
AEGEAN AIRLINES S.A.

General Commercial Registry 1797901000

Interim Financial Report

1st January to 30th June 2021

In accordance with art. 5 of Law 3556/2007 and the Board of Directors'
Resolutions of the Hellenic Capital Market Commission

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1.

Statements of the Board of Directors' Members

1. Statements of the Board of Directors' Members

(in accordance to art. 5 paragraph 2 of Law 3556/2007)

It is hereby stated that, to the best of our knowledge, the Interim Condensed Stand Alone and Consolidated Financial statements of "Aegean Airlines S.A." for the period 1 January 2021 to 30 June 2021, which were prepared in accordance with IFRS 34, truly reflect all Assets, Liabilities and Shareholders' Equity along with the Income Statement of the Company, as well as of the companies included in the consolidation in accordance with Article 5 paragraphs 3 till 5 of Law 3556/2007.

It is also declared that, to the best of our knowledge, the Board of Directors' Report truly reflects all information required by Article 5 paragraph 6 of Law 3556/2007.

Kifissia, 16 September 2021

The undersigned

Eftichios Vassilakis

Dimitrios Gerogiannis

Nikolaos Sofianos

Chairman of the BoD

Chief Executive Officer

Member of the BoD

2. Interim Report of the Board of Directors

2. Interim Report of the Board of Directors

The Board of Directors' report of the company "AEGEAN AIRLINES S.A." (hereinafter called the "Company") covers the six-month period ending 30.06.2021. The interim report has been prepared in accordance with the relevant provisions of Law 4548/2018, and Law 3556/2007, and the decisions of the Board of Directors of the Hellenic Capital Markets Commission and especially the Decision 7/448/11.10.2007.

This report contains financial and non-financial information of Aegean Airlines S.A. and its subsidiaries Olympic Air S.A. and Aegean Cyprus Limited (hereinafter jointly with the Company, called the "Group"). It aims to provide an overview to the shareholders and investors of the Company's general course, financial position and results for the period (01.01.2021 – 30.06.2021) as well as highlight major events that occurred during the period and their impact on the interim financial statements. There is also a description of the main risks and uncertainties which the Group is currently facing or may face in the foreseeable future and finally a disclosure of material transactions between the Group and its related parties.

2.1 First Semester 2021 Financial Review and Business

➤ Macro-economic Conditions Overview

The ongoing effects of the coronavirus crisis continued to put considerable pressure on global economic activity during the first semester of the year. However, signs of recovery for global economy started to emerge compared with the previous quarters. The gradual adjustment to the new conditions that the pandemic caused, the acceleration of the vaccination roll-out and the increased ability of performing diagnostic testing, support the improvement of both economic and social conditions. Although the outlook for the global economy has improved significantly, there is an unbalanced recovery among the countries. According to the World Bank, global economy is expected to recover at 5,6% in 2021, although the degree of the uncertainty and the challenges due to the pandemic coupled with potential new mutations of the virus, remain high.

Eurozone economy continued to shrink in the first quarter of the year, while initial estimates project a strong GDP recovery from the second quarter of 2021 onwards, following the easing of the restrictive measures. In the second quarter of 2021 GDP grew by 2,0% in the euro area and 1,9% in EU compared to the previous quarter, according to the first estimates published by Eurostat. In the first quarter of 2021, GDP fell by 0,3% in the euro area and 0,1% in the EU compared with the previous quarter. Forecasts for the third quarter of the year show an increase in economic activity of 2,7% compared with the previous quarter due to the gradual lifting of the restrictive measures, the recovery of the economic activities and the increase in consumer spending.

In Greece, the annualized GDP shrank by 8,2% in 2020 mainly due to lower private consumption, the reduction of export services and the negative effect of the pandemic on tourism sector. The positive outlook in the medium term, the easing of travel restrictions and the resumption of almost all economic activities alleviated the uncertainty and led to an improvement in the Economic Climate Index. According to the trend, domestic economy entered a period of slight recovery from the second quarter of the year due to the increase in consumer spending, the decline in the prevailing uncertainty and the improvement in consumer confidence. Based on the available seasonally adjusted data, GDP during the second quarter of 2021 increased by 3,4% compared with the first quarter of 2021, while compared with the second quarter of 2020 has increased by 16,2%.

In June 2021, the 10th assessment of the Greek economy was successfully completed within the framework of the enhanced supervision regime. In April 2021 Greece's creditworthiness was upgraded to BB with positive prospects, from BB-, by S&P.

Change in GDP %	2020	2021e	2022e
World Economy	-3,5	5,6	4,3
Euro area	-6,5	4,8	4,5
EU	-6,0	4,8	4,5
Greece	-8,2	4,3	6,0

The price of oil in the first half of 2021 followed an upward trend from \$51.80/bbl at the end of 2020 to \$75.13/bbl on 30.06.2021 with the average price reaching \$65.23/bbl from 42.10/bbl in the first half of 2020. Respectively, the average price of jet fuel (JET FOB MED) increased by 55% in the first half of 2021 compared with the corresponding period in 2020.

Euro to USD rate was increased to 1,1884 as at 30/6/2021 from 1,2271 as at 31/12/2020. Average Euro / USD rate for the first semester of 2021 was 1,2053 from 1,1020 during the first semester of 2020.

► Airline Sector Overview in Greece and Europe

In the first half of 2021 the demand for travelling continued to be affected by the pandemic and travel restrictions, especially during the first quarter of the year, with the first signs of recovery evidenced from the second quarter of 2021 onwards. More specifically, the prevailing conditions in the first quarter of 2021 both in terms of supply and demand, were almost identical to those prevailing in the last quarter of 2020 as air traffic and offered capacity remained at low levels both in the European and global market.

The relatively positive course of the vaccination program with the gradual coverage of all the population, the easing of travel restrictions in several key markets (such as compulsory quarantine) as well as the implementation of health protocols contributed to the marginal but looming traffic recovery in the second quarter, mainly in June 2021.

In June 2021 passenger traffic in the European market (in RPK's) recorded a 69% decrease compared to June 2019, while the respective figure for May 2021 was 78% decrease and for the first quarter of 2021 was 81% decrease. A comparison of figures for the first half of 2021 with the corresponding prior year figures is distorted, as until February 2020 the market recorded a positive trend, while a clear weakness in the demand for air-transportation has been witnessed due to the resurgence of the pandemic in the period March-June 2020.

Load factors in June 2021 have improved significantly compared to the particularly low levels recorded in the same period in 2020, although it remained significantly lower compared to the figures recorded in 2019. More specifically, the load factor for European carriers was 65,8%, 21,6p.p. down compared with June 2019. Load factor and passenger traffic showed a greater improvement in domestic markets than in international ones.

	% change with the respective month in 2019		ASK's		RPK's	
	Global Market	European Market	Global Market	European Market	Global Market	European Market
Jan-21	-58,7%	-68,7%	-72,0%	-77,4%	-72,0%	-77,4%
Feb-21	-63,1%	-75,0%	-74,7%	-82,8%	-74,7%	-82,8%
Mar-21	-56,8%	-74,1%	-67,2%	-81,7%	-67,2%	-81,7%
Apr-21	-54,5%	-72,0%	-65,4%	-81,5%	-65,4%	-81,5%
May-21	-53,7%	-68,8%	-62,7%	-77,9%	-62,7%	-77,9%
Jun-21	-51,6%	-51,9%	-60,1%	-69,2%	-60,1%	-69,2%

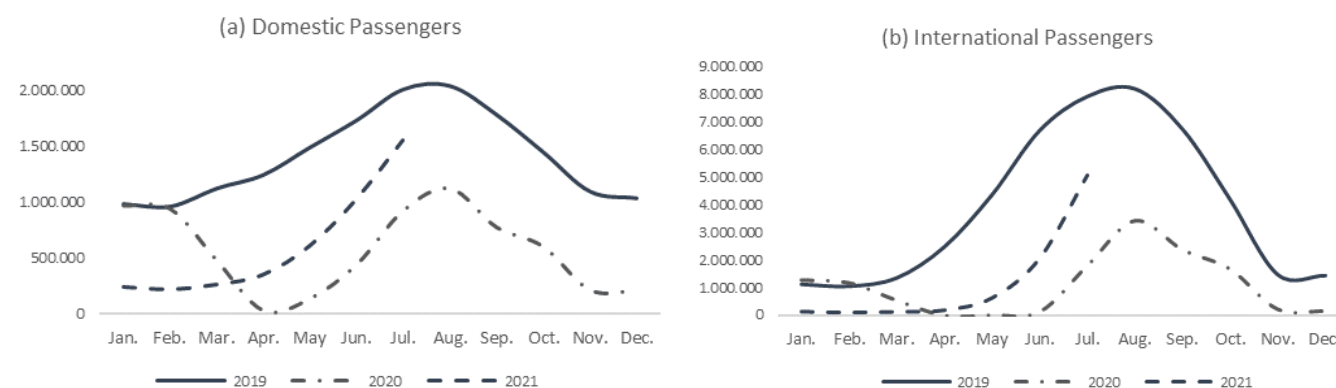
Source: IATA, Air Passenger Market Analysis (Jan-Jun 2021),

<https://www.iata.org/en/publications/economics/>

In Greece, passenger traffic was affected by the course of the pandemic during the first half of the year as well as by the restrictive measures applied. Signs of recovery have been visible since mid May with the gradual easing of travel restrictions and the start of the summer season. This recovery was more evident in domestic traffic compared to international, as several important markets for Greek tourism remained closed or not fully accessible (Russia, Great Britain) in June.

The passenger traffic at the Greek airports according to the data of Hellenic Civil Aviation Authority is shown in the following diagrams and table. Compared with the corresponding period of 2019, domestic traffic has decreased by 64% and international traffic has decreased by 81% in the first half of the year.

2021/2019	Flights	Passenger	Domestic Flights	Domestic Passengers	International Flights	International Passengers
January	-54,9%	-82,0%	-42,4%	-75,5%	-72,4%	-87,7%
February	-56,5%	-83,8%	-42,9%	-77,1%	-75,6%	-89,9%
March	-55,6%	-83,9%	-42,4%	-76,6%	-73,0%	-89,9%
April	-62,7%	-85,4%	-39,8%	-71,7%	-82,0%	-92,2%
May	-59,5%	-78,7%	-33,9%	-59,1%	-74,5%	-85,4%
June	-41,5%	-63,2%	-21,2%	-40,9%	-51,6%	-69,0%



Source: Hellenic Civil Aviation Authority

According to UNWTO's survey (World Tourism Barometer, January 2021), the recovery in tourism traffic and spending at the pre-pandemic levels of 2019 is expected in two to three years. According to the survey this is the projected time that leisure travelling demand will return to the pre-crisis levels both in Greece and abroad.

First Half 2021 Overview

The conditions that prevailed since the fall of 2020 due to the pandemic outbreaks have continued to be the same in the beginning of 2021. The restrictive measures imposed during the second lockdown in November 2020 which remained in force for the most part of the first semester of 2021 both in Greece and in Europe have affected Group's flight operations which stood at particularly low levels. From June onwards, passenger traffic alongside with the gradual lifting of travel restrictions showed signs of recovery.

More specifically in the first quarter of 2021 Group's capacity in available seats was 34% of the respective pre-pandemic first quarter of 2019 figure, a percentage that has increased to 45% in the second quarter and 59%

respectively in June 2021. The Group carried 460 thousand passengers in the first quarter (18% of the respective passengers carried in the first quarter of 2019) and 1,2 mil. passengers in the second quarter (30% of the respective passenger traffic figure recorded in the second quarter 2019). Load factors for the period remained at low levels. More specifically load factor stood at 55,8% in the second quarter from 47,5% in the first quarter of 2021. The pandemic conditions and travel restrictions had a significant impact in Group's activity. The effect was more evident in the international network compared to the domestic one.

- Selected Operating Data

	1 st quarter 2019	1 st quarter 2020	1 st quarter 2021	2 nd quarter 2019	2 nd quarter 2020	2 nd quarter 2021	1 st half 2019	1 st half 2020	1 st half 2021
Passengers ('000)	2.525	2.135	460	3.927	328	1.190	6.452	2.463	1.650
Domestic Passengers ('000)	1.120	982	251	1.647	243	667	2.767	1.225	918
International Passengers ('000)	1.405	1.153	209	2.280	85	523	3.685	1.238	732
Available Seats	3.105	2.855	1.059	4.817	700	2.148	7.922	3.555	3.208
Total Sectors Flown	19.945	18.752	7.883	31.107	5.681	15.022	51.052	24.439	22.905
Load Factor	82,3%	76,0%	47,5%	82,1%	50,8%	55,8%	82,2%	72,5%	53,1%

On 30.06.21 Group's fleet was 63 aircraft (51 Jet aircraft and 12 Turboprops). The Group redelivered four (4) A320neo family aircraft during the first half of the year to lessors.

◦ Measures adopted to address the pandemic crisis

The key measures that have been adopted to manage the crisis during the first half of the year and the efforts to deal with this crisis, are in the same direction as from the beginning of this crisis:

- Implementation of the necessary procedures to protect the health of its passengers and employees;
- Dynamic management of the network and capacity offered;
- Renegotiations with main suppliers targeting cost reduction, flexibility and adaptability in the volatile market environment;
- Utilization of the horizontal measures offered by the Greek state for the employees and the companies;
- Cash shielding and capital enhancement.

◦ Selected Consolidated Data

In this section, Group presents its Key Financial results, Alternative Performance Measures and Key Performance Indicators that have been calculated on the basis of the consolidated financial statements for the interim period ended 30 June 2021 and 30 June 2020.

The Group analyses its key financial data based on Alternative Performance Measures according to ESMA Guidelines that are widely used in financial analysis. Moreover, the Group tracks its performance efficiency by calculating key performance indicators which are used internationally in the field of air transport.

The Alternative Performance Measures must not substitute other key measures that have been calculated in accordance with IFRS or any other historical financial ratios.

Selected Indicators	Definition
EBITDA	Earnings before net interest and financial expenses, income taxes, depreciation and amortization
EBITDAR	Earnings before net interest and financial expenses, income taxes, depreciation and amortization and rental costs.
RASK (Revenue per Available Seat Kilometer)	It is calculated as the ratio of the total revenue to the total available seats multiplied by the total kilometers covered.
CASK (Cost per Available Seat Kilometer)	It is calculated as the ratio of the total expenses to the total available seats multiplied by the total kilometers covered.
CASK (Cost per Available Seat Kilometer) excluding fuel cost.	It is calculated as the ratio of the total expenses minus the fuel cost to the total available seats multiplied by the total kilometers covered.
Passenger Yield	It is calculated as the ratio total revenue to total passengers multiplied by the total kilometers covered.
Load Factor	It is calculated as the passenger kilometers (RPK) to the available seat kilometers (ASK) for scheduled flights. RPK's is the number of revenues passengers carried multiplied by the distance flown in kilometers.

- Selected Financial ratios and operational performance indicators for interim period ended 30 June 2021 and 30 June 2020, from the Consolidated Statement of Comprehensive Income as well as for 2nd quarter 2021 and 2nd quarter 2020.

