**	**6,392**	**6,653**
Book value					
on 31.12.2019	**14**	**0**	**1**	**1,307**	**1,322**
on 31.12.2020	**14**	**0**	**0**	**1,203**	**1,217**

Company	Building and Construction	Machinery & other equip.	Means of Transportation	Furniture fittings and equip.	Total
Acquisition and valuation on 31.12.2020	**15**	**103**	**157**	**7,595**	**7,870**
Additions in 2021	0	0	0	292	292
Acquisition and valuation on 30.06.2021	**15**	**103**	**157**	**7,887**	**8,162**
Accumulated depreciation on 31.12.2020	**1**	**103**	**157**	**6,392**	**6,653**
Depreciation in 2021	1	0	0	244	245
Accumulated depreciation on 30.06.2021	**2**	**103**	**157**	**6,636**	**6,898**
Book value					
on 31.12.2020	**14**	**0**	**0**	**1,203**	**1,217**
on 30.06.2021	**13**	**0**	**0**	**1,251**	**1,264**

(Amounts in thousands euro, unless otherwise noted) 60

The management of the Group estimates that there are no impairment indications on the owner occupied buildings of the Group and on investments in real estate.

On 30.06.2021 there were no encumbrances on the assets of the companies of the Group.

The intangible assets of the Group on 30.06.2021 and 31.12.2020 are analyzed as follows:

Group	INTANGIBLE ASSETS		
	Internally developed systems	Software	Total
Acquisition and valuation on 31.12.2019	**4,618**	**9,865**	**14,483**
Additions in 2020	533	1,818	2,351
Acquisition and valuation on 31.12.2020	**5,151**	**11,683**	**16,834**
Accumulated depreciation on 31.12.2019	**1,695**	**6,339**	**8,034**
Depreciation in 2020	678	1,358	2,036
Accumulated depreciation on 31.12.2020	**2,373**	**7,697**	**10,070**
Book value			
on 31.12.2019	**2,923**	**3,526**	**6,449**
on 31.12.2020	**2,778**	**3,986**	**6,765**

Group	INTANGIBLE ASSETS		
	Internally developed systems	Software	Total
Acquisition and valuation on 31.12.2020	**5,151**	**11,683**	**16,834**
Additions in 2021	233	499	732
Acquisition and valuation on 30.06.2021	**5,384**	**12,182**	**17,566**
Accumulated depreciation on 31.12.2020	**2,373**	**7,697**	**10,070**
Depreciation in 2021	381	676	1,057
Accumulated depreciation on 30.06.2021	**2,754**	**8,373**	**11,127**
Book value			
on 31.12.2020	**2,778**	**3,986**	**6,765**
on 30.06.2021	**2,630**	**3,809**	**6,440**

The intangible assets of the Company on 31.03.2021 and 31.12.2020 are analyzed as follows:

Company	INTANGIBLE ASSETS		
	Internally developed systems	Software	Total
Acquisition and valuation on 31.12.2019	**2,560**	**7,203**	**10,319**
Additions in 2020	241	1,186	1,427
Acquisition and valuation on 31.12.2020	**2,801**	**8,389**	**11,190**
Accumulated depreciation on 31.12.2019	**1,051**	**4,960**	**6,011**
Depreciation in 2020	338	924	1,262
Accumulated depreciation on 31.12.2020	**1,389**	**5,884**	**7,273**
Book value			
on 31.12.2019	**1,509**	**2,243**	**3,752**
on 31.12.2020	**1,412**	**2,505**	**3,917**

(Amounts in thousands euro, unless otherwise noted) 61

Company	INTANGIBLE ASSETS		
	Internally developed systems	Software	Total
Acquisition and valuation on 31.12.2020	**2,801**	**8,389**	**11,190**
Additions in 2021	102	402	504
Acquisition and valuation on 30.06.2021	**2,903**	**8,791**	**11,694**
Accumulated depreciation on 31.12.2020	**1,389**	**5,884**	**7,273**
Depreciation in 2021	188	431	619
Accumulated depreciation on 30.06.2021	**1,577**	**6,315**	**7,892**
Book value			
on 31.12.2020	**1,412**	**2,505**	**3,917**
on 30.06.2021	**1,326**	**2,476**	**3,802**

5.21. IFRS 16 Standard - Leases

Assets right of use - Group	**30.06.2021**	**31.12.2020**
Real Estate	24	27
Means of transport	98	58
	122	**85**
Lease obligations		
Long-term lease obligations	91	55
Short-term lease obligations	28	26
	119	**81**

Depreciation - right of use	**2021**	**2020**
Real Estate	2	0
Means of transport	21	16
	23	**16**
Interest expense	**2**	**2**

The additions to the assets right-of-use for the Group and the Company in the 1st half of 2021 amounted to €60 thousand.

Total lease payments during the 1st half of 2021 for the Group amounted to €25 thousand.

Assets right of use - Company	**30.06.2021**	**31.12.2020**
Real Estate	1,242	1,302
Means of transport	98	59
	1,340	**1,361**
Lease obligations		
Long-term lease obligations	1,268	1,282
Short-term lease obligations	127	123
	1,395	**1,405**

(Amounts in thousands euro, unless otherwise noted) 62

Depreciation - right of use	2021	2020
Real Estate	61	58
Means of transport	21	16
	82	**74**
Interest expense	**28**	**30**

Total lease payments during the 1st half of 2021 for the Company amounted to €99 thousand.

5.22. Real Estate Investments

Building (at Acharnon & Mayer)

The Company and the Group did a valuation study of the values of the real estate investments dated 31.12.2020 which was carried out by independent recognized assessors.

The book value of the investments in real estate for the Group and the Company on 30.06.2021 and 31.12.2020 is shown in the following table:

Group - Company	Investment property
Valuation on 31.12.2019	**2,082**
Revaluation due to estimation by an independent assessor	618
Book value on 31.12.2020	**2,700**
Book value on 30.06.2021	**2,700**

Due to a change in IFRS policy change, starting on 31.12.2020 real estate investments at fair value are not depreciated.

5.23. Participations and other long term claims

	Group		Company	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Participation in ANNA	1	1	1	1
Participation in subsidiaries (1)	0	0	45,300	57,880
Participation in affiliates (2)	1,303	1,172	1,303	1,172
Management committee reserve	11	11	0	0
Lease guarantees	67	61	20	14
Dividend tax withheld for offset (3)	4,721	4,721	4,421	4,421
Total	**6,103**	**5,966**	**51,045**	**63,488**

1) During the 1st half of 2021 the subsidiary ATHEXClear returned share capital amounting to €12,580.
2) The participation of the Company in HenEx on 30.06.2021 was €1,303 thousand. The company had initially paid in €1,050 thousand as participation in HenEx's share capital.
3) Dividend tax withheld for offset concerns the dividend withholding tax that was transferred to the Company from its former subsidiary Athens Exchange S.A. Tax offsetting ended in 2014. The amount in question, due to the delay in the publication of an explanatory circular, was transferred to long-term claims on 31.12.2020.

(Amounts in thousands euro, unless otherwise noted) 63

The breakdown of the participations of the parent Company in the subsidiaries of the Group on 30.06.2021 is shown below:

	% of direct participation	Number of shares / total number of shares	Cost 30.06.2021	Cost 31.12.2020
ATHEXCSD (former TSEC)	100	802,600 / 802,600	32,380	32,380
ATHEXClear	100	8,500,000 / 8,500,000	12,920	25,500
		Total	**45,300**	**57,880**

5.24. Trade and other receivables

All claims are short term and no discounting is required on the date of the statement of financial position. The breakdown of clients and other receivables is shown in the following table:

	Group		Company	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Clients	5,861	5,789	3,788	3,594
Clients (intra-Group)	0	0	0	0
Less: provisions for bad debts	(1,669)	(1,677)	(1,587)	(1,599)
Net commercial receivables	**4,192**	**4,112**	**2,201**	**1,995**
Other receivables				
Tax (0.20%) (1)	2,547	3,070	0	0
HCMC fee claim (2)	21	21	21	21
Taxes withheld on deposits	217	212	112	109
Accrued revenue - prepaid non-accrued expenses (3)	935	1,060	522	665
Contractual obligations - data vendors HenEx - bk (4)	570	613	617	666
Other withheld taxes	77	77	55	55
Prepayment of tax audit differences (5)	6	6	6	6
Other debtors (6)	612	185	658	540
Total other receivables	**4,985**	**5,244**	**1,991**	**2,062**

(1) The sales tax on transactions (0.20%) is turned over by members on T+2, however some members take advantage of their right to turn it over in one tranche to ATHEXCSD on the third working day after the end of the month when the transactions took place.

(2) The remaining amount on the claim on the Hellenic Capital Market Commission fee from previous years.

(3) Prepaid non-accrued expenses concern prepayment of an amount that will be expensed mainly in the next period (Unisystems, Microsoft, Performance Technology, insurance contracts etc.)

(4) Contractual obligations concern a revenue provision from the market data service, as well as revenue provision from Boursa Kuwait.

(5) Prepayment of tax audit differences concerns the remaining balance from the prepayment of the tax assessed from the ATHEX tax audit for the period 2008-2010, after offsetting with taxes payable (note 5.35).

(Amounts in thousands euro, unless otherwise noted) 64

(6) Other debtors include, among others claim on Boursa Kuwait dividend as well as rent receivables.

The provisions for doubtful claims are analyzed in the table below:

Provisions for bad debts	Group	Company
Balance on 31.12.2019	**3,639**	**1,606**
Provision reversal in 2020	(1,962)	(7)
Balance on 31.12.2020	**1,677**	**1,599**
Provision reversal in 2021	(8)	(12)
Balance on 30.06.2021	**1,669**	**1,587**

The book value of clients reflects their fair value.

The tables below detail all claims from clients at the Group and Company level:

Group	30.06.2021	31.12.2020
Balance not past due	4,085	3,953
Balance past due	1,777	1,836
Before provisions	**5,861**	**5,789**
Less: value impairment provision	-1,669	-1,677
After provisions	**4,192**	**4,112**

Company	30.06.2021	31.12.2020
Balance not past due	2,081	1,913
Balance past due	1,707	1,681
Before provisions	**3,788**	**3,594**
Less: value impairment provision	-1,587	-1,599
After provisions	**2,201**	**1,995**

The aging analysis of pending commercial receivables that are past due, is as follows:

Group	30.06.2021	31.12.2020
Up to 120 days	118	159
121 -240 days	38	33
241 – 360 days	12	0
More than 360 days	1,609	1,644
Before provisions	**1,777**	**1,836**

Company	30.06.2021	31.12.2020
Up to 120 days	69	75
121 -240 days	90	25
241 – 360 days	0	0
More than 360 days	1,548	1,581
Before provisions	**1,707**	**1,681**

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On each Statement of Financial Position date, the Group performs an impairment check on the claims using a table based on which expected credit losses are calculated. The maximum exposure to credit risk on the Statement of Financial Position date is the book value of each receivables category as stated above.