(amounts in € thousands)	1 st Half 2021	1 st Half 2020
Losses before taxes (a)	(91.769,77)	(200.832,43)
Depreciation (b)	65.009,58	73.082,55
Financial income (c)	19.535,36	16.079,97
Financial expenses (d)	36.220,44	94.267,90
Earnings / (Losses) before taxes, interest and depreciation (EBITDA) (e) = (a) + (b) - (c) + (d)	(10.075,11)	(49.561,94)
Revenue from contracts with customers (A)	152.845,08	187.398,44
EBITDA margin = (e)/(A)	-6,6%	-26,4%

(amounts in € thousands)	2 nd Quarter 2021	2 nd Quarter 2020
Losses before taxes (a)	(34.828,30)	(88.502,59)
Depreciation (b)	31.443,14	36.601,68
Financial income (c)/ expenses	(3.731,07)	(2.794,50)
Financial expenses (d)	3.598,68	33.614,51
Earnings / (Losses) before taxes, interest and depreciation (EBITDA) (e) = (a) + (b) - (c) + (d)	3.944,59	(15.491,90)
Revenue from contracts with customers (A)	108.558,36	40.383,70
EBITDA margin = (e)/(A)	3,6%	-38,4%

(amounts in € thousands)	1 st Half 2021	1 st Half 2020
Revenue from contracts with customers (a)	152.845,08	187.398,44
Other operating income (b)	4.787,01	7.530,94
Total income (a+b)	157.632,09	194.929,37
ASK (Total Available Seat Kilometers in millions) (c)	2.673,36	3.208,01
RPK (Total Revenue Passenger Kilometers in millions) (d)	1.404,30	2.310,20
RASK (in € cents) ((a)+(b))/(c)	5,90	6,08
Passenger Yield (in € cents) ((a)+(b))/(d)	11,22	8,44
Personnel expenses (e)	25.613,52	42.446,60
Depreciation (f)	65.009,58	73.082,55
Consumption of goods and services (g)	142.093,68	202.044,72
Financial income (h)	19.535,36	16.079,97
Financial expenses (i)	36.220,44	94.267,90
Total expenses (e)+(f)+(g)-(h)+(i)	249.401,86	395.761,80
CASK (in € cents) ((e)+(f)+(g)-(h)+(i))/c	9,33	12,34
Aircraft fuel (j)	28.210,18	53.183,63
CASK excluding the fuel cost (in € cents) ((e)+(f)+(g)-(h)+(i)-(j))/c	8,27	10,68
Load Factor	53,1%	72,5%

(amounts in € thousands)	2 nd Quarter 2021	2 nd Quarter 2020
Revenue from contracts with customers (a)	108.558,36	40.383,70
Other operating income (b)	2.497,12	1.245,53
Total income (a+b)	111.055,47	41.629,23
ASK (Total Available Seat Kilometers in millions) (c)	1.804,63	443,57
RPK (Total Revenue Passenger Kilometers in millions) (d)	999,32	221,99
RASK (in € cents) ((a)+(b))/(c)	6,15	9,38
Passenger Yield (in € cents) ((a)+(b))/(d)	11,11	18,75
Personnel expenses (e)	14.659,87	11.251,76
Depreciation (f)	31.443,14	36.601,68
Consumption of goods and services (g)	92.451,02	45.869,37
Financial income (h)/expenses	(3.731,07)	(2.794,50)
Financial expenses (i)	3.598,68	33.614,51
Total expenses (e)+(f)+(g)-(h)+(i)	145.883,85	130.131,83
CASK (in € cents) ((e)+(f)+(g)-(h)+(i))/c	8,08	29,34
Aircraft fuel (j)	19.619,54	7.768,35
CASK excluding the fuel cost (in € cents) ((e)+(f)+(g)-(h)+(i)-(j))/c	7,00	27,59
Load Factor	55,8%	50,8%

Group's financial and operating results have improved in the second quarter of 2021 compared with the respective period in 2020. Although activity remained at very low levels (35% of the corresponding activity in 2019 in terms of RPK's) as a result of the pandemic, it was significantly higher compared with the respective period in 2020, a period during which lockdowns have been imposed both in Greece and in Europe. Therefore, a significant increase of 168,8% in revenues was recorded i.e. consolidated revenues stood at €108.558,36 thous. from €40.383,70 thous. with passenger traffic recording an increase of 262,8% i.e. 1,190 thous. passengers from 328 thous. passengers in the second quarter of 2020. In addition, the reduction in the fixed costs led to a marginally positive EBITDA, amounting to €3.944,59 thous. Finally, the non-occurrence of losses from hedging ineffectiveness which have been recorded in the corresponding period of 2020 due to the fleet grounding and the suspension of the network operation resulted in the reduction in losses before taxes in the second quarter of 2021. More specifically, losses before taxes for the second quarter reduced by 60,6% and amounted to €34.828,30 thous. while losses after taxes amounted to €33.906,50 thous. from €73.413,38 in the respective quarter in 2020.

The comparison of the financial results in the first half period of 2020 and 2021 is distorted due to the fact that the pandemic has started in March 2020 while at the same time the Group was recording high performance rates in January and February 2020. Consolidated revenue for the first half of 2021 recorded a 18,4% decrease, with passenger traffic down 33,0% and sectors flown down 6,3% compared with the respective period in 2020. The reduction in operating cost as a result of the systematic cost saving actions and the lower flight activity in the first half of the year reduced the losses in the first half of 2021. CASK ex- fuel is €8,27 cent from €10,68 cent in 2020, while CASK including fuel cost is €9,33 cent from €12,34 cent respectively.

EBITDA stood at €10.075,11 thous. compared to losses of €49.561,94 thous. in the same period last year. Depreciation expense was lower compared with the respective period in 2020 and stood at €65.009,58 from €73.082,55, mainly due to the reduction in the depreciation expense recorded under IFRS 16 (mainly aircraft leases).

Losses before tax for the Group for the first half of the year stood at €91.769,77 thous. from losses €200.832,43 thous. in the respective period in 2020, while losses after tax stood at €78.394,14 thous. from losses €158.778,01 thous.

Net debt (including leases under IFRS 16) stood at €289.649,22 thous. on 30.06.2021 from €383.923,71 on 31.12.2020. Excluding leases the Group recorded a net cash of €108.555,35 thous. on 30.06.2021 from a net cash of €41.210,74 on 31.12.2020.

Cash flow from operating activity stood at €94.524,47 thous. from €14.724,35 thous. in the first half of 2020, mainly due to pre-sold tickets. Cash and cash equivalent including restricted cash and financial asset stood at €545.722,51 thous. on 30.06.2021 from €478.439,19 thous. on 31.12.2020.

The Company on 13.04.2021 has signed an amendment to the Common Bond Loan Programme with the Representative of the Bondholders pursuant to the decision of the Bondholder's meeting dated 30.03.2021 which among others has approved the partial change in the use of funds raised as well as changes in the calculation period of the financial covenants.

On 26.04.2021 a new Bond Loan agreement was signed with the four Greek systemic banks amounting to €120 mil. with maturity on 30.09.2022, which replaced and extended the respective bilateral credit line agreements. The Company requested a disbursement of €92 mil. on 28.04.2021 and at the same time repaid the respective bilateral agreements without affecting the outstanding amount borrowed in relation to the 31.12.2020 balance.

The Group during the first half of the year completed its actions for the Company's share capital increase in accordance with art. 30 of L. 4772/2021 to meet the conditions for the payment of the state aid. More specifically on June 2021 the share capital increase by payment of cash and with pre-emptive rights in favor of the existing shareholders, was completed, by raising funds of €60.000.000 through the exercise of pre-emptive rights and pre-subscription rights. As a result, the Company's share capital increase was increased by €12.187.500 through the issuance of 18.750.000 new common registered voting shares with a nominal value of €0,65 each. An amount equal to EUR 47.812.500 was credited to the "Reserve from the issuance of shares above par" account. The share capital of the Company amounted to €58.608.615 and was divided into 90.167.100 new common registered voting shares, with a nominal value of €0,65 each.

The verification of the share capital increase from the Board of Directors took place on 14.06.2021. The Listing and Market Operation Committee of the Athens Exchange during its meeting held on 15.06.2021 approved the listing for trading of the 18.750.000 New Shares in the main market of the Athens Exchange with a nominal value of €0,65 each. The commencement of the trading of the new shares was set on 16.06.2021.

Prospects, Key Risks and Uncertainties

- Prospects and Groups Strategy for the second half of the year

The gradual easing in travel restrictions, the acceleration of the vaccination program and the implementation of the green digital passport have contributed to the improvement of the conditions and to air traffic recovery in July and August. Greece's flight performance was significantly higher compared to other European countries, which shows the country's positive dynamics if the conditions permit. The Group continued the gradual increase its flight activity by offering in July & August round 80% of the respective capacity of 2019 in available seats. Passenger traffic stood at 65% of the respective period in 2019, recording an improvement in relation with the

previous months. For the period September-December the Group plans to offer 70%-80% of the available seats offered in 2019.

The demand in the upcoming months will be affected by the evolution of the pandemic, the mutations of the virus, the course of the vaccination program and its effect in the economic activity.

- Risk factors that may affect the business and financial position of the Group

COVID-19 pandemic has created challenges in Group's business and financial situation.

The Group has identified the following risks as a result of the pandemic, that affect its business operations and financial position:

1. A prolonged and deep recession in Greece and in the countries that the Group operates, will have a negative impact on the demand for leisure travel.
2. Deterioration in the epidemiological conditions or the appearance of new mutations and new government-imposed travel restrictions within European Union will affect Group's operation.
3. Demand for business travel has dropped significantly and no immediate recovery is foreseen.
4. Outstanding derivative products to offset the price of oil may not be able to be offset with the actual fuel needs arising from the Group's business operation activity resulting in an additional burden on the Group's financial result
5. Risk from not using airport slots. Regulators may not renew the exemption period for the use of slots in the airports, leaving airlines with risk either to operate the route with reduced demand or to lose the slot.

Subsequent events

Following the completion of the share capital increase through which total funds of €60m were raised and verified by the Board of Directors on June 14th, 2021, a grant of €120m was disbursed on July 2nd, 2021 by the Hellenic Republic as a compensation to the Company for the losses suffered by the coronavirus outbreak, in accordance with the provisions of article 30 of Law 4772/2021 and the joint Ministerial decision by the Ministers of Finance and Transport & Infrastructure (FEK B' 2231/28.05.2021). The grant will be included in the third quarter financial statements.

Given the grant disbursement, in the following days the Company will issue and deliver warrants without consideration to the Hellenic Republic as per article 30 of Law 4772/2021 and article 56 of Law 4548/2018 and a relevant contract will be signed. More specifically, 10,369,217 warrants will be issued, each warrant providing the right to purchase one new common registered share of nominal value of €0.65, at an exercise price of €3.20 per share, which can be exercised between 03.07.2023 and 03.07.2026, whilst the Company retains a call option to buy back the warrants at their market value.

In July 2021, the Group has fully repaid the outstanding amount of €92 mil. to the four Greek systemic banks, through the repurchase of the bonds, thus maintaining the total credit line of € 120mil, until 30.09.2022.

2.2 Key Risks and Risk Management

➤ Foreign Exchange Risk

The Company incurs a substantial portion of its expenses, such as aviation fuel, aircraft leases, distribution costs, spare parts, maintenance expenses and aviation insurance premiums in U.S. dollars, whereas it generates most of its revenue in euro. Appreciation of the Euro versus the U.S. dollar positively impacts operating profit as the euro equivalent of the U.S. dollar operating expenses decreases, while depreciation of the euro versus the U.S. dollar negatively impacts the Group's operating profit. Despite the foreign exchange risk hedging policies, substantially adverse movements of the U.S. dollar could potentially have a material negative impact on the business activity, the financial status and the operating results of the Group.

As of June 30, 2021, the company has entered into agreements (forwards) to hedge the 23% of second half 2021 estimated needs in US dollars, 31% for 2022 and 35% of its estimated annual US dollar needs for 2023 (future transactions). At December 31, 2020 the Group had entered into agreements to hedge the 32%, 27% and 27% of its estimated annual US dollar needs at that time for 2021, 2022 and 2023.

➤ Interest Rate Risk

The Group is exposed to interest rate fluctuations risk through its bank deposits as well as through the aircraft leases agreed on a floating interest rate. The Group's policy is to continuously monitor its exposure to interest rate fluctuations and adopt a cash flow hedging policy through hedging instruments interest rate swaps, against interest rate risk related to aircraft leases.

➤ Jet Fuel Risk

The Group is exposed to the fluctuations of oil price which has a direct impact on the jet fuel price. To manage this risk, the Group enters into derivative contracts on oil products to hedge specific percentages of its projected jet fuel needs.

➤ Credit Risk

The Group monitors its trading receivables on a regular basis, to be protected against credit risk, and whenever needed, it assesses their timely collection mainly through factoring. This risk in the current circumstances has not increased in relation to the past.

➤ Liquidity/Cash flow risk

The prudent management of liquidity risk requires sufficient cash balances. The Company manages the risk by maintaining adequate liquid securities and sufficient credit terms from the suppliers, always in line to its operational, investment and financial needs.

➤ Related Parties' Transactions

The Company's transactions with related parties during first half of 2021 were under usual commercial terms.

The main transactions with related parties, according to IAS 24, appear on the following table:

1st Half 2021 - amounts in thousand €	Revenue	Expenses	Receivables	Payables
Olympic Air A.E.	27.812,51	45.521,82	8.871,78	0,00
Aegean Cyprus	15,00	1.162,44	0,00	99,10
Autohellas Hertz Group	239,90	460,45	158,58	78,70
Other related parties	6,77	342,67	2,97	205,96
1st Half 2020 - amounts in thousand €	Revenue	Expenses	Receivables	Payables
Olympic Air A.E.	52.975,05	49.083,98	6.243,22	0,00
Aegean Cyprus	0,00	2.828,18	0,00	0,00
Autohellas Hertz Group	325,86	766,84	52,25	128,40
Other related parties	39,66	152,55	442,10	10,48

The remuneration of the Company's directors and Board of Directors' members for the period 1.1-30.06.2021 was € 664,74 thousand, while the relevant amount for the Group was €704,64. As of 30.06.2021 there were no obligations towards or receivables from the Directors or the Board of Directors members neither for the Company nor for the Group.

Respectively, the Company's directors and Board of Directors' members remuneration for the period 1.1-30.06.2020 was € 989,91 thousand, while the relevant amount for the Group was €1.084,80 thousand. As of 30.06.2020 the obligations towards the Group Directors were €72,74 thousand while there were no receivables from the Directors or the Board of Directors members neither for the Company nor for the Group.

Kifissia, 16 September 2021

Aegean Airlines S.A.
Chief Executive Officer

Dimitrios Gerogiannis

3. Auditor's Report on Review of Interim Financial Statements Auditors

THIS IS A FREE TRANSLATION FROM THE ORIGINAL VERSION IN GREEK LANGUAGE

To the Shareholders of “Aegean Airlines S.A.”

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed separate and consolidated statement of financial position of “Aegean Airlines S.A.” (the “Company”) as at 30 June 2021, and the related condensed separate and consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes that comprise the interim financial information, which is an integral part of the six-month financial report of Law 3556/2007.

Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union and apply to interim financial reporting (International Accounting Standard “IAS 34”). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information 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 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 condensed financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on other legal requirements

Our review has not identified any inconsistency or error in the statements of Board of Directors' members and in the information of the Board of Directors' six-month Management Report, as set out in Articles 5 and 5a of Law 3556/2007, in relation to the interim condensed financial information.

Maroussi, 17 September 2021

YANNIS PIERROS

S.O.E.L. R.N. 35051

ERNST & YOUNG (HELLAS)

CERTIFIED AUDITORS ACCOUNTANTS S.A.

CHIMARRAS 8B, MAROUSSI

151 25, ATHENS

S.O.E.L. R.N. 107

4. Interim Condensed Financial Statements for the period 1 January to 30 June 2021

The interim condensed Group and Stand-alone financial statements for the period from pages 20 to 66 have been approved by the Board of Directors of Aegean Airlines on September 16, 2021.

The undersigned

Chairman of the BoD

Chief Executive Officer

Chief Financial Officer

Chief Accountant

Eftichios Vassilakis
I.D. no AN049866

Dimitrios Gerogiannis
I.D. no AB642495

Michael Kouveliotis
I.D. no AO148706

Maria Zannaki
I.D. no AO135556

The interim condensed financial statements constitute an integral part of the Interim Financial Report which can be found at www.aegeanair.com and which incorporates the Independent Auditor's Review Report.