The table below presents information on the exposure of the Group and the Company to credit risk in 2021 and 2020:

30.06.2021

Group	Not past due	Up to 120 days	121 – 240 days	241 – 360 days	More than 360 days
Expected loss %	0.97%	1.65%	33.56%	45.05%	100.00%
Total claims	4,085	118	38	12	1,609
Expected loss	39	2	13	5	1,609

31.12.2020

Group	Not past due	Up to 120 days	121 – 240 days	241 – 360 days	More than 360 days
Expected loss %	0.95%	1.63%	13.05%	28.69%	100.00%
Total claims	3,953	159	34	-2	1,644
Expected loss	47	3	4	0	1,644

30.06.2021

Company	Not past due	Up to 120 days	121 – 240 days	241 – 360 days	More than 360 days
Expected loss %	1.08%	2.03%	13.6%	44.78%	100.00%
Total claims	2,081	69	90	0	1,548
Expected loss	22	1	12	0	1,548

31.12.2020

Company	Not past due	Up to 120 days	121 – 240 days	241 – 360 days	More than 360 days
Expected loss %	1.33%	2.43%	14.96%	45.17%	100.00%
Total claims	1,913	75	25	0	1,581
Expected loss	25	2	4	0	1,581

5.25. Financial assets at fair value through other income

On 31.12.2020 the category financial assets at fair value through other comprehensive income included the Bank of Piraeus shares that were obtained in exchange for the bond issued by the same bank that the Group possessed. In particular, 13,365,316 shares of Piraeus Bank were acquired at a par value of €0.30 per share and total value of €4,009,594.80.

On 18.03.2021 the Company sold its portfolio of Piraeus Bank shares in its possession. In particular, 668,265 shares were sold at an average price of €0.7484. The value of transaction was €500,136.44. The amount of €368.9 thousand burdened other comprehensive income in the 1st half of 2021 as a result of the sale of these shares.

The Group has acquired shares in Boursa Kuwait which it has classified, in accordance with IFRS 9, in financial assets at fair value through comprehensive income. On 30.06.2021 the shares posted a valuation gain of €1,135 thousand compared to 31.12.2020 which was accounted in the special securities valuation reserve, from which the corresponding deferred tax was subtracted.

(Amounts in thousands euro, unless otherwise noted) 66

The GM of Boursa Kuwait decided to distribute dividend for fiscal year 2020. The Company has recognized income of €187 thousand in the 1st half.

The change in the value of the Bank of Piraeus shares, as well as the 0.779% participation in Boursa Kuwait are analyzed below:

	Group		Company	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Bank of Piraeus shares				
Balance - start of the period	**869**	**1,998**	**869**	**1,998**
Sale	(500)	0	(500)	0
Profit / (Loss) from the valuation of the participation recognized in the Statement of Comprehensive Income	(369)	(1,129)	(369)	(1,129)
Balance - end of period	**0**	**869**	**0**	**869**
Participation in Boursa Kuwait				
Balance - start of the period	**4,409**	**1,039**	**4,409**	**1,039**
Profit / (Loss) from the valuation of the participation recognized in the Statement of Comprehensive Income	1,135	3,370	1,135	3,370
Balance - end of period	**5,544**	**4,409**	**5,544**	**4,409**
Grand total	**5,544**	**5,278**	**5,544**	**5,278**

5.26. Cash and cash equivalents

The cash at hand and at bank of the Group are invested in short term interest bearing instruments in order to maximize the benefits, in accordance with the policy set by the Company and the Group.

On 30.06.2021, a significant portion (20.6%) of the cash of the Group is, due to compliance of ATHEXClear with the EMIR Regulation, kept at the Bank of Greece (BoG). Deposits of the Group at the BoG carry a negative interest rate of 0.5% from 18.09.2019 onwards.

The breakdown of the cash at hand and at bank of the Group is as follows:

	Group		Company	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Deposits at the Bank of Greece	14,600	13,353	0	0
Sight deposits in commercial banks	40,942	20,367	29,555	12,860
Time deposits < 3 months	15,430	34,275	3,350	5,002
Cash at hand	4	5	2	1
Total	**70,976**	**68,000**	**32,907**	**17,863**

5.27. Third party balances in bank accounts of the Group

Third party balances in bank accounts of the Group is essentially is a memo account for the margins that ATHEXClear receives from its Members for the derivatives market and, starting on 16.02.2015, for the cash market. ATHEXClear manages Member margins, which in accordance with the investment policy for deposits, are placed with the Bank of Greece.

(Amounts in thousands euro, unless otherwise noted) 67

Implementation of the ATHEXClear investment policy begun together with the application of the new clearing model and risk management in the derivatives market on 1.12.2014. The amounts of €277,585 thousand on 30.06.2021 and €224,557 thousand on 31.12.2020 respectively shown below and in the Statement of Financial Position on 30.06.2021 and 31.12.2020 respectively, concern exclusively Member collaterals in the cash and derivatives markets as well as XNET respectively.

	Group		Company	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Clearing Fund accounts – Cash Market	30,890	15,794	0	0
Additional Clearing Fund collaterals – Cash Market	174,209	143,275	0	0
Clearing Fund accounts – Derivatives Market	14,617	8,733	0	0
Additional Clearing Fund collaterals – Derivatives Market	54,493	53,028	0	0
Members Guarantees in cash for X-NET et al. (1)	3,376	3,727	2,939	3,219
Third party balances	**277,585**	**224,557**	**2,939**	**3,219**

(1) Margins received by the Company for the XNET market on 30.06.2021 amounted to €2,939 thousand and were kept in commercial bank accounts, as are dormant client balances of the Clearing Fund amounting to €35 thousand. In addition, the amount of €402 thousand concerning returns from interest payments to clients exempted or in the special account is also kept in commercial banks.