4.1

Statement of Financial Position of the Company 30.06.2021

	Note	30.06.2021	31.12.2020
ASSETS			
Non-current assets			
Intangible assets	3.1	26.647,05	26.655,33
Tangible assets	3.2	124.246,44	125.131,43
Right of use assets	3.3	399.029,85	435.464,50
Advances for future aircraft leases	3.5	5.059,51	21.561,74
Investments in subsidiaries	3.4	80.426,56	80.426,56
Other long term assets	3.6	43.530,84	24.808,21
Deferred tax asset	3.21	61.113,93	58.063,84
Derivatives	3.16	5.096,77	1.104,20
Financial Assets	3.7	22.414,89	21.185,98
Total non-current assets		767.565,85	794.401,79
Current assets			
Inventories		14.381,35	14.262,29
Trade and other receivables	3.8	98.058,89	68.340,47
Advances		16.620,54	14.737,24
Financial Assets	3.7	12.355,17	12.278,85
Derivatives	3.16	5.565,62	491,47
Advances for future aircraft leases	3.5	20.126,09	0,00
Restricted Cash	3.9	6.405,02	29.092,37
Cash and cash equivalents	3.9	477.062,60	376.425,14
Total current assets		650.575,27	515.627,81
TOTAL ASSETS		1.418.141,12	1.310.029,60
EQUITY			
Share capital	3.10	58.608,61	46.421,11
Share premium	3.10	120.588,48	72.775,98
Other reserves		16.581,29	(5.797,95)
Retained earnings		(148.717,65)	(84.697,15)
Total equity		47.060,72	28.701,97
LIABILITIES			
Long term liabilities			
Borrowings	3.11	434.602,68	341.971,26
Derivatives	3.16	18.235,08	33.214,98
Provision for retirement benefits obligations		12.423,78	12.235,87
Provision for aircraft maintenance	3.12	17.998,67	27.593,21
Contract Liabilities	3.14	37.062,08	36.639,99
Lease Liabilities	3.3	266.153,18	291.859,33
Total long term liabilities		786.475,47	743.514,64
Short term liabilities			
Trade and other payables	3.13	48.063,23	44.317,46
Borrowings	3.11	2.564,48	95.257,19
Other short term liabilities	3.15	105.840,47	75.345,90
Contract Liabilities	3.14	266.897,46	185.892,68
Accrued expenses		24.898,79	4.919,25
Derivatives	3.16	1.726,15	16.722,31
Provisions	3.19	28.420,11	14.514,36
Lease Liabilities	3.3	106.194,24	100.843,83
Total short term liabilities		584.604,92	537.812,99
Total liabilities		1.371.080,40	1.281.327,63
TOTAL EQUITY AND LIABILITIES		1.418.141,12	1.310.029,60

4.2

Statement of Financial Position of the Group 30.06.2021

	Note	30.06.2021	31.12.2020
ASSETS			
Non-current assets			
Intangible assets	3.1	42.254,83	42.468,95
Goodwill	3.1	39.756,30	39.756,30
Tangible assets	3.2	154.804,17	155.593,92
Right of use assets	3.3	421.702,11	465.669,82
Advances for future aircraft leases	3.5	5.059,51	21.561,74
Financial assets	3.4	22.414,89	21.185,98
Deferred tax assets	3.21	70.538,20	64.288,16
Other long term assets	3.6	47.270,69	27.141,69
Derivatives	3.16	5.096,77	1.104,20
Total non-current assets		808.897,50	838.770,76
Current assets			
Inventories		19.959,56	19.971,87
Trade and other receivables	3.8	127.116,33	85.419,33
Advances		19.675,30	17.905,28
Financial assets	3.7	12.355,17	12.278,85
Derivatives	3.16	5.565,62	491,47
Advances for future aircraft leases	3.5	20.126,09	0,00
Restricted Cash	3.9	6.405,02	29.092,37
Cash and cash equivalents	3.9	526.962,32	437.067,98
Total current assets		738.165,40	602.227,15
TOTAL ASSETS		1.547.062,89	1.440.997,91
EQUITY			
Share capital	3.10	58.608,60	46.421,11
Share premium	3.10	120.588,48	72.775,98
Foreign currency translation reserve		(2.939,86)	(3.516,25)
Other reserves		18.055,25	(4.323,99)
Retained earnings		(111.989,98)	(33.775,87)
Total equity		82.322,49	77.580,97
LIABILITIES			
Long term liabilities			
Borrowings	3.11	434.602,68	341.971,26
Derivatives	3.16	18.235,08	33.214,98
Provision for retirement benefits obligations		13.858,29	13.089,87
Provision for aircraft maintenance	3.12	22.495,54	32.841,52
Contract Liabilities	3.14	37.062,08	36.639,99
Lease Liabilities	3.3	276.941,51	309.583,59
Total long term liabilities		803.195,18	767.341,21
Short term liabilities			
Trade and other payables	3.13	86.189,66	73.782,67
Borrowings	3.11	2.564,48	95.257,19
Other short term liabilities	3.15	111.525,95	80.162,59
Contract Liabilities	3.14	278.190,60	191.554,67
Accrued expenses		27.490,63	6.233,37
Derivatives	3.16	1.726,15	16.722,31
Provisions	3.12	32.594,68	16.812,07
Lease Liabilities	3.3	121.263,07	115.550,86
Total short term liabilities		661.545,22	596.075,73
Total liabilities		1.464.740,40	1.363.416,93
TOTAL EQUITY AND LIABILITIES		1.547.062,89	1.440.997,91

4.3

Statement of Comprehensive Income of the Company 30.06.2021

Condensed Statement of Comprehensive Income	Note	1st Half 2021	1st Half 2020
Revenue from contracts with customers	3.17	113.465,94	141.104,10
Other operating income		9.956,32	14.592,46
Personnel expenses	3.20	(22.403,58)	(38.038,38)
Depreciation	3.1, 3.2, 3.3	(56.170,67)	(64.618,38)
Consumption of goods and services	3.18	(102.685,73)	(159.074,28)
Finance income	3.19	15.826,54	39.400,75
Finance expense	3.19	(32.428,41)	(92.461,33)
Profit/(Loss) before tax		(74.439,60)	(159.095,07)
Income tax	3.21	10.175,67	37.822,82
Profit/(Loss) after tax		(64.263,92)	(121.272,25)
		1st Half 2021	1st Half 2020
Other comprehensive income			
(a) Other comprehensive income that may be reclassified to profit or loss in subsequent periods			
Cash flow hedging			
Reclassification of Profit / (Loss)		2.388,55	46.125,57
Net change in fair value		24.929,86	(100.282,93)
Deferred tax		(6.751,91)	12.813,41
Debt Instruments at FV through OCI			
Reclassification of Profit / (Loss)		(148,26)	162,71
Net change in fair value		1.243,39	452,63
Deferred tax		(240,93)	(147,68)
Total (a)		21.420,69	(40.876,29)
(b) Other comprehensive income that will not be reclassified to profit or loss in subsequent periods			
Net actuarial profit/ (loss) on defined benefit plans		312,09	43,23
Deferred tax		(68,66)	(10,38)
Net change in fair value - equity instruments		1.228,91	2.531,92
Deferred tax		(270,36)	(607,66)
Total (b)		1.201,98	1.957,11
Other comprehensive income/ (losses) for the period net of tax		22.622,67	(38.919,18)
Total comprehensive income/(losses) for the period net of tax		(41.641,25)	(160.191,43)

4.4 Statement of Comprehensive Income of the Group 30.06.2021

Condensed Consolidated Statement	Note	1st Half 2021	1st Half 2020
Revenue from contracts with customers	3.17	152.845,08	187.398,44
Other operating income		4.787,01	7.530,94
Personnel expenses	3.20	(25.613,52)	(42.446,60)
Depreciation	3.1, 3.2, 3.3	(65.009,58)	(73.082,55)
Consumption of goods and services	3.18	(142.093,68)	(202.044,72)
Finance income	3.19	19.535,36	16.079,97
Finance expense	3.19	(36.220,44)	(94.267,90)
Profit/(Loss) before tax		(91.769,77)	(200.832,43)
Income tax	3.21	13.375,63	42.054,41
Profit/(Loss) after tax		(78.394,14)	(158.778,01)
		1st Half 2021	1st Half 2020
Other comprehensive income			
(a) Other comprehensive income that may be reclassified to profit or loss in subsequent periods			
Cash flow hedging			
Reclassification of Profit / (Loss)	3.23	2.388,55	46.125,57
Net change in fair value of cash flow hedges		24.929,86	(100.282,93)
Deferred tax		(6.751,91)	12.813,41
Debt Instruments at FV through OCI			
Reclassification of Profit / (Loss)		(148,26)	162,71
Net change in fair value of cash flow hedges		1.243,39	452,63
Deferred tax		(240,93)	(147,68)
Total (a)		21.420,69	(40.876,29)
(b) Other comprehensive income that will not be reclassified to profit or loss in subsequent periods			
Net actuarial profit/ (loss) on defined benefit plans		312,09	43,23
Deferred tax		(68,66)	(10,38)
Net change in fair value - equity instruments		1.228,91	2.531,92
Deferred tax		(270,36)	(607,66)
Total (b)		1.201,98	1.957,11
Other comprehensive income/ (losses) for the period net of tax		22.622,67	(38.919,18)
Total comprehensive income/(losses) for the period net of tax		(55.771,47)	(197.697,19)
Basic and diluted earnings per share in €		(1,0742)	(2,2232)
Weighted Average number of shares		72.979.600,00	71.417.100,00

4.5

Statement of changes in the Equity of the Company 30.06.2021

Company	Issued capital	Share premium	Cash flow hedge reserves	Reserves (other)	Debt Instruments at FV through OCI	Accumulated Profit / (Loss)	Total equity
Balance at 01.01.2020	46.421,11	72.775,98	1.985,91	14.587,04	(507,92)	94.944,13	230.206,25
Profit for the year	0,00	0,00	0,00	0,00	0,00	(121.272,25)	(121.272,25)
Other comprehensive income/ (losses)	0,00	0,00	(41.420,79)	(1.100,30)	467,66	3.134,26	(38.919,18)
Total comprehensive income/ (losses)	0,00	0,00	(41.420,79)	(1.100,30)	467,66	(118.138,00)	(160.191,43)
Dividends Paid	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Bord of Directors fees	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Statutory Reserve	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Balance on 30.06.2020	46.421,11	72.775,98	(39.434,88)	13.486,74	(40,25)	(23.193,87)	70.014,83
Balance on 01.01.2021	46.421,11	72.775,98	(16.068,97)	10.136,56	134,45	(84.697,15)	28.701,98
Loss for the year	0,00	0,00	0,00	0,00	0,00	(64.263,92)	(64.263,92)
Other comprehensive income/ (losses)	0,00	0,00	20.566,49	958,55	854,20	243,43	22.622,67
Total comprehensive income/ (losses)	0,00	0,00	20.566,49	958,55	854,20	(64.020,49)	(41.641,25)
Share capital increase	12.187,50	47.812,50	0,00	0,00	0,00	0,00	60.000,00
Bord of Directors fees	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Statutory Reserve	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Balance on 30.06.2021	58.608,61	120.588,48	4.497,52	11.095,11	988,65	(148.717,64)	47.060,73

4.6

Statement of changes in the Equity of the Group 30.06.2021

Group	Issued capital	Share premium	Cash flow hedging reserves	Reserves (other)	Debt Instruments at FV through OCI	Accumulated Profit / (Loss)	Total equity
Balance at 01.01.2020	46.421,11	72.775,98	1.985,92	14.587,04	(507,91)	193.162,98	328.425,12
Profit for the year	0,00	0,00	0,00	0,00	0,00	(158.778,02)	(158.778,02)
Other comprehensive income/ (losses)	0,00	0,00	(41.420,79)	(1.100,30)	467,66	3.134,26	(38.919,18)
Total comprehensive income/ (losses)	0,00	0,00	(41.420,79)	(1.100,30)	467,66	(155.643,77)	(197.697,20)
Dividends	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Foreign currency translation reserve	0,00	0,00	0,00	(707,19)	0,00	0,00	(707,19)
Statutory Reserve	0,00	0,00	0,00	1.473,96	0,00	(1.473,96)	0,00
Balance on 30.06.2020	46.421,11	72.775,98	(39.434,87)	14.253,50	(40,25)	36.045,25	130.020,73
Balance on 01.01.2021	46.421,11	72.775,98	(16.068,97)	8.094,28	134,46	(33.775,89)	77.580,98
Loss for the year	0,00	0,00	0,00	0,00	0,00	(78.394,14)	(78.394,14)
Other comprehensive income/ (losses)	0,00	0,00	20.566,49	958,55	854,20	243,43	22.622,67
Total comprehensive income/ (losses)	0,00	0,00	20.566,49	958,55	854,20	(78.150,72)	(55.771,47)
Foreign currency translation reserve	0,00	0,00	0,00	576,38	0,00	(63,39)	512,99
Bord of Directors fees	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Share capital increase	12.187,50	47.812,50	0,00	0,00	0,00	0,00	60.000,00
Balance on 30.06.2021	58.608,61	120.588,48	4.497,53	9.629,21	988,65	(111.989,99)	82.322,49

The notes on pages 36 to 66 are an integral part of these stand alone and consolidated financial statements.

4.7

Cash Flow Statement of the Company 30.06.2021

	30.06.2021	30.06.2020
Cash flows from operating activities		
Profit before tax	(74.439,60)	(159.095,07)
Adjustments for:		
Depreciation (Notes 3.1, 3.2, 3.3)	56.170,67	64.618,86
Provisions (Notes 3.8, 3.12)	5.424,31	(27.059,57)
Losses/(gains) from foreign exchange differences (Note 3.19)	8.649,93	1.246,34
(Revenue)/ expense, (Gain) / loss from investing activities	(8.475,32)	35.976,90
Dividend income	0,00	(24.187,50)
Finance Cost	15.506,02	13.049,62
Cash flows from operating activities before changes in working capital	2.836,01	(95.450,42)
Changes in working capital		
(Increase)/Decrease in inventories	(119,06)	(5.420,27)
(Increase)/ Decrease in receivables	(15.426,53)	49.972,75
Increase/ (Decrease) in liabilities	134.454,41	83.100,03
Total changes in working capital	118.908,82	127.652,51
Interest expenses paid	(13.160,85)	(10.604,54)
Income tax paid	0,00	0,00
Net cash flows from operating activities	108.583,98	21.597,56
Cash flows from investing activities		
Purchases of tangible assets (Notes 3.1, 3.2)	(1.315,67)	(11.113,05)
Sales of tangible assets	1,58	810,37
Tangible assets prepayments	(3.533,22)	(4.735,05)
Investment in subsidiaries	0,00	(8.010,00)
Dividends received	0,00	24.187,50
Purchases of financial assets	0,00	(997,75)
Purchase of equity instruments	0,00	(411,54)
Sales of financial assets	0,00	447,75
Interest and other financial income received	(287,78)	839,20
Net cash flows from investing activities	(5.135,10)	1.017,43
Cash flows from financing activities		
Bond loan	0,00	0,00
Bond issuance costs	0,00	0,00
Borrowing received	92.000,00	40.000,00
Borrowing paid	(92.000,00)	0,00
Share capital increase	60.000,00	0,00
Dividends paid	(10.800,00)	0,00
Aircraft leases paid	(51.976,42)	(61.804,14)
Future aircraft lease prepayments (Note 3.5)	(2.631,15)	(5.059,00)
Net cash flows from financing activities	(5.407,57)	(26.863,14)
Net (decrease)/increase in cash and cash equivalents	98.041,31	(4.248,15)
Cash, cash equivalents & restricted cash at the beginning of the period (Note 3.9)	376.425,14	369.493,64
Net foreign exchange differences	2.596,15	(741,34)
Cash, cash equivalents & restricted cash at the end of the period (Note 3.9)	477.062,60	364.504,15

4.8

Cash Flow Statement of the Group 30.06.2021

	30.06.2021	31.12.2020
Cash flows from operating activities		
Profit before tax	(91.769,77)	(200.832,39)
Adjustments for:		
Depreciation (Notes 3.1, 3.2, 3.3)	64.938,28	74.527,76
Provisions (Notes 3.8, 3.12)	7.371,53	(28.037,86)
Losses/(gains) from foreign exchange differences (Note 3.19)	8.456,99	957,73
Impairments loss of tangible assets	0,00	0,00
(Revenue)/ expense, (Gain) / loss from investing activities	(8.920,47)	35.976,94
Finance Cost	15.508,67	13.683,94
Cash flows from operating activities before changes in working capital	(4.414,78)	(103.723,89)
Changes in working capital		
(Increase)/Decrease in inventories	12,31	(5.087,51)
(Increase)/ Decrease in receivables	(27.933,24)	43.714,60
Increase/ (Decrease) in liabilities	151.821,86	91.387,22
Total changes in working capital	123.900,93	130.014,31
Interest expenses paid	(14.161,67)	(11.566,10)
Income tax paid	0,00	0,00
Net cash flows from operating activities	105.324,47	14.724,31
Cash flows from investing activities		
Purchases of tangible assets (Notes 3.1, 3.2)	(1.325,69)	(54.719,17)
Sales of tangible assets	1,58	810,37
Tangible assets prepayments	(3.533,22)	(4.735,05)
Purchases of financial assets	0,00	(997,75)
Purchase of equity instruments	0,00	(411,54)
Sales of financial assets	0,00	447,75
Interest and other financial income received	(286,07)	639,72
Net cash flows from investing activities	(5.143,40)	(58.965,68)
Cash flows from financing activities		
Bond loan	0,00	0,00
Bond issuance costs	0,00	0,00
Borrowing received	92.000,00	40.000,00
Borrowing paid	(92.000,00)	0,00
Share capital increase	60.000,00	0,00
Dividends paid	(10.800,00)	0,00
Aircraft leases paid	(59.456,01)	(58.887,89)
Future aircraft lease prepayments (Note 3.5)	(2.631,15)	(5.059,00)
Net cash flows from financing activities	(12.887,16)	(23.946,89)
Net (decrease)/increase in cash and cash equivalents	87.293,92	(68.188,25)
Cash, cash equivalents & restricted cash at the beginning of the period (Note 3.9)	437.067,99	505.077,47
Net foreign exchange differences	2.600,42	(311,92)
Cash, cash equivalents & restricted cash at the end of the period (Note 3.9)	526.962,32	436.577,30

4.9 Notes to the Interim Condensed Financial Statements

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1 Information for the Group

➤ 1.1 General Information

The Company AEGEAN AIRLINES S.A. is a Societe Anonyme airline company (hereafter referred as “The Company”) under the discreet title AEGEAN AIRLINES, which bears the title of AEGEAN AIRLINES S.A. in its international transactions. The Company’s duration has been defined until 31.12.2044 and can be extended after that, following the decision of the General Shareholders Meeting. The Company’s registered address is in the Municipality of Kifissia, Attiki (31 Viltanioti St. PC 145 64). The parent company AEGEAN AIRLINES S.A. and its subsidiaries form AEGEAN Group (hereafter referred as “The Group”).

The accompanying interim condensed consolidated and stand-alone financial statements for the period ended at 30th June 2021 have been approved by the Board of Directors of the Company on 16th September 2021.

➤ 1.2 Nature of Operations

The Company and the Group operate in the sector of airline transportations, providing transport of passengers and goods inside and outside the Greek territory, conducting scheduled and charter flights. At the same time, they render aviation services, technical support and ground handling aircraft services. Indicatively, the Company’s and the Group’s objectives include among others the following activities/operations:

- participation in any type of local or foreign company of similar nature of operations;
- establishment of subsidiaries and agencies;
- import, trade, leasing of aircraft and spare parts.