5.28. Deferred Tax

The deferred taxes accounts are analyzed as follows:

	Group		Company	
Deferred taxes	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Deferred tax claims	1,106	1,124	615	734
Deferred tax liabilities	(3,112)	(3,192)	(1,172)	(970)
Total	**(2,006)**	**(2,068)**	**(557)**	**(236)**

The gross amounts of tax claims and liabilities are analyzed as follows:

	Group		Company	
Deferred taxes	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Deferred tax claims	47	51	0	0
Deferred tax liabilities	(2,053)	(2,119)	(557)	(236)
Total	**(2,006)**	**(2,068)**	**(557)**	**(236)**

The deferred tax claims and liabilities for the Group are as follows:

Deferred tax claims	Intangible assets	Property plant & equipment	Provisions - Actuarial study & staff retirement obligations	Other provisions	Leases	Share valuation provision	Total
Balance 1.1.2020	**35**	**60**	**496**	**266**	**(1)**	**0**	**856**
(Debit) / credit to the results	(10)	(60)	8	32	15	0	**(15)**
(Debit) / credit to other comprehensive income	0	0	62	0	0	221	**283**
Balance 31.12.2020	**25**	**0**	**566**	**298**	**14**	**221**	**1,124**

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Deferred tax claims	**Intangible assets**	**Property plant & equipment**	**Provisions - Actuarial study & staff retirement obligations**	**Other provisions**	**Leases**	**Share valuation provision**	**Total**
Balance 31.01.2021	**25**	**0**	**566**	**298**	**14**	**221**	**1,124**
(Debit) / credit to the results	(6)	0	(85)	292	1	0	**202**
(Debit) / credit to other comprehensive income	0	0	0	0	0	(221)	**(221)**
Balance 30.06.2021	**19**	**0**	**481**	**590**	**15**	**0**	**1,106**

Deferred tax liabilities	**Share valuation provision**	**Participations valuation provision**	**Property plant & equipment**	**Total**
Balance 1.1.2020	**(50)**	**0**	**(1,867)**	**(1,917)**
Debit / (credit) to the results	0	0	42	42
Debit / (credit) to other comprehensive income	50	(809)	(557)	(1,316)
Balance 31.12.2020	**0**	**(809)**	**(2,382)**	**(3,192)**
Deferred tax liabilities	**Share valuation provision**	**Participations valuation provision**	**Property plant & equipment**	**Total**
Balance 01.01.2021	**0**	**(809)**	**(2,382)**	**(3,191)**
Debit / (credit) to the results	0	0	262	262
Debit / (credit) to other comprehensive income	0	(182)	0	(182)
Balance 30.06.2021	**0**	**(991)**	**(2,120)**	**(3,112)**

The deferred tax claims and liabilities for the Company are as follows:

Deferred tax claims	**Intangible assets**	**Property plant & equipment**	**Provisions - Actuarial study & staff retirement obligations**	**Other provisions**	**Leases**	**Share valuation provision**	**Total**
Balance 1.1.2020	**13**	**61**	**312**	**141**	**4**	**0**	**531**
(Debit) / credit to the results	(5)	(61)	9	(4)	6	0	**(55)**
(Debit) / credit to other comprehensive income	0	0	36	0	0	221	**257**
Balance 31.12.2020	**8**	**0**	**357**	**137**	**10**	**221**	**734**
Deferred tax claims	**Intangible assets**	**Property plant & equipment**	**Provisions - Actuarial study & staff retirement obligations**	**Other provisions**	**Leases**	**Share valuation provision**	**Total**
Balance 01.01.2021	**8**	**0**	**357**	**137**	**10**	**221**	**734**
(Debit) / credit to the results	(1)	0	(51)	154	2	0	**104**
(Debit) / credit to other comprehensive income	0	0	0	0	0	(221)	**(221)**
Balance 30.06.2021	**7**	**0**	**306**	**291**	**12**	**0**	**615**

Deferred tax liabilities	**Share valuation provision**	**Participations valuation provision**	**Property plant & equipment**	**Total**
Balance 1.1.2020	**(50)**	**0**	**0**	**(50)**
Debit / (credit) to other comprehensive income	50	(809)	0	(759)
Balance 31.12.2020	**0**	**(809)**	**(161)**	**(970)**
Deferred tax liabilities	**Share valuation provision**	**Participations valuation provision**	**Property plant & equipment**	**Total**
Balance 01.01.2021	**0**	**(809)**	**(161)**	**(970)**
Debit / (credit) to the results	0	0	(20)	(20)
Debit / (credit) to other comprehensive income	0	(182)	0	(182)
Balance 30.06.2021	**0**	**(991)**	**(181)**	**(1,172)**

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5.29. Contractual obligations

As part of IFRS 15, revenue from new listings at ATHEX, as well as rights issues that take place during the fiscal year are considered to concern not only the fiscal year during which they are paid, but must be recognized and allocated to the duration that the company remains listed at ATHEX, during which the service is expected to be provided.

The contractual obligations by service, on 30.06.2021 and 31.12.2020 for the Group and the Company are analyzed as follows:

30.06.2021

Group	Short-term contractual obligations	Long-term contractual obligations
New listings	255	145
Rights issues	1,046	1,236
	1,301	**1,381**

Company	Short-term contractual obligations	Long-term contractual obligations
New listings	219	90
Rights issues	440	573
	659	**663**

31.12.2020

Group	Short-term contractual obligations	Long-term contractual obligations
New listings	126	278
Rights issues	452	387
	578	**665**

Company	Short-term contractual obligations	Long-term contractual obligations
New listings	109	228
Rights issues	124	109
	233	**337**

The change in the contractual obligations of the Group is analyzed as follows:

	30.06.2021	31.12.2020
Start of the period	1,243	1,111
Revenue recognized in the Statement of Comprehensive Income	-574	-1,050
New provisions	2,013	1,182
End of the period	**2,682**	**1,243**

The change in the contractual obligations of the Company is analyzed as follows:

(Amounts in thousands euro, unless otherwise noted) 70

	30.06.2021	31.12.2020
Start of the period	570	586
Revenue recognized in the Statement of Comprehensive Income	-256	-374
New provisions	1,008	358
End of the period	**1,322**	**570**

5.30. Equity and reserves

a) Share Capital

The Repeat General Meeting of shareholders of 16.6.2021 approved a share capital return of €0.07 to shareholders, with a corresponding reduction in the share par value. Thus, the share capital of the Company amounts to €25,346,160, divided into 60,348,000 shares with a par value of €0.42 per share.