2 Basis of Preparation of the Interim Condensed Financial Statements

The accompanying interim condensed financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The financial statements have been prepared under the historical cost principle except for certain categories of assets and liabilities measured at fair values. These categories are the ones stated below:

- Financial derivatives;
- Debt and equity instruments

The interim condensed financial statements for the 1st half of 2021 have been prepared based on the same accounting policies and calculation methods used for the preparation of the annual financial statements of the year ended 31 December 2020, except for the changes in accounting policies which are analyzed in Note 2.1. The accompanying interim condensed financial statements should be read along with the annual financial statements for the period ended at 31 December 2020, which include a thorough analysis of the accounting principles and methods used.

The preparation of the interim financial statements according to the International Financial Reporting Standards (IFRS) requires management’s estimates and judgments. Important assumptions, made by the management in applying the accounting policies of the Company and the Group, are stated where it is considered necessary.

Basis of financial statements preparation

The conditions that prevailed since the fall of 2020 due to the pandemic outbreaks have continued to be the same in the beginning of 2021. The restrictive measures imposed during the second lockdown in November 2020 which remained in force for the most part of the first semester of 2021 both in Greece and in Europe have affected Group’s flight operations which stood at particularly low levels. From June onwards, passenger traffic alongside with the gradual lifting of travel restrictions showed signs of recovery. The pandemic conditions and travel

restrictions had a significant impact in Group's activity. The effect was more evident in the international network compared to the domestic one.

More specifically in the first quarter of 2021 Group's capacity in available seats was 34% of the respective pre-pandemic first quarter of 2019 figure, a percentage that has increased to 45% in the second quarter and 59% respectively in June 2021. The Group carried 460 thousand passengers in the first quarter (18% of the respective passengers carried in the first quarter of 2019) and 1,2 mil. passengers in the second quarter (30% of the respective passenger traffic figure recorded in the second quarter 2019). Load factors for the period remained at low levels. More specifically load factor stood at 55,8% in the second quarter from 47,5% in the first quarter of 2021.

The comparison of the financial results in the first half period of 2020 and 2021 is distorted due to the fact that the pandemic has started in March 2020 while at the same time the Group was recording high performance rates in January and February 2020. Consolidated revenue for the first half of 2021 recorded a 18,4% decrease, with passenger traffic down 33,0% and sectors flown down 6,3% compared with the respective period in 2020. The reduction in operating cost as a result of the systematic cost saving actions and the lower flight activity in the first half of the year reduced the losses in the first half of 2021.

Group's financial and operating results have improved in the second quarter of 2021 compared with the respective period in 2020. Although activity remained at very low levels (35% of the corresponding activity in 2019 in terms of RPK's) as a result of the pandemic, it was significantly higher compared with the respective period in 2020, a period during which lockdowns have been imposed both in Greece and in Europe.

The Company on 13.04.2021 has signed an amendment to the Common Bond Loan Programme with the Representative of the Bondholders pursuant to the decision of the Bondholder's meeting dated 30.03.2021 which among others has approved the partial change in the use of funds raised as well as changes in the calculation period of the financial covenants.

On 26.04.2021 a new Bond Loan agreement was signed with the four Greek systemic banks amounting to €120 mil. with maturity on 30.09.2022, which replaced and extended the respective bilateral credit line agreements. The Company requested a disbursement of €92 mil. on 28.04.2021 and at the same time repaid the respective bilateral agreements without affecting the outstanding amount borrowed in relation to the 31.12.2020 balance.

The Group during the first half of the year completed its actions for the Company's share capital increase in accordance with art. 30 of L. 4772/2021 to meet the conditions for the payment of the state aid. More specifically on June 2021 the share capital increase by payment of cash and with pre-emptive rights in favor of the existing shareholders, was completed, by raising funds of €60.000.000 through the exercise of pre-emptive rights and pre-subscription rights. As a result, the Company's share capital increase was increased by €12.187.500 through the issuance of 18.750.000 new common registered voting shares with a nominal value of €0,65 each. An amount equal to EUR 47.812.500 was credited to the "Reserve from the issuance of shares above par" account. The share capital of the Company amounted to €58.608.615 and was divided into 90.167.100 new common registered voting shares, with a nominal value of €0,65 each.

Taking into consideration all of the above, the Group's Management reassessed its business plan, at least for the next 12 months from the financial statements publication, including the impact of the COVID 19 pandemic on the country's broader economic environment as well as on the Group's operating activities, also taking into consideration the forecasts of the International Air Transport Association (IATA) regarding the flight activity levels in 2021 and 2022 as well as the impact of the actions and measures the Group has taken, aiming to reduce the negative impact on its financial statements, as well as the broader sustainable recovery plan, which includes the State aid amounting to €120m (Note 3.28), disbursed within 2nd half 2021, increasing the Group's capital and cash. As a consequence, management deems that there will be sufficient working capital for the following 12 months-period and the Company will comply to the financing terms. Following the above, the Group's Management concluded that the going concern assumption is suitable to be used for the preparation of the

interim condensed financial statements of the Group and the Company and there is no doubt regarding the Group's ability to operate based on the going concern principle.

During the preparation of the interim condensed financial statements, the significant estimates and assumptions made by the Management in relation to the application of the accounting principles of the Group and the Company and the main sources of uncertainties estimation were similar to those applied during the preparation of the consolidated and separate financial statements for the year ended 31 December 2020. On 30.06.2021 the Group Management carried out an impairment test for the value of goodwill, intangible assets, owned aircraft, right of use assets and investments in subsidiaries, considering that the impact of COVID 19 in the financial figures of the Company and the Group is an indication of impairment. During this exercise, it was considered that these assets do not generate independent cash flows and as such they should be tested for impairment in Group level, which is considered as one cash generating unit (CGU). The assumptions used in the interim condensed financial statements for the 1st half of 2021 for the impairment test of goodwill, intangible assets, owned aircraft, right of use assets and investments in subsidiaries are included in Note 3.1.

Financial statements are presented in thousand euro (€ '000), except if stated otherwise. In case of small variances in decimals are mainly due to rounding.

➤ 2.1 Standards, Interpretations and amendments to existing standards

A) Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year except for the following amended IFRSs which have been adopted by the Group as of 1 January 2021:

- **Interest Rate Benchmark Reform – Phase 2 – IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments)**

In August 2020, the IASB published Interest Rate Benchmark Reform – Phase 2, Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, completing its work in response to IBOR reform. The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). In particular, the amendments provide for a practical expedient when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, to require the effective interest rate to be adjusted, equivalent to a movement in a market rate of interest. Also, the amendments introduce reliefs from discontinuing hedge relationships including a temporary relief from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component. There are also amendments to IFRS 7 Financial Instruments: Disclosures to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy. While application is retrospective, an entity is not required to restate prior periods. The Group management estimates that the interest rate swaps that Company is entered into for hedging purposes and lease contracts relating to Libor are expected to be mainly affected by the IBOR reform.

- **IFRS 16 Leases-Covid 19 Related Rent Concessions (Amendment)**

The amendment applies, retrospectively, to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted, including in financial statements not yet authorized for issue at 28 May 2020. IASB amended the standard to provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the covid-19 pandemic. The amendment provides a practical expedient for the lessee to account for any change in lease payments resulting from the covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change was not a lease modification, only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
- Any reduction in lease payments affects only payments originally due on or before 30 June 2021.

- There is no substantive change to other terms and conditions of the lease.

The Group management applied these amendments throughout the interim condensed consolidated financial statements preparation, for all lease contracts that met the criteria according to the standard. The impact on the separate and consolidated results is not considered significant.

B) Standards issued but not yet effective and not early adopted

- **Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The standard has not been yet endorsed by the EU.

- **IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)**

The amendments are effective for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. However, in response to the covid-19 pandemic, the Board has deferred the effective date by one year, i.e. 1 January 2023, to provide companies with more time to implement any classification changes resulting from the amendments. The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current or non-current. The amendments affect the presentation of liabilities in the statement of financial position and do not change existing requirements around measurement or timing of recognition of any asset, liability, income or expenses, nor the information that entities disclose about those items. Also, the amendments clarify the classification requirements for debt which may be settled by the company issuing own equity instruments. The standards have not been yet endorsed by the EU.

- **IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual Improvements 2018-2020 (Amendments)**

The amendments are effective for annual periods beginning on or after 1 January 2022 with earlier application permitted. The IASB has issued narrow-scope amendments to the IFRS Standards as follows:

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

- **IFRS 16 Leases-Covid 19 Related Rent Concessions beyond 30 June 2021 (Amendment)**

The Amendment applies to annual reporting periods beginning on or after 1 April 2021, with earlier application permitted, including in financial statements not yet authorized for issue at the date the amendment is issued. In March 2021, the Board amended the conditions of the practical expedient in IFRS 16 that provides relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the covid-19 pandemic. Following the amendment, the practical expedient now applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. The Group management estimates that this amendment will not materially affect the Group financial statements.

- **IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (Amendments):**

The Amendments are effective for annual periods beginning on or after January 1, 2023 with earlier application permitted. The amendments provide guidance on the application of materiality judgements to accounting policy disclosures. In particular, the amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies. Also, guidance and illustrative examples are added in the Practice Statement to assist in the application of the materiality concept when making judgements about accounting policy disclosures. The Amendments have not yet been endorsed by the EU.

- **IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (Amendments):**

The amendments become effective for annual reporting periods beginning on or after January 1, 2023 with earlier application permitted and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments introduce a new definition of accounting estimates, defined as monetary amounts in financial statements that are subject to measurement uncertainty. Also, the amendments clarify what changes in accounting estimates are and how these differ from changes in accounting policies and corrections of errors. The Amendments have not yet been endorsed by the EU.

- **IAS 12 Income taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments):**

The amendments are effective for annual periods beginning on or after January 1, 2023 with earlier application permitted. In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12 and specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations. Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal. The Amendments have not yet been endorsed by the EU.

- **Attributing Benefit to Periods of Service (IAS 19 Employee Benefits) – IFRS Interpretation Committee (IFRS IC or IFRIC) Agenda Decision issued May 2021:**

The International Financial Reporting Interpretations Committee issued the final agenda decision in May 2021, under the title "Attributing Benefits to Periods of Service" (IAS 19), which includes explanatory material regarding the way of distribution of benefits in periods of service following a specific defined benefit plan proportionate to that defined in Article 8 of Law 3198/1955 regarding provision of compensation due to retirement (the "Labor Law Defined Benefit Plan"). This explanatory information differentiates the way in which the basic principles and regulations of IAS 19 have been applied in Greece in the previous years, and therefore, according to what is defined in the "IASB Due Process Handbook (par 8.6)", entities that prepare their financial statements in accordance with IFRS are required to amend their Accounting Policy accordingly. Based on the above, the aforementioned final decision of the Committee's agenda will be treated as a Change in Accounting Policy. The aforementioned decision will be implemented in accordance with paragraphs 19-22 of IAS 8. The Group is currently attributing retirement benefit over the period from the date of employment recruitment to the year in which additional service does not create additional benefit (16th year). The Group is in the process of assessing the effect of this IFRIC AD with the completion date to be determined by the end of the year in order to reflect the impact and retrospectively amend its financial statements to apply the IFRIC AD before 31 December 2021 reporting.

2.2 Seasonality

The Company and the Group operating results significantly fluctuate each quarter during the financial year, a trend that is expected to continue in the future, because of the demand's seasonality in combination with the relatively high fixed costs of the Company. Historically, the Company and Group significant part of revenue from passengers' flights is realized between April and September and in a limited degree, during the holiday periods of Easter and Christmas/New Year. Demand and average fares are generally higher during these periods. Consequently, the Company and the Group present higher revenue during the second and third quarter of the financial year. On the contrary, revenue is lower during the first and fourth quarter, due to lower demand during the winter season. Most of Company and Group costs are evenly allocated during the year and therefore it is generally expected that the operating results are lower during the first and fourth quarter.

2.3 Operating Segments

The Group is managed as one business unit providing high-quality air transport services inside and outside Greece. It was considered appropriate to present financial for one operating segment, which is the route network.

Operations are monitored and managed by the Board of Directors, which acts as the Chief Operating Decision Maker - CODM. For more efficient decision-making, CODM evaluates all necessary information (route revenue, available resources, competition analysis) targeting to maximize the overall Group financial results and not to improve the profitability of a specific route. Finally, it should be noted that segment performance is measured on the basis of the result, profit or loss, from operating activities before income tax, without taking into account the finance results and any extraordinary items.

3

Notes to the Financial Statements

3.1 Intangible Assets

As at 30.06.2021 intangible assets amounted to € 26.647,05 and € 42.254,83 for the Company and the Group, respectively.

The Group performs its annual goodwill impairment test, amounted to €40 mil, every year-end or earlier if there are indications of impairment.

As at 30.06.2021 the Group management carried out an impairment test for the goodwill, the brand name and the intangible assets with indefinite useful life, considering that the effect of coronavirus pandemic in Group operational activity, is an indication of impairment. In the context of this exercise, it was considered that the said assets do not generate their own independent cash flows and they are checked as part of the whole Group, which is considered as one cash generating unit (CGU). There was no need of impairment, since the CGU recoverable amount highly exceeded its current book value at 30/06/2021.

More specifically, management used discounted cash flows based on the 5-year business plan of the Group, taking into account certain assumptions, which were those to which the CGU recoverable amount is most sensitive: the past experience and history, as well as the forecasted data provided by the International Air Transport Association (IATA) referring to the 2021 and 2022 activity. These assumptions, which do not materially differ from the ones used in the 31.12.2020 impairment test, are presented below:

- projected range of USD/EURO exchange rate (1,23 – 1,24)
- projected range of fuel price (\$520 – \$600)
- projected range of fare fluctuation (-1% – 1,5%)
- projected range of load factor (68% – 83%)
- projected range of revenue variation (4% – 36%)
- projected range of EBITDA variation (3% – 111%)

Future cash flows over the Group 5-year business plan were determined on the basis of an estimated long-term growth rate of 0,25%, which was considered reasonable by the Management. The discount rate used was 9,5%. In the above assumptions, a sensitivity analysis was performed to determine the impact on the recoverable amount due to a possible change in these assumptions.

Intangible assets' movement is analyzed as follows:

Company	Slots	Software	Other	Total
Cost of acquisition				
Balance 01.01.2020	22.030,00	19.392,81	3.434,22	44.857,03
Additions	0,00	1.126,37	929,02	2.055,38
Disposals/Write offs	0,00	0,00	(302,47)	(302,47)
Balance 30.06.2020	22.030,00	20.519,17	4.060,77	46.609,95
Depreciations				
Balance 01.01.2020	0,00	16.152,46	2.583,71	18.736,17
Depreciations	0,00	878,88	331,45	1.210,32
Disposals/Write offs	0,00	0,00	(64,77)	(64,77)
Balance 30.06.2020	0,00	17.031,34	2.850,38	19.881,72
Net Book value at 30.06.2020	22.030,00	3.487,84	1.210,39	26.728,23
Cost of acquisition				
Balance 01.01.2021	22.030,00	21.358,37	3.909,41	47.297,78
Additions	0,00	758,83	0,00	758,83
Disposals/Write offs	0,00	(0,18)	0,00	(0,18)
Balance 30.06.2021	22.030,00	22.117,02	3.909,41	48.056,44
Depreciations				
Balance 01.01.2021	0,00	17.758,47	2.883,96	20.642,43
Depreciations	0,00	646,80	120,16	766,96
Disposals/Write offs	0,00	0,00	0,00	0,00
Balance 30.06.2021	0,00	18.405,27	3.004,12	21.409,39
Net Book value at 30.06.2021	22.030,00	3.711,75	905,29	26.647,05

Group	Brand name	Slots	Software	Other	Total
Cost of acquisition					
Balance 01.01.2020	21.750,05	22.030,00	25.280,17	3.434,22	72.494,44
Additions	0,00	0,00	1.131,60	929,02	2.060,61
Disposals/Write offs	0,00	0,00	0,00	(302,47)	(302,47)
Balance 30.06.2020	21.750,05	22.030,00	26.411,77	4.060,77	74.252,59
Depreciations					
Balance 01.01.2020	5.547,08	0,00	21.960,67	2.585,71	30.093,46
Depreciations	206,42	0,00	908,50	331,45	1.446,37
Disposals/Write offs	0,00	0,00	0,00	(64,77)	(64,77)
Balance 30.06.2020	5.753,50	0,00	22.869,17	2.852,38	31.475,05
Net Book value at 30.06.2020	15.996,55	22.030,00	3.542,60	1.208,39	42.777,54
Cost of acquisition					
Balance 01.01.2021	21.750,05	22.030,00	27.250,96	3.909,41	74.940,42
Additions	0,00	0,00	768,84	0,00	768,84
Disposals/Write offs	0,00	0,00	(0,18)	0,00	(0,18)
Balance 30.06.2021	21.750,05	22.030,00	28.019,63	3.909,41	75.709,09
Depreciations					
Balance 01.01.2021	5.959,92	0,00	23.627,58	2.883,96	32.471,45
Depreciations	206,42	0,00	656,23	120,16	982,81
Disposals/Write offs	0,00	0,00	0,00	0,00	0,00
Balance 30.06.2021	6.166,34	0,00	24.283,81	3.004,12	33.454,26
Net Book value at 30.06.2021	15.583,71	22.030,00	3.735,82	905,29	42.254,83

➤ 3.2 Tangible Assets

As at 30.06.2021 the Group management performed tangible assets impairment test, considering that the effect of the coronavirus pandemic in group financial figures is an impairment indication. In the context of this exercise, the management assessed that these assets do not generate their own independent cash flows and as such they should be tested for impairment in Group level, which is considered as one cash generating unit (CGU). Key assumptions used for the impairment exercise are analyzed in Note 3.1. There was no need of impairment, since the CGU recoverable amount highly exceeded its current book value at 30/06/2021.

Company	Buildings	Aircraft Owned	*Aircraft Finance Leased – Maintenance component	Aircraft equipment	Airports equipment	Other vehicles	Furniture and other equipment	Advances for tangible assets	Total
Cost of acquisition									
Balance 01.01.2020	13.032,90	6.475,31	0,00	39.264,59	2.112,00	981,50	14.338,39	40.511,77	116.716,45
Additions	11,25	24.614,06	27.146,98	22.683,04	0,00	0,00	745,21	5.051,51	80.252,05
Disposals/write offs	0,00	0,03	(353,03)	(6.758,47)	(102,26)	0,00	(35,38)	(11.797,13)	(19.046,25)
Balance 30.06.2020	13.044,15	31.089,40	26.793,94	55.189,15	2.009,74	981,50	15.048,22	33.766,14	177.922,24
Depreciations									
Balance 01.01.2020	8.457,90	4.289,89	0,00	21.286,76	1.766,66	682,86	10.862,91	0,00	47.346,99
Depreciations	476,86	479,63	133,99	2.708,15	31,47	54,28	493,32	0,00	4.377,69
Disposals/write offs	0,00	0,00	0,00	(600,14)	(84,47)	0,00	(35,28)	0,00	(719,89)
Balance 30.06.2020	8.934,76	4.769,52	133,99	23.394,77	1.713,66	737,14	11.320,94	0,00	51.004,78
Net Book value 30.06.2020	4.109,39	26.319,88	26.659,96	31.794,38	296,07	244,36	3.727,27	33.766,14	126.917,46
Cost of acquisition									
Balance 01.01.2021	13.645,85	31.089,37	27.449,46	55.342,43	2.039,17	985,88	15.559,98	36.075,02	182.187,15
* Additions	8,39	0,00	0,00	276,56	0,00	0,00	16,75	5.872,99	6.174,69
Disposals/write offs	0,00	0,00	0,00	(1.084,37)	0,00	0,00	(148,23)	(1.041,52)	(2.274,12)
Balance 30.06.2021	13.654,24	31.089,37	27.449,46	54.534,62	2.039,17	985,88	15.428,50	40.906,48	186.087,73
Depreciations									
Balance 01.01.2021	9.425,86	6.092,89	1.284,75	25.892,53	1.719,83	787,36	11.859,61	0,00	57.062,83
Depreciations	513,61	1.323,37	834,98	2.601,10	30,19	54,41	528,15	0,00	5.885,80
Disposals/write offs	0,00	0,00	(25,03)	(934,77)	0,00	0,00	(147,54)	0,00	(1.107,34)
Balance 30.06.2021	9.939,46	7.416,26	2.094,70	27.558,86	1.750,02	841,77	12.240,22	0,00	61.841,29
Net book value 30.06.2021	3.714,78	23.673,11	25.354,76	26.975,76	289,16	144,11	3.188,28	40.906,48	124.246,43

* "Aircraft owned" and "Aircraft – maintenance component" additions refer to the exercise of a purchase right for three aircrafts, that was classified in Right of Used Asset as at 31/12/2020

Group	Buildings	Aircraft Owned	*Aircraft Finance Leased – Maintenance component	Aircraft equipment	Airports equipment	Other vehicles	Furniture and other equipment	Advances for tangible assets	Total
Cost of acquisition									
Balance 01.01.2020	13.032,90	6.475,31	0,00	38.314,67	2.112,00	1.143,35	19.111,10	41.655,63	121.844,97
Additions	11,25	65.615,96	27.146,98	22.683,04	0,00	0,00	1.247,35	5.060,60	121.765,17
Disposals/write offs	0,00	0,00	(353,03)	(6.758,47)	(102,26)	0,00	(35,38)	(12.232,09)	(19.481,24)
Balance 30.06.2020	13.044,15	72.091,27	26.793,94	54.239,24	2.009,74	1.143,35	20.323,07	34.484,14	224.128,90
Depreciations									
Balance 01.01.2020	8.457,90	4.289,89	0,00	20.968,42	1.766,66	833,11	15.466,66	0,00	51.782,65
Depreciations	476,86	421,59	133,99	2.660,65	31,47	55,58	575,28	0,00	4.355,41
Disposals/write offs	0,00	0,00	0,00	(600,14)	(84,47)	0,04	(35,28)	0,00	(719,85)
Balance 30.06.2020	8.934,76	4.711,48	133,99	23.028,94	1.713,66	888,73	16.006,65	0,00	55.418,21
Net Book value 30.06.2020	4.109,39	67.379,79	26.659,96	31.210,30	296,07	254,62	4.316,42	34.484,14	168.710,69
Cost of acquisition									
Balance 01.01.2021	13.645,85	62.965,27	27.449,46	54.392,52	2.039,17	1.147,73	21.423,99	37.218,88	220.282,87
* Additions	8,39	403,89	0,00	276,56	0,00	0,00	16,75	5.302,69	6.008,28
Disposals/write offs	0,00	0,00	0,00	(1.084,37)	0,00	0,00	(148,23)	(1.041,52)	(2.274,12)
**Reclassification to "Advances for future aircraft leases"	0,00	1.131,48	0,00	0,00	0,00	0,00	0,00	0,00	1.131,48
Balance 30.06.2021	13.654,24	64.500,64	27.449,46	53.584,71	2.039,17	1.147,73	21.292,52	41.480,05	225.148,51
Depreciations									
Balance 01.01.2021	9.425,86	8.581,51	1.284,75	25.479,37	1.719,83	940,36	16.656,43	0,00	64.088,10
Depreciations	513,61	2.661,12	834,98	2.553,60	30,19	55,71	714,35	0,00	7.363,55
Disposals/write offs	0,00	0,00	(25,03)	(934,77)	0,00	0,00	(147,50)	0,00	(1.107,30)
Balance 30.06.2021	9.939,46	11.242,62	2.094,70	27.098,20	1.750,02	996,07	17.223,28	0,00	70.344,35
Net book value 30.06.2021	3.714,78	53.258,02	25.354,76	26.486,51	289,16	151,66	4.069,23	41.480,05	154.804,16

* "Aircraft owned" and "Aircraft – maintenance component" additions refer to a) the exercise of a purchase right for three aircrafts, that was classified in Right of Used Asset as at 31/12/2020 and b) purchase of 2 aircraft by the subsidiary company

➤ 3.3 Right of use assets/ Lease liabilities

At 30.06.21 the Group fleet consisted of 63 aircraft (5 owned aircraft). Within 1st half of 2021, the Group redelivered 4 Airbus A320ceo aircraft back to the lessors.

The table below presents the Group fleet at 30.06.21.

FLEET 30.06.2021				
Manufacturer/ Model	Company			Total
	Aegean	Olympic Air	Aegean Cyprus	
Airbus A320ceo	30	-	2	32
Airbus A320neo	5	-	-	5
Airbus A321ceo	10	-	-	10
Airbus A321neo	3	-	-	3
Airbus A319ceo	1	-	-	1
De havilland Dash 8-Q400	-	8	-	8
De havilland Dash 8-100	-	2	-	2
ATR 42-600	-	2	-	2
Total	49	12	2	63

The Company also owns one Learjet 60, which is used for air-taxi flights. See Note 3.2.

An air mortgage has been set up in four owned aircraft, to secure the obligations arising by the syndicated bond loan agreed between the Company and the four Greek systemic banks, amounting to €120m. Note 3.11

Group fleet at 31.12.2020 was as follows:

FLEET 31.12.2020				
Κατασκευαστής / Μοντέλο	Εταιρεία			Σύνολο
	Aegean	Olympic Air	Aegean Cyprus	
Airbus A320ceo	34	-	2	36
Airbus A320neo	5	-	-	5
Airbus A321ceo	10	-	-	10
Airbus A321neo	3	-	-	3
Airbus A319ceo	1	-	-	1
De havilland Dash 8-Q400	-	8	-	8
De havilland Dash 8-100	-	2	-	2
ATR 42-600	-	2	-	2
Σύνολο	53	12	2	67

Following the adoption of IFRS 16, the right of use assets, as well as the respective lease liabilities for the Company and the Group at 30.06.2021 were:

Company	Right of use assets					Lease liabilities
	Aircrafts	Aircraft Engines	Buildings	Vehicles	Total Assets	
Opening balance 1.1.2020	316.452,23	11.841,03	10.297,52	1.367,10	339.957,87	291.290,62
Additions	256.413,52	0,00	528,45	370,95	257.312,92	255.993,45
Modifications	17.830,83	0,00	0,00	0,00	17.830,83	17.830,83
Disposals	(61.741,66)	0,00	(628,02)	(81,92)	(62.451,60)	(12.972,78)
Depreciation	(111.425,39)	(2.835,63)	(2.336,18)	(588,32)	(117.185,53)	0,00
Interest expense						15.333,13
Payments						(143.784,67)
(Gain)/Loss						(705,68)
FX Valuation						(30.281,75)
Ending balance 31.12.2020	417.529,53	9.005,39	7.861,76	1.067,81	435.464,50	392.703,15

Company	Right of use assets					Lease liabilities
	Aircrafts	Aircraft Engines	Buildings	Vehicles	Total Assets	
Opening balance 1.1.2021	417.529,53	9.005,39	7.861,76	1.067,81	435.464,50	392.703,15
Additions	8.202,97	440,47	4.918,94	125,28	13.687,66	13.687,66
Modifications	0,00	0,00	0,00	0,00	0,00	0,00
Disposals	0,00	0,00	(38,72)	(0,48)	(39,20)	(39,41)
Depreciation	(47.091,65)	(1.410,16)	(1.307,58)	(273,71)	(50.083,11)	0,00
Interest expense						7.239,26
Payments						(52.005,22)
(Gain)/Loss						(1.295,76)
FX Valuation						12.057,73
Ending balance 30.06.2021	378.640,85	8.035,70	11.434,40	918,90	399.029,85	372.347,42

Group	Right of use assets					Lease liabilities
	Aircrafts	Aircraft Engines	Buildings	Vehicles	Total Assets	
Opening balance 1.1.2020	365.970,87	11.841,03	10.781,87	1.447,10	390.040,87	343.233,45
Additions	238.416,58	0,00	1.138,94	389,49	64.286,07	238.625,54
Modifications	20.929,75	0,00	0,00	0,00	26.443,91	20.929,75
Disposals	(53.602,01)	0,00	(629,25)	(100,95)	(123,54)	(4.819,46)
Depreciation	(125.005,81)	(2.835,63)	(2.460,59)	(611,56)	(119.422,14)	0,00
Interest expense						16.977,37
(Gain)/Loss						(743,02)
Payments						(156.142,66)
FX Valuation						(32.926,51)
Ending balance 31.12.2020	446.709,37	9.005,39	8.830,98	1.124,08	465.669,81	425.134,45

Group	Right of use assets					Lease liabilities
	Aircrafts	Aircraft Engines	Buildings	Vehicles	Total Assets	
Opening balance 1.1.2021	446.709,37	9.005,39	8.830,98	1.124,08	434.831,41	425.134,45
Additions	8.202,97	440,47	4.426,22	125,28	64.350,07	13.194,95
Modifications	0,00	0,00	0,00	0,00	26.443,91	0,00
Disposals	0,00	0,00	(38,72)	(0,48)	(123,88)	(39,41)
Depreciation	(54.069,42)	(1.410,16)	(1.358,67)	(285,19)	(135.460,85)	0,00
Interest expense	0,00					7.851,76
Payments	0,00					(59.596,01)
(Gain)/Loss						(1.356,19)
FX Valuation	0,00					13.015,03
Ending balance 30.06.2021	400.842,92	8.035,70	11.859,81	963,69	421.702,11	398.204,57

Aircraft disposals in Group and Company amounts reflect the exercise of the purchase right for three aircraft, that was classified in Right of Use Assets as at 31.12.2020. Note 3.2

Additions reflect 4 aircraft lease agreement extension, new airport spaces leases as well as renewal of building lease agreements for more than 12 years duration.

The Group Management performed Right of Use asset impairment test, considering that the effect of the coronavirus pandemic crisis in group financial figures is an impairment indication. In the context of this exercise, the management assessed that the ROU assets do not generate their own independent cash flows. Key assumptions used for the impairment exercise are analyzed in Note 3.1. There was no need of impairment, since the CGU recoverable amount highly exceeded its current book value at 30/06/2021.

➤ 3.4 Investment in subsidiaries

Investments in subsidiaries are analyzed as follows:

Company	Country	Participation	30.06.2021	31.12.2020
Olympic Air A.E.	Greece	100%	62.416,56	62.416,56
Aegean Cyprus LTD	Cyprus	54,55%	18.010,00	18.010,00
Investment in subsidiaries			80.426,56	80.426,56

The Company's management performed investments in subsidiaries' impairment test, considering that the effect of the coronavirus pandemic in Company's and subsidiaries' financial figures is an impairment indication. In the context of this exercise, the management assessed that these assets do not generate their own independent cash flows and as such they should be tested for impairment in Group level, which is considered as one cash generating unit (CGU). Key assumptions used for the impairment exercise are analyzed in Note 3.1. There was no need of impairment, since the CGU recoverable amount highly exceeded its current book value at 30/06/2021.

➤ 3.5 Advances for future aircraft leases

Advances paid with respect to future sale and leaseback agreements are determined based on discounted cash flows and are translated using the prevailing exchange rate at each reporting date.

As at 30.06.21 the total outstanding balance amounted to € 25.185,60 (31.12.2020: €21.561,74 thousand).

The year-end translation of advances resulted in a gain of €791,71. Furthermore, an amount of €201,00 was recorded as income from the discounting calculation. Both amounts have been recognized in finance income/expense accounts.

➤ 3.6 Other long-term assets

Other long-term assets include an amount of € 19.51m deposited by the Company in the DSRA Bond Loan Security Account. (Note 3.11) In addition, the account contains security deposits given by the Company and the Group for aircraft and building lease contracts.

➤ 3.7 Financial assets

The account includes Company's investments in debt and equity instruments, which are traded in primary and secondary markets and they are measured at fair value through other comprehensive income (Fair value hierarchy Level 1).

The account also includes bonds of €2.000 nominal amount, that has been pledged in favor of the bondholders in accordance with the terms of the common bond loan.

At 30.06.2021 an additional provision for impairment of expected credit losses of € 148,26 thousand (30.06.2020 €162,71 thousand) was established. The amount is included in the financial expenses. (Note 3.19)

Change in fair value in other comprehensive income, not reclassified to profit or loss in subsequent periods, refers to valuation gain of equity instruments.

No transfers of financial assets between Level 1 and Level 2 hierarchies were made.

➤ 3.8 Customers and other trade receivables

Customers and other trade receivable include the following balances:

	Company		Group	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Trade receivables				
Domestic customers	2.563,79	6.804,13	6.149,28	5.873,87
International customers	6.197,05	4.984,99	6.729,93	5.455,39
Greek State	264,27	1,45	463,62	2.831,18
Other trade receivables	20.445,07	8.030,62	40.150,84	12.085,26
Subtotal	29.470,17	19.821,19	53.493,66	26.245,70
Allowance for expected credit loss (ECL)	(2.657,28)	(2.657,28)	(5.553,04)	(5.553,04)
Trade receivables total	26.812,89	17.163,91	47.940,62	20.692,67
Other receivable subject to allowance for ECL				
Accrued income	22.474,35	25.427,14	23.179,31	30.077,01
Contract Assets	13.514,28	1.822,88	10.493,82	2.008,14
Suppliers advances	24.434,66	16.433,88	30.601,59	20.633,56
Total	60.423,29	43.683,90	64.274,72	52.718,71
Allowance for expected credit loss (ECL)	(13,45)	(13,45)	(18,39)	(18,39)
Other receivable subject to allowance for ECL total	60.409,84	43.670,45	64.256,34	52.700,32
Other receivable not subject to allowance for ECL	10.836,15	7.506,10	14.919,37	12.026,35
Total Trade and Other Receivables	98.058,89	68.340,47	127.116,33	85.419,34

Other trade receivables balance refers to amounts receivable from ticket sales through IATA travel agents in Greece or abroad and tickets sold from/to other airline companies. Contract assets outstanding balance refers to 1st half 2021 revenue invoiced within July and mainly include interline revenue, charter and aircraft wet lease revenue. The increased balance to Other trade receivable, Contract assets and Suppliers advances account is due to the gradual recovery of the flight activity within 1st half 2021 compared to prior year, when the coronavirus pandemic had adversely affected the Company and Group operation.