	Number of shares	Par value (€)	Share Capital (€)	Share Premium (€)
Total 31.12.2019	**60,348,000**	**0.58**	**35,001,840**	**157,084**
Share capital reduction (June 2020)		0.09	(5,431,320)	
Total 31.12.2020	**60,348,000**	**0.49**	**29,570,520**	**157,084**
Share capital reduction		0.07	(4,224,360)	
Total 31.03.2021	**60,348,000**	**0.42**	**25,346,160**	**157,084**

b) Reserves

	Group		Company	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Regular Reserve	30,031	29,857	28,116	28,116
Tax free and specially taxed reserves	10,735	10,736	10,281	10,281
Treasury stock reserve	(12,669)	(12,669)	(12,669)	(12,669)
Real estate revaluation reserve	19,535	19,534	14,383	14,383
Other (1)	5,982	5,983	5,982	5,983
Special securities valuation reserve	7	287	7	287
Reserve from stock option plan to employees	1,385	1,385	1,109	1,108
Total	**55,006**	**55,113**	**47,209**	**47,489**

(1) Category Other includes a special dividend reserve for 2015 - €5,696 thousand; dividend reserve for 2016 - €247 thousand; and specially taxed reserves - €39 thousand.

c) Share Buyback program

The Annual General Meeting of shareholder of the Company approved a share buyback program, for a time period that will not exceed twelve months, a minimum purchase price of €0.49 and a maximum price of €5.00 The maximum number of shares purchased will not exceed 10% of the paid-in share capital at the time.

No shares have been purchased as of 30.06.2021.

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d) Retained Earnings

The retained earnings of €20,675 thousand on 31.12.2020 amounted to €21,982 thousand at the end of the 1st half of 2021, as they increased by €5,063 thousand in total comprehensive income in the 1st half of 2021 and by the amount of €643 thousand that was transferred from the special Piraeus Bank share valuation reserve due to the sale of those shares in the 1st half of 2021while at the same time they were reduced by the formation of a regular reserve in the amount of €173 thousand and the amount of €4,224 thousand for dividends paid.

5.31. Grants and other long term liabilities

The Group shows as a long-term obligation the amount of €50 thousand in the 1st half of 2021 which concerns withholding on employee compensation (Law 103/75) that has been recorded by the Company.

5.32. Provisions

	Group		Company	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Staff retirement obligation (note 5.15)	2,185	2,357	1,391	1,490
Total	**2,185**	**2,357**	**1,391**	**1,490**

The change in provisions on 30.06.2021 and 31.12.2020 for the Group and Company is shown below:

Group	Personnel termination provision	Provisions for other risk
Balance on 31.12.2019	**2,069**	**60**
Additional provision in the period	288	0
Balance on 31.12.2020	**2,357**	**60**
Employer paid benefits	(199)	
Additional provision in the period	27	0
Balance on 30.06.2021	**2,185**	**60**

Company	Personnel termination provision	Provisions for other risk
Balance on 31.12.2019	**1,303**	**0**
Additional provision in the period	187	0
Balance on 31.12.2020	**1,490**	**0**
Employer paid benefits	(115)	
Additional provision in the period	16	0
Balance on 30.06.2021	**1,391**	**0**

By taking provisions, the Group and the Company are trying to protect themselves against potential future risks. The Group has taken a provision of €60 thousand for extraordinary risks (ATHEXCSD: €40 thousand; ATHEXClear: €20 thousand).

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Obligations to employees

The changes in the mandatory compensation payments in the 1st half of 2021 and the 1st half of 2020 are shown in detail in the following table:

Accounting Presentation in accordance with revised IAS 19 (amounts in €)	Group	
	30.06.2021	30.06.2020
Amounts recognized in the Statement of Financial Position		
Present values liabilities	2,185,129	2,093,509
Net obligation recognized in the Statement of Financial Position	**2,185,129**	**2,093,509**
Amounts recognized in the Profit & Loss Statement		
Cost of current employment	23,293	14,892
Net Interest on the liability/asset	5,185	9,930
Regular expense in the Profit & Loss Statement	**28,478**	**24,822**
Cost of personnel reduction / mutual agreements/retirement	0	0
Total expense recognized in the Profit & Loss Statement	**28,478**	**24,822**
Change in the present value of the liability		
Present value of the obligation at the beginning of the period	2,356,527	2,068,687
Cost of current employment	23,293	14,892
Interest expense	5,185	9,930
Benefits paid by the employer	(199,875)	0
Cost of personnel reduction / mutual agreements/retirement	0	0
Additional payments or expenses	0	0
Actuarial loss/(profit) - financial assumptions	0	0
Actuarial loss/(profit) - demographic assumptions	0	0
Actuarial loss/(profit) - experience of the period	0	0
Present value of the liability at the end of the period	**2,185,129**	**2,093,509**
Adjustments		
Adjustments to liabilities from changes in assumptions	0	0
Experience adjustments in liabilities	0	0
Total recognized in equity	**0**	**0**
Changes in net liability recognized in the Statement of Financial Position		
Net liability at the start of the year	2,356,527	2,068,687
Benefits paid by the employer	(199,875)	0
Total expense recognized in the Profit & Loss Statement	28,478	24,822
Total amount recognized in equity	0	0
Net Liability at the end of the period	**2,185,129**	**2,093,509**

Accounting Presentation in accordance with revised IAS 19 (amounts in €)	Company	
	30.06.2021	30.06.2020
Amounts recognized in the Statement of Financial Position		
Present values liabilities	1,390,635	1,317,464
Net obligation recognized in the Statement of Financial Position	**1,390,635**	**1,317,464**
Amounts recognized in the Profit & Loss Statement		
Cost of current employment	13,061	4,207
Net Interest on the liability/asset	3,278	3,127
Regular expense in the Profit & Loss Statement	**16,339**	**7,334**
Cost of personnel reduction / mutual agreements / retirement	0	0
Other expense / (revenue)	0	0
Total expense recognized in the Profit & Loss Statement	**16,339**	**7,334**