Accrued income includes mainly Group reimbursement claims to lessors from maintenance reserves, when a maintenance has been carried out within the 1st half of 2021, but the invoice was issued within July.

Other receivable not subject to allowance for ECL balance includes claim from Greek state and VAT receivable.

Allowance for expected credit losses is included in the Consumption of materials and Services balance (Note 3.18).

Trade and other receivable amounts are short-term and therefore the fair value is not considered to be materially different from book value.

➤ 3.9 Cash and cash equivalents- Restricted Cash

Cash and cash equivalents of the Company and the group are analyzed as follows:

	Company		Group	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Cash	175,35	164,01	212,68	201,91
Current accounts	392.068,62	260.262,16	431.619,69	313.965,02
Short term time deposits	68.773,00	100.483,90	79.084,32	107.385,98
Cash equivalents	16.045,63	15.515,07	16.045,63	15.515,07
Total	477.062,60	376.425,14	526.962,32	437.067,98

Cash equivalents refer to low risk investments which can be immediately liquidated (less than 3 months - Treasury bills, money market funds etc.)

Part of Company and Group cash amounting to €54,28m (31.12.2020: € 84,71m) and €60,41m (31.12.2020: € 86,00m) respectively, include cash denominated in foreign currency (mainly USD).

The Company and Group restricted cash as at 30.06.2021 amounted to €6,41m (31.12.2020: €29,09m), concerning cash collateral provided to third parties, in the context of contracts for derivative financial instruments used to hedge the risk of interest rate increase.

Cash and cash equivalents on 30.06.2021 are increased compared to 31.12.2020, due to the completion of the share capital increase by raising a total of 60 million euros in June 2021 (Note 3.10) and also as a consequence of the improved commercial activity in the first half of 2021, compared to the previous year, where the pandemic crisis of the coronavirus had a negative impact on the Company and Group flight operations.

➤ 3.10 Share Capital

The Company proceeded with the increase of its share capital, requirement for the State aid grant amounted to €120m, by payment of cash and with pre-emptive rights in favor of the existing shareholders according to the Board of Directors decision on May 14th, 2021. The share capital increase took place from 27.05.2021 until 09.06.2021 and was successfully completed by raising funds amounting to € 60.000 thousand, through the exercise of pre-emptive rights and the pre-registration right of the eligible shareholders.

Following the above, the share capital of the Company was increased by € 12.187,50 thousand, by the issuance of 18.750.000 new common registered shares with a nominal value of € 0,65 each and an amount of € 47.812,50 thousand was credited to the Share premium account. Therefore, Company Share Capital amounted to €58.608,61 thousand, divided into 90.167.100 common, registered voting shares, with a nominal value of € 0,65 each. The share capital increase was certified by the Company Board of Directors on 14.06.2021. (Note 3.28)

3.11 Borrowings

Bond Loan

The Company and Group borrowing liabilities at 30.06.2021 are analyzed as follows:

	Company		Group	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Working capital credit line	0,00	92.686,17	0,00	92.686,17
Bond loan (€200m) - short-term	2.163,44	2.122,74	2.163,44	2.122,74
Bond loan (€150m) - short-term	401,04	448,22	401,04	448,22
Borrowings - short-term	2.564,47	95.257,13	2.564,47	95.257,13
Bond loan (€200m) - long-term	197.320,25	197.065,55	197.320,25	197.065,55
Bond loan (€150m) - long-term	145.387,66	144.905,71	145.387,66	144.905,71
Syndicated bond loan (€120m)	91.894,77	0,00	91.894,77	0,00
Borrowings - long-term	434.602,68	341.971,26	434.602,68	341.971,26

Common Bond Loan of €200mil

At 12.03.2019 the Company issued a Common Bond Loan (CBL) of 7 years duration amounted to €200 mil., divided into 200.000 dematerialized, common, bearer bonds, each of a nominal value of €1.000 and final yield at 3,60%.

At 30.06.2020 the fair value of the common bond loan liabilities of the Company and the Group, considering the market price in the fixed income securities' regulated market of Athens Stock Exchange, amounted to €200.000.

The Group and the Company bond loan liabilities are analyzed as follows:

	Company		Group	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Borrowings				
Long-term portion	197.320,25	197.065,55	197.320,25	197.065,55
Short-term portion	2.163,44	2.122,74	2.163,44	2.122,74
Carrying value of bond loan	199.483,69	199.188,29	199.483,69	199.188,29

The bond loan movement is analyzed as follows:

	Company		Group	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Bond loan and accrued interest	202.122,74	202.181,15	202.122,74	202.181,15
Less: bond loan issuance cost	(2.934,45)	(3.433,23)	(2.934,45)	(3.433,23)
Opening balance	199.188,29	198.747,92	199.188,29	198.747,92
Interest of the year	3.620,69	7.301,59	3.620,69	7.301,59
Amortization of issuance cost	254,70	498,78	254,70	498,78
Bond coupon payment	(3.580,00)	(7.360,00)	(3.580,00)	(7.360,00)
Ending balance	199.483,69	199.188,29	199.483,69	199.188,29

The Common Bond Loan Issuance Programme amounting to 200 million euros of the Company ("Program") as approved by the decision of the Board of Directors dated 22.02.2019, was amended based on the decision of the Bondholders' Meeting dated 30.3.2021 and the Amendment Agreement dated 13.4.2021.

The amendments include the adjustment of the period over which the covenants are calculated, meaning (a) the period from 31.12.2019 and until CBL maturity, or (b) the period from 30.06.2022 and until CBL maturity, provided that the Issuer (i) by 30.04.2021 will commit an amount of € 10,8million in the DSRA Bond Loan Guarantee Account (which will constitute "Amount to Release", according to Term 14.1 (xii) (C) and may be withdrawn by the Issuer under the process provide in this term), and (ii) until 30.09.2021 proceeds to share capital increase raising funds raises funds of at least € 60million and receives State Aid amounting to € 120million from the Hellenic Republic, in accordance with the provisions of article 30 of Law 4772/2021.

As a consequence, the Company deposited an amount of € 10,8million in the DSRA guarantee account on 22.4.2021. In addition, given the certification of the share capital increase through which € 60million were raised on 14.6.2021, as well as the State Aid payment amounting to € 120million of Article 30 of Law .4772 / 2021 on 2.7.2021, the Company confirms that the conditions for the definition of the Controlled Period are met, within which the obligation to measure the financial covenants according to article 14.1 (xii) of the Programme is applied, in the period from 30.06.2022 and onwards. On 30.06.2021 the amount deposited by the Company in the DSRA Bond Loan Security Account amounted to € 19,51m, an amount included in the line Other long-term assets. Note 3.6

In addition, the Bondholders Meeting of March 30, 2021 resolved that a percentage of 14% of the funds raised by the CBL (total amount, after issuance costs deduction, of € 27.420,58 thousand, i.e. € 27.465,16 thousand minus € 44,58 thousand that have already been allocated for the initial purpose) will be allocated, until 31.12.2021, to cover the Company working capital needs instead of financing part of the construction of a training center and offices at the Athens International Airport. This change was agreed, since -in the context of the capital expenditures reduction plan that the Company applies to deal with the effects of the coronavirus pandemic - the Company has postponed the implementation of this project. The Company has already proceeded in certain departments relocation (offices) to the existing premises at the Athens International Airport, achieving cost reduction and better coordination, despite the postponement of the aforementioned project. Therefore, the funds intended for the construction of the training center will be allocated to working capital needs, while the construction of the training center that has been postponed for the time being will be financed from other resources.

Bond Loan of €150mil

In October 2020, the Company has signed an agreement with the four Greek systemic banks for the issuance of a Bond Loan amounting to €150 million with a floating interest rate (3M EURIBOR + spread), using the Covid-19 Loan Guarantee Fund, in the form of a guarantee mechanism with a maturity in 2025. The commission paid by the Company for this guarantee amounted to € 4,8 million in October 2020.

	Company		Group	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Borrowings				
Long-term portion	145.387,66	144.905,71	145.387,66	144.905,71
Short-term portion	401,04	448,22	401,04	448,22
Carrying value of bond loan	145.788,70	145.353,93	145.788,70	145.353,93

Bond loan movement is analyzed as follows:

	Company		Group	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Bond loan and accrued interest	150.448,22	150.000,00	150.448,22	150.000,00
Less: bond loan issuance cost	5.094,29	5.507,65	5.094,29	5.507,65
Opening balance	145.353,94	144.492,35	145.353,94	144.492,35
Interest of the year	1.659,00	982,60	1.659,00	982,60
Amortization of issuance cost	706,95	413,36	706,95	413,36
Bond coupon payment	(1.931,25)	(534,38)	(1.931,25)	(534,38)
Ending balance	145.788,64	145.353,94	145.788,64	145.353,94

Syndicated Bond Loan up to €120 million

On April 26, 2021, the Company signed a new syndicated bond loan with the four Greek systemic banks, amounting up to €120 million and maturity up to 30.09.2022, which replaced and extended equal amount working capital credit lines through overdraft accounts issued in April 2020. The Company withdrew an amount of €92 million on 28.04.21 and at the same time repaid the respective credit lines. To secure this loan, air mortgages were set up on four Airbus A320neo aircraft (Note 3.3).

By 30.06.2021 the Company had raised a total amount of € 92million. The interest and commission charged in the income statement within first half of 2021 amounted to € 442,26 thousand.

On 12.07.2021 the Company fully prepaid syndicated bond loan outstanding balances, as of that date, repaying interest and nominal value of disposed bonds, through repurchase of the bonds and thus maintaining the total credit line of € 120 million.

➤ 3.12 Provision

1) Tax unaudited years

The Company has been tax audited for the fiscal years 2007 - 2010 by the Greek tax authorities and for the fiscal years 2011-2019 by its certified auditor accountants, according to the L.2238/1994 and the L.4174/2013. Within February 2020, the Company received a tax audit order by the tax authorities for the year 2014, which has been finalized with the Company paying the relevant taxes and surcharges.

The subsidiary Olympic Air S.A. has been tax audited for the fiscal years 2011 - 2019 by its certified auditor accountants, according to the L.2238/1994 and the L.4174/2013. In January 2019, Olympic Air received an audit order from the tax authorities for the fiscal year 2012, which is in process.

The subsidiary Aegean Cyprus Ltd. has not been audited by the tax authorities of Cyprus.

The Company and the Group have not established a provision for tax audit differences, since the Group management estimates that the results of a future audit by the tax authorities, if ultimately realized, will not have a material effect on the consolidated financial statements.

For the 2020 fiscal year the Company and its subsidiary Olympic Air, are being tax audited by the certified auditor accountants according to the Article 65A of the L.4174/2013. The audit is still ongoing and the relevant tax certificates are expected to be provided. Any potential additional tax liabilities that may arise from the tax audit are not expected to have significant impact in the Group interim condensed financial statements.

2) Maintenance Reserves

The accumulated provision for future aircraft maintenance is as follows:

	Company		Group	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Balance as at January 1st	39.235,14	38.740,16	46.669,97	42.607,36
Annual provision	21.046,78	81.665,58	22.783,85	88.605,58
Less: Provision used	(17.509,74)	(81.170,61)	(18.010,21)	(84.551,93)
Balance as at June 30, 2021	42.772,18	39.235,14	51.443,61	46.661,02

Provision used includes maintenance reserve cost invoiced by the lessors for future aircraft maintenance.

3) Other Provisions

The Company has established a provision for litigation cases amounting to € 858,94 thousand. The respective amount for the Group amounts to € 867,87 thousand. (31.12.2020 € 658,94 thousand for the Company and € 689,87 thousand for the Group). Note 3.23

At 30.06.2021 the Company and the Group established a provision for unused vacation leave of the year 2021 amounted to €2.787,65 thousand and € 3.123,77 thousand, respectively (31.12.2020: € 2.213,49 for the Company and € 2.324,68 for the Group).

➤ 3.13 Suppliers and Other Liabilities

The analysis for the Company and the Group balances is as follows:

	Company		Group	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
State-owned entities	2,46	1,90	2,46	1,90
International suppliers	30.089,37	30.486,27	37.608,21	37.983,11
Domestic suppliers	17.971,40	13.829,29	48.578,99	35.797,65
Total	48.063,23	44.317,46	86.189,66	73.782,67

Foreign suppliers outstanding balance mainly relates to aircraft maintenance, airport taxes and fuel cost liabilities. Suppliers and Other liabilities balance increase compared to 31.12.2020 is due to the gradual increase of the Company and the Group flight activity within 2nd quarter 2021.

Suppliers and other liabilities book values approximate their fair values.

3.14 Contract Balances

	Company		Group	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Trade Receivables (Note 3.8)	26.812,89	17.163,91	47.940,62	20.692,67
Contract assets (Note 3.8)	13.514,28	1.822,88	10.493,82	2.008,14
Contract Liabilities	(303.959,54)	(222.532,67)	(315.252,68)	(228.194,66)

Contract assets outstanding balance refers to June revenue invoiced subsequently and mainly include interline revenue, charter revenue, as well as revenue from redemption/conversion of award points in loyalty programs that Company participates.

Contract liabilities outstanding balance, and specifically the short-term portion, include the credit voucher service (€75.302,96 thousand) that the Company and the Group renders to the passengers, whose flights cancelled because of the COVID 19 measures.

Contract balances increase is due to the gradual increase of the Company and the Group flight activity within 2nd quarter 2021.

1) Contract Liabilities – short term

	Company		Group	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Liabilities from tickets sold but non-flown				
Fare	164.076,18	74.389,02	172.962,40	78.324,43
Ancillary services	12.204,85	8.850,70	13.207,13	9.718,94
Total	176.281,03	83.239,72	186.169,52	88.043,37
Credit Voucher	75.302,96	86.890,48	75.302,96	86.890,48
Customer advances	5.651,22	6.291,23	7.055,87	7.149,58
Liabilities from customer loyalty program – short term	9.662,24	9.471,25	9.662,24	9.471,25
Total contract liabilities – short term	266.897,46	185.892,68	278.190,60	191.554,67

2) Contract Liabilities – Long term

Long-term portion of contract liabilities for the Company and the Group amounts to € 37.062,08 (31.12.2020: € 36.639,99) and includes long-term portion of the Miles & Bonus customer loyalty program liability.

Loyalty program liability movement (Miles&Bonus)

Total loyalty program liability as at 30.06.2021 (short-term and long-term portion) amounts to €46.724,32 (short-term portion €9.662,24 and long-term portion €37.062,08).

Balance movement at 30.06.2021 and 31.12.2020 is analyzed below:

	30.06.2021	31.12.2020
Balance as of 01/01	46.111,23	43.164,06
Additions of miles	2.495,29	7.424,52
Redemption of miles	(1.882,20)	(4.477,34)
Liability as of 30/06	46.724,32	46.111,23

➤ 3.15 Other Short-Term Liabilities

Account relates to Group and Company short-term liabilities to social security organizations and other creditors that are directly related to business operation. The analysis is as follows:

	Company		Group	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Airport Taxes	67.833,48	51.970,02	71.051,67	55.679,53
Accrued income	71,71	35,86	71,71	35,86
Social Security Contributions	12.752,35	9.868,28	14.526,11	11.140,24
Other Short term liabilities	16.997,61	8.564,92	17.586,64	8.252,91
Payroll and other taxes	8.185,31	4.906,82	8.289,82	5.054,04
Vallue Added Tax	0,00	0,00	0,00	0,00
Total	105.840,47	75.345,90	111.525,95	80.162,59

The balance increase compared to 31.12.2020 is due to seasonality of the business activity, since during the first half of the year there is an increased pre-sale of tickets for flights that are scheduled after 30.06.2021

3.16 Derivatives

	Company and Group			
	Notional Amount	30.06.2021	Notional Amount	31.12.2020
Non-current assets				
Derivatives for cash flow hedge				
Forward contracts in US \$	79.000.000	1.286,85	16.000.000	251,66
Commodities' swaps (jet fuel)	27.000 MT	1.323,31		0,00
Interest rate swaps	40.000.000	2.242,46	40.000.000	852,54
Total		4.852,62		1.104,20
Derivatives				
Forward contracts in US \$	18.000.000	244,15		0,00
Total		244,15		0,00
Derivatives assets (long-term portion)		5.096,77		1.104,20
Current assets				
Derivatives for cash flow hedge				
Forward contracts in US \$	48.000.000	1.098,35	12.000.000	429,99
Commodities' swaps (jet fuel)	81.000 MT	4.055,40		0,00
Total		5.153,75		429,99
Derivatives				
Forward contracts in US \$	33.000.000	411,87	12.000.000	61,48
Total		411,87		61,48
Derivatives assets (short-term portion)		5.565,62		491,47
Total derivative assets		10.662,39		1.595,67
Non-current liabilities				
Derivatives for cash flow hedge				
Forward contracts in US \$	77.000.000	(620,22)	152.000.000	(4.034,81)
Commodities' swaps (jet fuel)		0,00		0,00
Interest rate swaps	205.000.000	(3.867,91)	205.000.000	(9.899,24)
Total		(4.488,13)		(13.934,05)
Derivatives				
Forward contracts in US \$	48.000.000	(488,14)	72.000.000	(2.561,77)
Interest rate swaps	192.000.000	(13.258,81)	152.000.000	(16.719,17)
Total		(13.746,95)		(19.280,93)
Derivatives liabilities (long-term portion)		(18.235,08)		(33.214,98)
Current liabilities				
Derivatives for cash flow hedge				
Forward contracts in US \$	48.000.000	(1.169,29)	84.000.000	(4.277,96)
Commodities' swaps (jet fuel)		0,00	70.000 MT	(6.260,64)
Interest rate swaps		0,00		0,00
Total		(1.169,29)		(10.538,60)
Derivatives				
Forward contracts in US \$	33.000.000	(556,85)	84.000.000	(2.885,78)
Commodities' swaps (jet fuel)		0,00		(3.297,93)
Total		(556,85)		(6.183,71)
Derivatives liabilities (short-term portion)		(1.726,15)		(16.722,31)
Total derivative liabilities		(19.961,23)		(49.937,29)

The Company holds derivative products used as cash flow hedging instruments to hedge the risk of exchange rate fluctuations (\$/€), as well as open positions in dollar forward contracts, for which no hedge accounting has been applied.

Hedging derivatives are classified either as assets or liabilities. Fair value of a derivative, which is considered as hedging instrument, is classified either as a non-current asset or a non-current liability (if the hedged item maturity is more than 12 months) or as a current asset or a current liability (if the hedged item maturity is less than 12 months).

Fair value of dollar forward contracts, for which no hedge accounting has been applied, is classified as non-current asset or long-term liability, if the remaining maturity of the contract is longer than 12 months and as a current asset or short-term liability, if the remaining maturity of the contract is less than 12 months.

Hedge accounting effect in Company and Group interim condensed financial statements per hedged item and hedged type at 30.06.2021 and 30.06.2020 is analyzed as follows:

Cash flow hedge	Forward contracts in US \$	Commodities' swaps (jet fuel)	Interest rate swaps	Total	Line of Financial Position /Comprehensive Income
Fair Value 31/12/2020	(7.631,12)	(6.260,64)	(9.046,70)	(22.938,46)	
Fair value movement in Other comprehensive income (Other reserves)	9.315,86	12.356,24	8.096,26	29.768,36	Other comprehensive income
Effective portion of cash flow hedge	(1.089,05)	(629,56)	(321,41)	(2.040,01)	Financial results/Other comprehensive income
Ineffective portion of cash flow hedge	0,00	(87,33)	0,00	(87,33)	Financial results/Other comprehensive income
Fair value in Other comprehensive income (Other reserves)	595,70	5.378,71	(1.271,85)	4.702,55	Other reserves
Ineffective portion of cash flow hedge valuation	0,00	0,00	(353,60)	(353,60)	Financial results
Fair Value 30/06/2021 (A)	595,70	5.378,71	(1.625,45)	4.348,95	
Non hedge derivatives recognised in income statement	Forward contracts in US \$	Commodities' swaps (jet fuel)	Interest rate swaps	Total	Line of Financial Position /Comprehensive Income
Fair Value 31/12/2020	(5.386,06)	0,00	(16.719,17)	(22.105,23)	
Non-hedge derivatives valuation	4.447,96	0,00	4.016,12	8.464,08	Breakdown per hedged item in income statement (i.e. fuel, maintenance costs, aircraft leases)/ Other comprehensive income
Non-hedge derivatives valuation results	549,13	0,00	(555,77)	(6,64)	Financial results
Fair Value 30/06/2021 (B)	(388,97)	0,00	(13.258,81)	(13.647,79)	
Total Valuation 30/06/2021 (A+B)	206,72	5.378,71	(14.884,26)	(9.298,83)	

Cash flow hedge	Forward contracts in US \$	Commodities' swaps (jet fuel)	Interest rate swaps	Total	Line of Financial Position /Comprehensive Income
Fair Value 31/12/2019	759,70	(702,32)	(6.107,33)	(6.049,96)	
Fair value movement in Other comprehensive income (Other reserves)	2.680,20	6.312,94	(8.884,01)	109,13	Other comprehensive income
Effective portion of cash flow hedge	3.469,17	(13.733,96)	(199,46)	(10.464,26)	Financial results/Other comprehensive income
Ineffective portion of cash flow hedge	0,00	(27.451,08)	(295,39)	(27.746,46)	Financial results/Other comprehensive income
Fair value in Other comprehensive income (Other reserves)	6.909,07	(35.574,42)	(15.486,20)	(44.151,55)	Other reserves
Ineffective portion of cash flow hedge valuation	0,00	(19.736,56)	(21.421,57)	(41.158,13)	Financial results
Fair Value 30/06/2020 (A)	6.909,07	(55.310,98)	(36.907,77)	(85.309,68)	
Non hedge derivatives recognised in income statement	Forward contracts in US \$	Commodities' swaps (jet fuel)	Interest rate swaps	Total	Line of Financial Position /Comprehensive Income
Fair Value 31/12/2019	2.795,20	0,00	0,00	2.795,20	
Non-hedge derivatives valuation	4.743,37	0,00	0,00	4.743,37	Breakdown per hedge category (i.e. fuels, maintenance costs, aircraft leases)
Non-hedge derivatives valuation results	(674,87)	0,00	0,00	(674,87)	Financial results
Fair Value 30/06/2020 (B)	6.863,70	0,00	0,00	6.863,70	
Total Valuation 30/06/2020 (A+B)	13.772,77	(55.310,98)	(36.907,77)	(78.445,98)	

a) Forward contracts in US dollars (currency forwards)

Forward contracts are used for cash flow hedging of risk relating to USD/EURO exchange rate fluctuation.

As at 30.06.2021, the Group had entered into currency forward contracts to hedge 23% of its estimated needs in US dollar for the 2nd half of 2021, as well as 31% and 35% of its estimated needs in US dollar for 2022 and 2023, respectively (future transactions). As at 31.12.2020, the Company had entered into forward contracts to hedge 32%, 27% and 27% of its estimated needs in US dollar for 2021, 2022 and 2023, respectively, based on the then Group management estimates for future transactions.

Maturity	Maturity amount in thousand \$ 30.06.2021	Maturity amount in thousand \$ 31.12.2020
2021	48.000,00	96.000,00
2022	96.000,00	84.000,00
2023	108.000,00	84.000,00
Σύνολο	252.000,00	264.000,00

The nominal amount of open forward contracts as at 30.06.2021 was € 212.049,82 (31.12.2020: €215.141,39). (Level 2)

In addition to the aforementioned positions held for cash flow hedging purposes, the Company as of 30.06.2021 held open positions of 48 million US dollar forward contracts with maturity within the 2nd half of 2021 and 84 million US dollar with maturity within the years 2022-2023, for which the Company has not applied hedge accounting. These positions are held in accordance with the Company's foreign exchange risk management policy adopted on 01.01.2019 combined with the IFRS 16 adoption. The nominal amount of these open forward contracts as at 30.06.2021 amounts to €111.073,71 thousand (31.12.2020: €136.908,16 thousand.) (Level 2)

b) Commodity swaps (jet fuel swaps)

The Group holds jet fuel swaps derivatives as cash flow hedging instruments to hedge the risk of fuel price fluctuations.

At 30.06.2021 the Group had entered into jet fuel swaps to cover 20% of its estimated jet fuel needs for the 2nd half of 2021 and 21% of the projected jet fuel needs for 2022 (future transactions). As at 31.12.2020, the Group had entered into jet fuel swaps to hedge 15% of its estimated jet fuel needs for 2021 based on the then Group management estimates for future transactions.

Maturity	Metric Tons 30.06.2021	Metric Tons 31.12.2020
2021	36.000,00	70.000,00
2022	72.000,00	0,00
Σύνολο	108.000,00	70.000,00

The nominal amount of open jet fuel swaps contracts as at 30.06.2021 was € 49.877,15 (31.12.2020: €35.740,72). (Level 2)

c) Interest Rate Swaps

Interest rate swaps (IRS) are used as cash flow hedging instruments to hedge finance liabilities and more specifically to cover the interest rate risk derived from future aircraft leases.

As at 30.06.2021, the Company maintained open positions on interest rate swaps to cover the interest rate risk of five (5) aircraft future leases, expected to be delivered within the period 2022-2023. The nominal amount of interest rate swaps at 30.06.2021 amounted to US\$245.000 (31.12.2020: US\$245.000).

In addition, the Company had entered into interest rate swap contracts for which no hedge accounting criteria are met and consequently no hedge accounting treatment is applied. The nominal amount of open interest rate swaps at 30.06.2021 amounted to €192.000 (31.12.2020: € 152.000).

Derivatives are measured at fair value at the balance sheet date, which is provided by the financial institutions that the Company has entered into an agreement, and they represent, in good faith, assumptions and estimations of the mentioned institutions, based on the available information for the market trends. The parameters used to calculate the fair value differ depending on the type of derivative.

➤ 3.17 Revenue from contracts with customers

Revenue from contracts with customers refers to ticket sales, sales of goods and other services. Revenue decrease compared to 1st half of 2020 is due to the fact during the period January-February 2020 the Company and the Group flight activity had not yet been affected by the coronavirus pandemic crisis.

Revenue from contracts with customers per service category is analyzed as follows:

	Company		Group	
	1st Half 2021	1st Half 2020	1st Half 2021	1st Half 2020
Revenue from scheduled flights	65.532,83	89.100,75	123.181,65	155.571,13
Revenue from chartered flights	25.090,99	22.079,07	7.777,46	3.235,52
Other operating income related to flights	22.842,12	29.924,28	21.885,97	28.591,79
Total	113.465,94	141.104,10	152.845,08	187.398,44

A geographic breakdown of revenue from contracts with customers is provided below:

Company	1st Half 2021		
	Domestic	International	Total
Revenue from scheduled flights	593,65	64.939,18	65.532,83
Revenue from chartered flights	15.560,64	9.530,35	25.090,99
Other operating income related to flights	5.999,31	16.842,81	22.842,12
Total	22.153,60	91.312,34	113.465,94

Company	1st Half 2020		
	Domestic	International	Total
Revenue from scheduled flights	2.258,23	86.842,52	89.100,75
Revenue from chartered flights	14.627,02	7.452,05	22.079,07
Other operating income related to flights	6.979,92	22.944,36	29.924,28
Total	23.865,17	117.238,93	141.104,10

Group	1st Half 2021		
	Domestic	International	Total
Revenue from scheduled flights	45.319,04	77.862,62	123.181,65
Revenue from chartered flights	2.826,14	4.951,32	7.777,46
Other operating income related to flights	6.081,44	15.804,53	21.885,97
Total	54.226,61	98.618,47	152.845,08

Group	1st Half 2020		
	Domestic	International	Total
Revenue from scheduled flights	51.336,26	104.234,87	155.571,13
Revenue from chartered flights	115,32	3.120,20	3.235,52
Other operating income related to flights	5.813,71	22.778,08	28.591,79
Total	57.265,29	130.133,15	187.398,44

➤ 3.18 Consumptions of materials and services

These amounts include the Group and Company operating expenses.

	Company		Group	
	1st Half 2021	1st Half 2020	1st Half 2021	1st Half 2020
Aircraft fuel	17.648,34	40.353,96	28.210,18	53.183,63
Aircraft maintenance	21.060,27	27.399,97	29.568,62	35.901,21
Overflight Expenses	7.283,16	9.522,45	9.655,04	12.242,44
Handling charges	6.845,62	8.365,81	13.116,09	14.222,58
Airport charges	6.993,54	10.894,36	13.109,12	16.790,28
Catering costs	3.903,26	5.679,06	5.064,23	6.475,07
Distribution costs	9.032,02	13.758,29	11.859,31	17.256,96
Marketing costs	4.239,38	4.961,29	4.374,89	5.251,90
Rentals	2.479,57	2.375,94	1.797,41	1.842,70
Inventories' consumption	20,86	356,80	20,78	1.689,44
Other operating expenses	23.179,69	35.406,36	25.318,01	37.188,51
Total	102.685,73	159.074,28	142.093,68	202.044,72

Cost decrease compared to 1st half of 2020 is due to the fact during the period January-February 2020 the Company and the Group operation had not yet been affected by the coronavirus pandemic crisis. Therefore, the amounts reflect the effect in Group and Company flight activity and passenger number.

➤ 3.19 Financial Income/ Expense

Financial income / expense analysis is as follows:

	Company		Group	
	1st Half 2021	1st Half 2020	1st Half 2021	1st Half 2020
Interest and expenses from long term liabilities	7.556,33	4.399,89	7.556,33	4.402,28
Interest and expenses from short term liabilities	1,76	0,85	62,01	0,85
Letters of Guarantee commissions	162,11	218,44	248,39	324,54
Leases interest	7.303,95	8.009,79	7.916,45	8.892,87
Cash flow hedging ineffective portion	440,93	68.839,38	440,93	68.839,38
Foreign exchange losses	15.429,30	10.647,01	18.427,11	11.435,80
Derivatives results (non hedging)	1.104,91	0,00	1.104,91	0,00
Other financial expenses	280,86	183,26	316,05	209,48
Impairment of financial assets	148,26	162,71	148,26	162,71
Total financial expenses	32.428,42	92.461,33	36.220,45	94.267,90
Other interest income	262,96	1.059,80	264,67	1.019,64
Cash flow hedging ineffective portion	8.457,44	4.169,61	8.457,44	4.169,61
Dividend income	0,00	24.187,50	0,00	0,00
Foreign exchange gains	7.106,13	9.983,84	10.813,25	10.890,71
Total financial income	15.826,53	39.400,75	19.535,36	16.079,97

Amounts in foreign exchange differences account (Gains & Losses) arises from the fact that the Company and the Group have a significant number of transactions in foreign currencies (collections and disbursements).

Cash flow hedging ineffective portion includes the valuation and the settlement result of ineffective portion of derivatives used for hedging accounting purposes.

Derivatives results (non-hedging) includes the valuation and the settlement result of derivatives used for non-hedging purposes. Net decrease in both lines is due to the fact that in 2020 the coronavirus pandemic resulted in a large volume of contracts, that the Company had entered into to hedge the risk of fuel prices increase and interest rates fluctuation, being considered ineffective. Consequently, the hedge accounting suspended due to the significant flight operations decrease and the changes in aircraft estimated delivery dates. Contracts for which hedge accounting no longer applies are valued at their fair value through profit or loss.

➤ 3.20 Employee Costs

Employee costs include salaries as well as provisions for retirement benefits.

	Company		Group	
	1st Half 2021	1st Half 2020	1st Half 2021	1st Half 2020
Salaries and wages	20.436,75	30.977,57	23.430,57	34.497,80
Employers' contribution	892,66	6.560,82	932,60	7.341,41
Provision for retirement benefits	500,00	500,00	565,00	607,39
Provision for unused vacation leave	574,16	0,00	685,36	0,00
Total	22.403,58	38.038,38	25.613,52	42.446,60

The salaries, the wages and the respective employers' contribution reflect the horizontal measures offered by Greek state to support the companies, which were adopted by the Group and the Company. Cost decrease is due to the fact the said measures were put in place within the 2nd quarter 2020, where the coronavirus pandemic crisis effect was obvious.

3.21 Income Tax

Income tax is analyzed below:

	Εταιρεία		Όμιλος	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Deferred tax	10.175,67	37.822,82	13.375,63	42.054,41
Σύνολο Φόρου	10.175,67	37.822,82	13.375,63	42.054,41

Income tax rate for legal entities for the period ended 30.06.2021 is 22% (30.06.2020: 24%).

The amount of income tax comes from the recognition of deferred tax asset on period tax losses, which are expected to be offset against future tax profits within the following five years. The amount of tax losses was determined based on the tax trial balance (tax base) of the Group and the expected tax differences, as they arise in accordance with the applicable provisions of the Income Tax Code (Law 4172/2013). In order to verify the recoverability of the tax losses, and consequently the existence of sufficient future tax profits, the exercise used tax base results in the five-year business plan of the Group, taking into account the amount and time of recognition of revenue and expenses, based on provisions of the Income Tax Code (Law 4172/2013), valid until the date of the Balance Sheet.

3.22 Existing Encumbrances

An air mortgage has been set up in four owned aircraft, to secure the obligations arising by the syndicated bond loan agreed between the Company and the four Greek systemic banks, amounting to €120m. Note 3.11

3.23 Contingent Liabilities/ Contingent assets

Legal or in arbitration disputes

There are pending legal or in arbitration disputes for which the Company and the Group have established a provision.