(Amounts in thousands euro, unless otherwise noted) 73

Change in the present value of the liability		
Present value of the obligation at the beginning of the period	1,489,891	1,302,796
Cost of current employment	13,061	8,414
Interest expense	3,278	6,254
Benefits paid by the employer	(115,595)	0
Cost of personnel reduction / mutual agreements/retirement	0	0
Additional payments or expenses	0	0
Actuarial loss/(profit) - financial assumptions	0	0
Actuarial loss/(profit) - demographic assumptions	0	0
Actuarial loss/(profit) - experience of the period	0	0
Present value of the liability at the end of the period	**1,390,635**	**1,317,464**
Adjustments		
Adjustments to liabilities from changes in assumptions	0	0
Experience adjustments in liabilities	0	0
Total recognized in equity	**0**	**0**
Changes in net liability recognized in the Statement of Financial Position		
Net liability at the start of the year	1,489,891	1,302,796
Employer contributions	(115,595)	0
Total expense recognized in the Profit & Loss Statement	16,339	14,668
Total amount recognized in equity	0	0
Net Liability at the end of the period	**1,390,635**	**1,317,464**

The actuarial assumptions used in the actuarial study for the Group in accordance with IAS 19 are as follows:

Actuarial assumptions	Valuation dates	
	30.06.2021	30.06.2020
Discount rate	0.44%	0.96%
Increase in salaries (long term)	1.00%	1.00%
Inflation	1.00%	1.00%
Mortality table	E V K 2000 (Swiss table)	E V K 2000 (Swiss table)
Personnel turnover	0.50%	0.50%
Regular retirement age	Based on the rules of the Social security fund in which each employee belongs	Based on the rules of the Social security fund in which each employee belongs
Duration of liability	15.45	16.10

5.33. Trade and other payables

All liabilities are short term and, therefore, no discounting on the date of the financial statements is required. The breakdown of suppliers and other liabilities are shown in the following table:

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	Group		Company	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Suppliers	2,971	3,869	1,689	2,356
Suppliers (intra-Group)	0	0	31	22
Hellenic Capital Market Commission Fee	718	545	274	203
Dividends payable	23	28	23	28
Accrued third party services	1,482	509	1,238	469
Employee remuneration payable	983	1,313	398	616
Share capital return to shareholders	4,298	92	4,298	92
Prepaid revenue	263	193	182	150
Various creditors	42	4	6	3
Termination benefit payable	227	0	227	0
Total	**11,007**	**6,553**	**8,366**	**3,939**

5.34. Taxes payable

	Group		Company	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Tax on stock sales 0.20%	2,976	3,986	0	0
Tax on salaried services	209	233	139	144
Tax on external associates	5	2	3	1
VAT-Other taxes	600	513	393	317
Total	**3,790**	**4,734**	**535**	**462**

5.35. Current income tax and income taxes payable

Nondeductible expenses mainly include provisions, various expenses as well as amounts which the Company considers that they will not be considered justifiable production expenses in a potential tax audit and which are adjusted by management when the income tax is calculated.

Tax liabilities	Group		Company	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Liabilities 31.12.2020	(1,515)	1,391	(229)	53
Income tax expense	999	1,063	31	381
Return of income tax prepayment for 2019	0	77	0	26
Taxes paid	0	(4,046)	0	(690)
Liabilities / (claims)	**(517)**	**(1,515)**	**(199)**	**(229)**

	Group		Company	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Income Tax	999	824	30	208
Deferred Tax	(466)	(109)	(82)	12
Income tax expense	**533**	**715**	**(52)**	**220**

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In accordance with article 22 of Law 4646/2019, the corporate income tax rate for fiscal year 2020 is 24%. For fiscal year 2021 the tax rate is reduced to 22%.

Reconciliation of the income tax with profits/losses before tax on the basis of the applicable ratios and the tax expense is as follows:

	Group		Company	
Income tax	**30.06.2021**	**30.06.2020**	**30.06.2021**	**30.06.2020**
Earnings before taxes	5,596	2,988	5,640	8,726
Income tax rate	22%	24%	22%	24%
Expected income tax expense	1,231	717	1,241	2,094
Effect of the change in the tax rate	(123)	0	29	0
Tax effect of non-taxable income	(797)	(2)	(1,525)	(1,874)
Tax effect of non-deductible expenses	222	0	203	0
Income tax expense	**533**	**715**	**(52)**	**220**

Non-taxable income refers mainly to dividend income from subsidiaries, which is eliminated on a consolidated basis. Thus the tax rate calculated on the accounting profits increases, since the corresponding taxable profits are lower. Furthermore, the resulting effective tax rate on the consolidated profits is lower, because there were expenses which were tax deductible, as well as a loss on the sale of shares, which is recognized for tax purposes.

Tax Compliance Report

For fiscal years 2011 to 2015, the Greek Sociétés Anonymes and Limited Liability Companies whose annual financial statements must be audited were required to obtain an "Annual Certificate", as provided for in §5 article 82 of Law 2238/1994 and article 65A Law 4174/2013, which is issued after a tax audit carried out by the same statutory auditor or audit firm that audits the annual financial statements. After completion of the tax audit, the statutory auditor or the audit firm issues to the company a "Tax Compliance Report" which is then submitted electronically to the Ministry of Finance.

Starting with fiscal year 2016, the issuance of an "Annual Certificate" is optional. The tax authorities reserve the right to carry out a tax audit within the established framework as defined in article 36 of Law 4174/2013.

Unaudited fiscal years

The status of the tax audits for the companies of the Group, by fiscal year, is as follows:

	2008	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	2015	2016	2017	2018	2019	2020
ATHEX to 30.06.2014	x	x	x	x	x	x	x						
ATHENS EXCHANGE (ATHEX)		appeal		x	x	x	x	x	x	x	x	x	+
ATHEXCSD (former TSEC)	x	x	x	x	x	x	x	x	x	x	x	x	+
ATHEXClear	x	x	x	x	x	x	x	x	x	x	x	x	+

(x) Tax audit completed
(+) Tax audit in progress

ATHEX: (see below concerning the tax audit for fiscal years 2008-2010).