An analysis of the pending legal cases follows:

	Company		Group	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Accidents	153,36	126,90	153,36	126,90
Other	1.076,18	1.076,18	1.415,30	1.489,89
Total	1.229,54	1.203,08	1.568,67	1.616,79

Contingent Liabilities

The contingent liabilities of the Company and the Group arising from the issuance of bank letters of guarantee are analyzed as follows:

	Company		Group	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Letters of guarantee	21.426,84	21.835,28	40.449,69	36.961,85

3.24 Related parties' transactions and balances

The most significant transactions with related parties according to IAS 24, appear on the following table:

	Company	
Balances with other companies owned by the major shareholder	30.06.2021	31.12.2020
Receivables	158,58	79,13
Payables	78,70	58,99
Balances with subsidiaries		
Receivables	8.871,78	6.356,51
Payables	99,10	0,00
Balances with other related parties		
Receivables	2,97	0,00
Payables	205,96	133,72

	Company	
Transactions with other companies owned by the major shareholder	1st Half 2021	1st Half 2020
Income – Services rendered by the Company	239,90	707,30
Expenses – Services rendered to the Company	460,45	1.435,88
Transactions with subsidiaries		
Income – Services rendered by the Company	27.827,51	90.557,06
Expenses – Services rendered to the Company	46.684,26	118.477,95
Transactions with other related parties		
Income – Services rendered by the Company	6,77	61,71
Expenses – Services rendered to the Company	342,67	347,36

The transactions with companies owned by the major shareholder of the Company relate mainly to rental expense and services rendered. The transactions with the subsidiary company mainly relate to aircraft leases and other services rendered. All transactions are on arm's length basis.

	Group	
Balances with other companies owned by the major shareholder	30.06.2021	31.12.2020
Receivables	158,76	79,22
Payables	78,70	64,95
Balances with other related parties		
Receivables	2,97	0,00
Payables	210,91	149,73

	Group	
Transactions with other companies owned by the major shareholder	1st Half 2021	1st Half 2020
Income – Services rendered by the Group	242,87	713,09
Expenses – Services rendered to the Group	474,10	1.472,44
Transactions with other related parties		
Income – Services rendered by the Group	6,77	66,71
Expenses – Services rendered to the Group	345,65	422,76

➤ 3.25 Transactions with Directors and Board of Directors members

Compensation to Directors and Board of Directors members is analyzed below:

	Company		Group	
	1st Half 2021	1st Half 2020	1st Half 2021	1st Half 2020
Directors' salaries	517,15	745,27	555,24	825,32
Directors' social insurance expenses	22,07	85,71	22,07	98,66
Other payments to directors	125,53	158,93	127,33	160,82
Total	664,74	989,91	704,64	1.084,80
Obligations to directors'	0,00	72,74	5,69	76,72

The Annual Shareholder General Meeting approved by majority vote the amount of €50thousand as the remuneration of the Audit Committee members for the fiscal year 2020.

No other transactions, receivable or liabilities with the directors or the Board of Directors members exist.

➤ 3.26 Risk Management

The Group is exposed to multiple risks. The risk management policy of the Group aims to reduce the negative impact on results from the unpredictability of financial markets and the variations in costs and sales.

The Group uses financial derivative instruments to hedge its exposure to certain types of risk.

The risk management policy is executed by the Financial Department of the Group.

The procedure is the following:

- Evaluation of risks associated with the activities and operations of the Group
- Design of a methodology and selection of appropriate financial products to reduce risks
- Execution / implementation of the risk management policy, in accordance with the procedure approved by the management

Foreign currency risk

The Group due to the nature of the industry is exposed to variations in foreign currency exchange rate which arise mainly from US Dollar. This kind of risk arises mainly from transactions in foreign currency. The Group's exposure to foreign currency exchange risk varies during the period, according to the seasonal volume of transactions in foreign currency.

To manage this kind of risk the Group enters into forward currency exchange contracts with financial organizations.

Interest rate risk

The Group's policy is to minimize interest rate cash flow risk exposure on long – term financing. With relation to the above risk the Group follows a hedge accounting policy to cover its exposure to interest rate cash flow risk from future aircraft lease obligations. The Group management estimates that the interest rate swaps that Company is entered into for hedging purposes and lease contracts relating to Libor are expected to be mainly affected by the Interbank Offered rates reform (IBOR).

Jet fuel risk

The Group is exposed to the oil price fluctuations which directly influences the jet fuel price. To manage this risk the Group enters into derivative contracts on oil products in order to hedge part of its projected jet fuel needs.

Company 30.06.2021	Derivative type	Level 1	Level 2	Level 3
Assets				
Forwards contracts in USD	(FWD)	0,00	5.378,71	0,00
Jet fuel commodity swaps	(FWD)	0,00	2.242,46	0,00
Interest rate swaps	(IRS)	12.355,17	0,00	0,00
Bonds		22.003,35	0,00	411,54
Shares		34.358,53	10.662,39	411,54
Total Assets		68.717,05	18.283,55	823,08
Liabilities				
Forwards contracts in USD	(FWD)	0,00	0,00	0,00
Jet fuel commodity swaps	(FWD)	0,00	(17.126,72)	0,00
Interest rate swaps	(IRS)	0,00	(19.961,23)	0,00
Total Liabilities		0,00	(37.087,95)	0,00
Company 31.12.2020				
Assets				
Forwards contracts in USD	(FWD)	0,00	743,13	0,00
Interest rate swaps	(IRS)	0,00	852,54	0,00
Bonds		12.278,85	0,00	0,00
Shares		20.774,44	0,00	411,54
Total Assets		33.053,29	1.595,67	411,54
Liabilities				
Forwards contracts in USD	(FWD)	0,00	(13.760,31)	0,00
Jet fuel commodity swaps	(FWD)	0,00	(9.558,57)	0,00
Interest rate swaps	(IRS)	0,00	(26.618,41)	0,00
Total Liabilities		0,00	(49.937,29)	0,00

Group 30.06.2021	Derivative type	Level 1	Level 2	Level 3
Assets				
Forwards contracts in USD	(FWD)	0,00	5.378,71	0,00
Jet fuel commodity swaps	(FWD)	0,00	2.242,46	0,00
Interest rate swaps	(IRS)	12.355,17	0,00	0,00
Bonds		22.003,35	0,00	411,54
Shares		34.358,53	10.662,39	411,54
Total Assets		68.717,05	18.283,55	823,08
Liabilities				
Forwards contracts in USD	(FWD)	0,00	0,00	0,00
Jet fuel commodity swaps	(FWD)	0,00	(17.126,72)	0,00
Interest rate swaps	(IRS)	0,00	(19.961,23)	0,00
Total Liabilities		0,00	(37.087,95)	0,00

Group 31.12.2020	Derivative type	Level 1	Level 2	Level 3
Assets				
Forwards contracts in USD	(FWD)	0,00	743,13	0,00
Interest rate swaps	(IRS)	0,00	852,54	0,00
Bonds		12.278,85	0,00	0,00
Shares		20.774,44	0,00	411,54
Total Assets		33.053,29	1.595,67	411,54
Liabilities				
Forwards contracts in USD	(FWD)	0,00	(13.760,31)	0,00
Jet fuel commodity swaps	(FWD)	0,00	(9.558,57)	0,00
Interest rate swaps	(IRS)	0,00	(26.618,41)	0,00
Total Liabilities		0,00	(49.937,29)	0,00

Level 1 values refer to published prices and Level 2 values are based on measurement techniques. Bonds and shares are traded in active markets and they are measured at their market price at the balance sheet date. Hedging derivatives are measured using international pricing platforms.

Credit risk

The risk may arise from the possibility of the counterparty becoming unable to meet its obligations towards the Group. To minimize this risk, the Group examines regularly its degree of exposure to every individual financial institution. As far as it concerns its deposits, the Group is dealing only with reputable financial institutions of high credit ratings. In order to be protected against the credit risk, the Group also monitors on a regular basis its trading receivables and whenever necessary, explores ways to ensure them.

Liquidity risk

Liquidity risk is managed effectively by maintaining sufficient cash levels. The Group manages its liquidity by maintaining adequate cash levels as well as ensuring the provision of credit facilities not only from financial institutions but also from suppliers, always in relation to its operating, investing and financing requirements.

It is noted that as at 30.06.2021 the Group had a cash position of € 533,37m (31.12.2020 €457,45m) securing its ability to settle the short-term and medium-term liabilities.

➤ 3.27 Commitments

At 22.06.2018 the Company signed Aircraft Purchase Agreement with Airbus S.A.S. which provides for the acquisition of a total of 30 new generation aircraft of the A320neo family, two types of A320neo and A321neo. Aircraft deliveries begun within the second half of 2020 (2x aircraft), while future deliveries have agreed to follow: 8x aircraft in 2022, 7x aircraft in 2023, 6x aircraft in 2024, 3x aircraft in 2025 and 4x aircraft in 2026.

The price of the above Purchase Agreement is based on the Airbus fuselage and engines public pricelist, with further discounts agreed by the parties. This amount is adjusted through an annual adjustment clause, designed to increase the price of each aircraft, by applying a formula that reflects the changes in the prevailing economic conditions. Prices are depending on the engine selection, the weights selected and any type of aircraft configuration. The amount of the remaining pre-delivery payments as at 30.06.2021 amounts to \$363,5m.

In addition, the Company has entered into direct lease agreements for 10 aircraft within 2021-2024, of 12-year term lease period. The Company has also agreed sale and lease back agreements for 9 aircraft, scheduled to be delivered within 2022-2023, with a 12-year term lease period.

The lease commitments will depend on (1) aircraft delivery time, (2) US interest rates at delivery, (3) estimated lease rental future escalation rate agreed among all counterparties (4) the Euro/US dollar exchange rate at the delivery date and (5) the aircraft type.

On 24.12.2019, the Company has signed the following agreements with International Aero Engines LLC :

- Engine Purchase and Support Agreement including manufacturer's warranties and guarantees for the engines included in the Purchase Agreement with Airbus dated 22 June 2018 and for four spare engines PW1127GA-JM and two spare engines PW1133GA-JM. The agreed introductory assistance credits with IAE form the final net price of the Airbus aircraft included in the above mentioned agreement.
- Engine Fleet Management Program Agreement regarding 45 to 55 Airbus A320neo and A321neo, powered with PW1100G-JM engines which includes the aircraft ordered to Airbus under the Purchase Agreement dated 22 June 2018, the aircraft to be directly delivered from lessors and 6 spare engines PW1100G-JM. The Engine Fleet Management Program Agreement includes all the key terms of engines maintenance based on their flight activity.

➤ 3.28 Subsequent Events

Following the completion of the share capital increase through which total funds of €60m were raised and verified by the Board of Directors on June 14th, 2021, a grant of €120m was disbursed on July 2nd, 2021 by the Hellenic Republic with the aim of compensating the Company for the losses suffered by the coronavirus outbreak, in accordance with the provisions of article 30 of Law 4772/2021 and the joint Ministerial decision by the Ministers of Finance and Transport & Infrastructure (FEK B' 2231/28.05.2021). Given the receipt of the grant, in the following days the Company will issue and deliver warrants without consideration to the Hellenic Republic as per article 30 of Law 4772/2021 and article 56 of Law 4548/2018 and a relevant contract will be signed. The warrants will be measured at fair value and recognized in equity, while the difference between the grant and the warrants fair value will be posted in the income statement. In particular, the Company made available to the Hellenic Republic the relevant warrants as well as the contract to be signed on 13.7.2021 following the decision of 14.6.2021 of the Company's Board of Directors. More specifically, 10.369.217 warrants will be issued, each warrant providing the right to purchase one new common registered share of nominal value of €0,65, at an exercise price of €3,20 per share, which can be exercised between 03.07.2023 and 03.07.2026, whilst the Company retains a call option to buy back the warrants at their market value.

The accompanied Financial Statements are the ones approved by the Board of Directors of “Aegean Airlines S.A.” on September 16th, 2021 and are uploaded on the Company’s website (www.aegeanair.com) for investors’ reference, where they will remain for at least 5 years after their preparation and public announcement date.

Kifissia, September 16, 2021

Chairman of the BoD	Chief Executive Officer	Chief Financial Officer	Chief Accountant
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Eftichios Vassilakis	Dimitrios Gerogiannis	Michael Kouveliotis	Maria Zannaki
I.D. no. AN049866	I.D. no. AB642495	I.D. no. AO148706	I.D. no. AO135556

5.

Report on the use of funds from Bond Loan for the period
12.03.2019 up to 30.06.2021

In accordance with the provisions of paragraph 4.1.2 of the Athens Exchange Stock Market Regulation, the decision no. 25/17.07.2008 of the Board of Directors of Athens Stock Exchange and the decision no. 8/754/14.04.2016 of the Board of Directors of Hellenic Capital Markets Commission, it is hereby announced that from the issuance of the seven year Common Bond Loan of €200m bearer bonds of the Company with a nominal value of €1.000 each, that was implemented according to the decision of the Board of Directors of the Company dated 22.02.2019 and the approval of the content of the Prospectus from the Hellenic Capital Market Commission dated 28.02.2019, a total net amount of €200m was raised. The cost of the issuance amounted to €3.820,25thousand and it was covered in total from the amount raised. The Bond Loan issue was fully covered and the payment of the raised funds was certified by the Company's Board of Directors on 12.03.2019.

On 13.03.2019 the 200.000 dematerialized, common, bearer bonds admitted for trading in the category of Fixed Income Securities of the Regulated Market of the Athens Exchange (the "Athens Exchange").

According to the commitments set out in the relevant Prospectus approved by the Hellenic Capital Market Commission on 28.02.2019, the decision of the Board of Directors dated 22.02.2019 as well as the decision of 30.03.2021 Meeting of Bondholders following the decision of 10.03.2021 of the Company Board of Directors, it is disclosed that the use of the raised funds up to 30.06.2021 is as follows:

Use of funds	Rate of use	Total funds	Issuing costs	Net Amount for allocation	2019	2020	1st Half 2021	Unallocated funds
Scheduled aircraft pre-delivery	75%	150.000,00	2.865,19	147.134,81	5.977,36	35.849,28	5.262,29	100.045,88
New training facilities and offices at Athens International Airport	14%	28.000,00	534,84	27.465,16	44,58	0,00	0,00	0,00
Finance working capital (after the Common Bond Loan amendments)					0,00	0,00	20.228,20	7.192,39
Finance working capital	11%	22.000,00	420,23	21.579,77	21.579,26	0,00	0,00	0,51
Total	100%	200.000,00	3.820,26	196.179,74	27.601,20	35.849,28	25.490,49	107.238,78

The remaining available funds from the Common Bond Loan Issuance amounting to €107.238,78 as at 30.06.2021 were placed in time deposits and current accounts.

Kifissia, September 16th 2021

Chairman of the BoD	Chief Executive Officer	Chief Financial Officer	Chief Accountant
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Eftichios Vassilakis	Dimitrios Gerogiannis	Michael Kouveliotis	Maria Zannaki
I.D. no. AN049866	I.D. no. AB642495	I.D. no. AO148706	I.D. no. AO135556

6.

Report on the use of funds from the Share Capital increase
for the period from 14.06.2021 to 30.06.2021

In accordance with the provisions of paragraph 4.1.2 of the Regulation of the Athens Stock Exchange (hereinafter the "ATHEX"), the decision no. 25 / 17.07.2008 of the BoD of ATHEX and the no. decision 8/754 / 14.04.2016 of the BoD. of the Hellenic Capital Market Commission (hereinafter the "EC"), it is announced that, from the increase of the share capital by cash payment and pre-emptive right in favor of the old shareholders decided based on the decision of the Company's Board of Directors dated 14.05.2021, according with the provision of article 24 par. 1 (b) of Law 4548/2018 by virtue of the power provided to the Board of Directors by the Extraordinary General Meeting of the Company's shareholders of 12.03.2021 (hereinafter the "Increase") and was carried out on 27.05.2021 until 09.06.2021, a total capital of € 60 million was raised, through the exercise of pre-emptive rights and the pre-registration right of the eligible shareholders. The issuance costs were not deducted from the raised funds and were covered by the Company's own funds.

The share capital increase was certified by the Company's Board of Directors took place on 14.06.2021.

The Listings and Market Operation of the Athens Stock Exchange during its meeting on 15.06.2021 approved the listing for trading on the Main Market of the Athens Stock Exchange of 18.750.000 new shares, with a nominal value of € 0,65 each. The trading of new shares on the ATHEX started on 16.06.2021.

According to the commitments set out in the relevant Prospectus approved by the Hellenic Capital Market Commission on 19.05.2021 and Company's Board of Directors decision dated 14.05.2021 the use of the raised funds up to 30.06.2021 is as follows:

Use of funds	Use of funds in accordance published Prospectus		Funds allocated in the period	Unallocated funds
	2021	2022	14/6/2021-30/6/2021	
Finance working capital	30.000,00	30.000,00	3.434,57	56.565,43
Total	30.000,00	30.000,00	3.434,57	56.565,43

The remaining available funds amounting to €56.565,43 as at 30.06.2021 were placed in time deposits and current accounts.

Kifissia, September 16th 2021

Chairman of the BoD Chief Executive Officer Chief Financial Officer Chief Accountant

Eftichios Vassilakis Dimitrios Gerogiannis Michael Kouveliotis Maria Zannaki
 I.D. no. AN049866 I.D. no. AB642495 I.D. no. AO148706 I.D. no. AO135556