For fiscal years 2011, 2017, 2018 & 2019 the companies of the Group have been audited by PricewaterhouseCoopers S.A., and for fiscal years 2012-2016 they have been audited by Ernst and Young S.A.

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and have received clean "Tax Compliance Reports" in accordance with the regulations in effect (article 82, §5 of Law 2238/1994 for fiscal years 2011-2013 and article 65A of Law 4174/2013 for fiscal years 2014-2018).

For fiscal year 2019 the tax audit was carried out by PricewaterhouseCoopers S.A. in accordance with article 65A of Law 4174/2013, and a clean tax certificate was issued in October 2020. For fiscal year 2020 the tax audit is in progress and the tax certificate is expected to be issued following the submission of the tax declaration for 2020, in the 2nd half of 2021.

Tax audit of the Company for fiscal years 2008, 2009 and 2010

On 30.9.2016, within the time limits of the law, the Company filed an administrative appeal in accordance with article 63 of Law 4174/2013 at the Dispute Settlement Directorate (DED) of the General Secretariat of Public Revenue (GGDE), against the findings of the tax audit, and at the same time paid 100% of the amount due i.e. €1,562 thousand, in order to avoid the accumulation, calculation and assessment of interest for the duration of the suspension of the sum due (article 53 §1 of law 4174/2013).

The finding by DED, which was received on 15.2.2017, reduces the total amount by €579 thousand, to €983 thousand. This difference has already been offset with an equal amount of Company tax obligations by the appropriate tax office. The Company has further appealed (16.03.2017) to the Administrative Courts in order to reduce the tax and penalties assessed by the tax audit. The Company received a summons from the Administrative Court of Appeals and was presence for the adjudication of the case on 6.3.2018. Decision 3901/2018 of the Administrative Court of Appeals of Athens refers the case to the Three Member Administrative Court of First Instance of Athens. The case has been referred to the Court of First Instance, where it was heard on 24.9.2019 Until the date of this report, the decision had not been issued.

5.36. Related party disclosures

The value of transactions and the balances of the Group with related parties are analyzed in the following table:

	Group		Company	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Remuneration of executives and members of the BoD	763	718	600	553
Cost of social security	139	144	106	106
Other compensation	526	0	400	0
Total	**1,428**	**862**	**1,106**	**659**

The intra-Group balances on 30.06.2021 and 31.12.2020, as well as the intra-Group transactions of the companies of the Group on 30.06.2021 and 30.06.2020 are shown below:

INTRA-GROUP BALANCES (in €) 30.06.2021				
		ATHEX	ATHEXCSD	ATHEXCLEAR
ATHEX	Claims	0	76,238	720
	Liabilities	0	37,768	0
ATHEXCSD	Claims	37,768	0	709,172
	Liabilities	76,238	0	1,600
ATHEXCLEAR	Claims	0	1,600	0
	Liabilities	720	709,172	0

(Amounts in thousands euro, unless otherwise noted) 77

INTRA-GROUP BALANCES (in €) 31.12.2020				
		ATHEX	ATHEXCSD	ATHEXCLEAR
ATHEX	Claims	0	416,019	720
	Liabilities	0	34,267	0
ATHEXCSD	Claims	34,267	0	331,075
	Liabilities	416,019	0	1,600
ATHEXCLEAR	Claims	0	1,600	0
	Liabilities	720	331,075	0

INTRA-GROUP REVENUES-EXPENSES (in €) 01.01 -30.06.2021				
		ATHEX	ATHEXCSD	ATHEXCLEAR
ATHEX	Revenue	0	239,729	54,911
	Expenses	0	275,031	0
	Dividend Income	0	3,210,400	420,000
ATHEXCSD	Revenue	275,031	0	3,454,612
	Expenses	239,729	0	8,125
ATHEXCLEAR	Revenue	0	8,125	0
	Expenses	54,911	3,454,612	0

INTRA-GROUP REVENUES-EXPENSES (in €) 01.01 - 30.06.2020				
		ATHEX	ATHEXCSD	ATHEXCLEAR
ATHEX	Revenue	0	0	54,911
	Expenses	0	202,354	0
	Dividend Income	0	4,013,000	3,825,000
ATHEXCSD	Revenue	202,354	0	3,346,519
	Expenses	218,196	0	8,124
ATHEXCLEAR	Revenue	0	8,124	0
	Expenses	54,911	3,346,519	0

Intra-Group transactions concern: the annual fee for trade settlement (art. 1 decision 1 on fees), settlement instructions (art. 1 decision 1 on fees), support services (accounting, security, administrative services etc.), IT services, as well as PC support services, which are invoiced at prices comparative to those between third parties.

For the affiliated company HELLENIC ENERGY EXCHANGE, the table of claims and revenue (including provisions) for the 1st half of 2021 and 2020 follows below:

Claims (in €)	30.06.2021	31.12.2020
ATHEX	517,052	331,506
ATHEXCSD	59,938	58,419
ATHEXClear	9,300	27,900

Revenue (in €)	01.01 -30.06.2021	01.01 -30.06.2020
ATHEX	739,056	78,957
ATHEXCSD	132,325	129,339
ATHEXClear	15,000	15,000

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For the affiliated company EnEx CLEARING HOUSE, the table of claims and revenue (including provisions) for the 1st half of 2021 and the corresponding period in 2020 follows below:

Claims (in €)	**30.06.2021**	**31.12.2020**
ATHEX	14,809	176,877
ATHEXCSD	17,289	16,793
ATHEXClear	3,100	17,980

Revenue (in €)	**01.01 -30.06.2021**	**01.01 -30.06.2020**
ATHEX	202,868	22,554
ATHEXCSD	33,050	31,719
ATHEXClear	5,000	5,000

For the HELLENIC CORPORATE GOVERNANCE COUNCIL, the Group on 30.06.2021 had a claim on ATHEXCSD in the amount of €150.00.

5.37. Earnings per share and dividends payable

The BoD of the Athens Exchange proposed to the Annual General Meeting the distribution of €0.07 per share, i.e. a payout of €4,224,360, as dividend from the earnings of fiscal year 2020, as well as the return of capital to shareholders of €0.07 per share. The proposals of the BoD were approved by shareholders at the 20th Annual General Meeting on 31.5.2021 and the Repeat General Meeting on 16.06.2021 respectively.

The net after tax earnings of the Group in the 1st half of 2021 were €5.063 million or €0.084 per share, while after including other comprehensive income, earnings were €5.727 million or €0.0095 per share. The number of shares outstanding of the Company is 60,348,000.

5.38. Revenue from participations

Revenue from participations refers to the 21% participation of the Company in the Hellenic Energy Exchange (HenEx) (note 5.23). The internal value of the participation of the Company in HenEx increases in proportion to its participation in the equity of the latter. The equity of the Hellenic Energy Exchange (HenEx) on 31.12.2020 was €6,207 thousand compared to €5,580 thousand on 31.12.2019. In the 1st half €132 thousand in revenue was recorded from this participation.

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5.39. Composition of the BoDs of the companies of the Group

The members of the Boards of Directors of the companies of the ATHEX Group on 30.06.2021 are listed in the following tables.

HELLENIC EXCHANGES - ATHENS STOCK EXHANGE S.A. HOLDING	
Name	**Position**
George Handjinicolaou	Chairman, non-executive member
Alexios Pilavios	Vice Chairman, non-executive member
Socrates Lazaridis	Chief Executive Officer, executive member
Konstantinos Vassiliou	Non-executive member
Dimitrios Dosis	Independent non-executive member
Giorgos Doukidis	Independent non-executive member
Ioannis Emiris	Non-executive member
Polyxeni Kazoli	Independent non-executive member
Theano Karpodini	Independent non-executive member
Nicholaos Krenteras	Independent non-executive member
Ioannis Kyriakopoulos	Non-executive member
Spyridoula Papagiannidou	Independent non-executive member
Pantelis Tzortzakis	Independent non-executive member

The term of office of the BoD is four years, i.e. until 30.05.2023, which is automatically extended until the Annual General Meeting of the Company that will convene or will be convened following the end of its term of office.

The composition of the Boards of Directors of the subsidiaries ATHEXClear and ATHEXCSD is the following:

ATHENS EXCHANGE CLEARING HOUSE S.A	
Name	**Position**
Alexios Pilavios	Chairman, non-executive member
Charalambos Saxinis *	Vice Chairman, independent non-executive member
Socrates Lazaridis	Chief Executive Officer, executive member
Giorgos Doukidis	Independent non-executive member
Theano Karpodini	Independent non-executive member
Spyridoula Papagiannidou *	Independent non-executive member
Nikolaos Pimplis *	Executive member

* *On 7.7.2021 the BoD elected Mrs. Polyxeni Kazoli and Messeurs. Pantelis Tzortzakis and George Handjinicolaou to replace Mrs. Spyridoula Papagiannidou and Messeurs. Harry Sachinis and Nikolaos Pimplis.*

HELLENIC CENTRAL SECURITIES DEPOSITORY S.A.	
Name	**Position**
George Handjinicolaou	Chairman, non-executive member
Adamantini Lazari *	Vice Chairman, Independent non-executive member
Socrates Lazaridis	Chief Executive Officer, executive member
Theano Karpodini	Independent non-executive member
Polyxeni Kazoli	Independent non-executive member
Spyridoula Papagiannidou	Independent non-executive member
Nikolaos Pimplis *	Executive member

* *On 6.7.2021 the BoD elected Messeurs. Alexios Pilavios and Giorgos Doukidis to replace Mrs. Adamantini Lazari and Mr. Nikolaos Pimplis.*

5.40. Contingent Liabilities

The Group is involved in legal proceedings with employees, members of the Athens Exchange, listed companies as well as with third parties. The management of the Group and its legal counsel estimate that the outcome of these cases will not have a significant effect on the financial statement, financial position or the results of the operation of the Group and the Company.

In order to reduce client receivables, the Group takes all legal courses of action provided by the law and the Regulations. In this context, out-of-court complaints and lawsuits have been submitted, which will be judged by the courts. A significant part of the receivables is estimated to be recoverable by the companies of the Group.

5.41. Events after the date of the Statement of Financial Position

There is no event that has a significant effect in the results of the Group which has taken place or was completed after 30.06.2021, the date of the 1st half 2021 interim financial statements and up until the approval of the financial statements by the Board of Directors of the Company on 26.07.2021.

5.42. Adjustments

Modifications in the published information of the Group and the Company in the Interim Statement of Comprehensive Income for the 1st half of 2020

A reclassification of accounts in the Statement of Comprehensive Income for the 1st half of 2020.

The following table shows the reclassifications in the published Statement of Comprehensive Income of the Group and the Company for the 1st half of 2020.

	Note	Group			Company		
		01.01	01.01	01.01	01.01	01.01	01.01
		30.06.2020	30.06.2020	30.06.2020	30.06.2020	30.06.2020	30.06.2020
		Modified	Published	Adjustment	Modified	Published	Adjustment
Revenue							
Ancillary services	5.17	1,261	1,025	236	596	498	98
Other services	5.18	282	518	-236	345	443	-98

(Amounts in thousands euro, unless otherwise noted) 81

Athens, 26 July 2021

THE CHAIRMAN OF THE BoD

GEORGE HANDJINICOLAOU ___________________________

THE CHIEF EXECUTIVE OFFICER

SOCRATES LAZARIDIS ___________________________

THE CHIEF FINANCIAL OFFICER

NICK KOSKOLETOS ___________________________

THE DIRECTOR OF FINANCIAL MANAGEMENT

CHRISTOS MAYOGLOU ___________________________