



GROUP OF COMPANIES

HOUSEMARKET S.A.

REG. NO: 46208/04/B/00/37(04)

GENERAL ELECTRONIC COMMERCIAL REGISTRY NO: 003804201000

OFFICES: BUILDING 501 – ATHENS INTERNATIONAL AIRPORT

INTERIM CONDENSED FINANCIAL REPORT

For the period

1/1/2021 to 30/6/2021

(TRANSLATED FROM THE GREEK ORIGINAL)

(In accordance with Law 3556/2007)



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Statements of Members of the Board of Directors

(In accordance with article 5 par. 2 L. 3556/ 2007)

The members of the Board of Directors

1. Dafni A. Fourlis, Chairman
2. Vassilis S. Fourlis, Vice Chairman and
3. Panagiotis D. Katiforis, CEO

We confirm that to the best of our knowledge:

- a. The Interim Condensed Financial Statements of the Company HOUSEMARKET S.A. and the Group for the period 1/1 - 30/6/2021 which have been prepared in accordance with International Financial Reporting Standards (IAS 34), provide a true and fair view of the Assets, Liabilities and Shareholders Equity along with the income statement of HOUSEMARKET S.A. as well as of the companies that are included in the consolidation taken as a whole, in compliance with the provisions of paragraphs 3 to 5 of article 5 of L. 3556/2007.
- b. The Six-Month Report of Board of Directors provides a true and fair view of the information required based on paragraph 6 of Art. 5 of L. 3556/2007.

Paiania, August 30 2021

The Chairman

The Vice Chairman

The CEO

Dafni A. Fourlis

Vassilis S. Fourlis

Panagiotis D. Katiforis



Report of the Board of Directors of the Company HOUSEMARKET SA for the period 1/1 – 30/6/2021

(In accordance with L. 3556/ 2007)

1. THE GROUP – Business Segment

The parent Company HOUSEMARKET S.A. along with its subsidiaries and their subsidiaries compose Group HOUSEMARKET which operates in the retail trading of home furniture and household goods segment (IKEA Stores). The parent company is a subsidiary of the company FOURLIS HOLDINGS S.A. with a direct shareholding of 100%. FOURLIS HOLDINGS SA along with its direct and indirect subsidiaries compose FOURLIS Group, which is operating in retail trading of home furniture and household goods segment (IKEA Stores) and retail trading of sporting goods segment (INTERSPORT and TAF Stores). More information for FOURLIS Group are included in the website www.fourlis.gr.

The subsidiary companies of the Group and their subsidiaries included in the consolidated financial statements for the period 1/1 – 30/6/2021, are as follows:

a) Full method

- H.M. HOUSEMARKET (CYPRUS) LTD which operates in Cyprus and the Company has a shareholding of 100%.
- HOUSE MARKET BULGARIA AD which operates in Bulgaria and the Company has a shareholding of 100% (except one share).
- WYLDES LTD which operates in Cyprus and the Company has a shareholding of 100%. Through associated companies WYLDES LTD, VYNER LTD and SW SOFIA MALL ENTERPRISES LTD, the Group has a shareholding in the company SOFIA SOUTH RING MALL EAD which operates one of the biggest malls in Sofia of Bulgaria as well as all relative activities.
- RENTIS REAL ESTATE INVESTMENTS SA which operates in Greece and the company HM HOUSEMARKET (CYPRUS) LTD has a shareholding of 100%.
- TRADE LOGISTICS S.A. which operates in Greece and the Company has a shareholding of 100% (except one share).
- TRADE ESTATES BULGARIA EAD which operates in Bulgaria and the Company has a shareholding of 100%.
- TRADE ESTATES CYPRUS LTD which operates in Cyprus and the Company has a shareholding of 100%.
- H.M. ESTATES CYPRUS LTD which operates in Cyprus and the Company has a shareholding of 100%.



b) Net Equity method

Affiliated companies

The Group's consolidated data include, the following affiliated companies:

- VYNER LTD which operates in Cyprus and the company WYLDES LTD has a direct shareholding of 50%.
- SW SOFIA MALL ENTERPRISES LTD which operates in Cyprus, in which WYLDES LTD has a direct shareholding of 50%.
- MANTENKO SA which operates in Greece and the Company has a direct shareholding of 50%. On 17/3/2020 the parent company HOUSEMARKET SA acquired 50% of the shares of MANTENKO SA which operates in real estate.
- POLIKENCO SA which operates in Greece and the Company has a direct shareholding of 50%. On 16/7/2020 the parent company HOUSEMARKET SA acquired 50% of the shares of POLIKENCO SA which operates in real estate.
- SEVAS TEN SA which operates in Greece and the Company has a direct shareholding of 50%. On 30/3/2021 the parent company HOUSEMARKET SA acquired 50% of the shares of SEVAS TEN SA which operates in real estate.

2. Group Consolidated Results

(All the amounts are in thousands of euro unless otherwise stated)

The Group's sales increased by 5.32% compared to the corresponding period of 2020. Group's IKEA stores suspended their operation, by order of the governments, in all countries for about 2-3 months, during the period 1/1 - 30/6/2021 in order to deal with the Covid-19 pandemic. During suspension of stores operation, the sales were realized through the electronic sales networks (e-commerce). In more details:

The Group realized sales of amount € 113.4 million for the 1st semester of 2021 (1st semester of 2020: € 107.6 million). The Group's EBITDA, as defined in section 8, totaled € 10.1 million compared to € 10.0 million in 2020. The Group's EBIT, as defined in section 8, totaled € 5.0 million compared to € 3.6 million in 2020 and Group reported profits before tax € 0.4 million versus € 1.0 million losses in 2020.

In an effort to present a complete and real view of the Group's performance, we report the consolidated results per segment for the period 1/1 – 30/6/2021 versus 1/1 – 30/6/2020 at the following tables.

(Amounts are in thousands of euros)

	a' semester 2021	a' semester 2020	2021/2020
Revenue	113,378	107,646	1.05
EBITDA (*)	10,121	9,616	1.05
EBITDA (OPR)*	7,092	6,656	1.07
EBIT (*)	4,988	3,579	1.39
Profit / (Loss) before Tax (*)	421	(967)	-
Net Profit / (Loss) After Tax and Minority Interests	1,011	(755)	-

(*) The selected alternative performance measurement indicators are listed in section 8

The amounts of the last period have been adjusted to become similar and comparable with the corresponding amounts of the current period in terms of credit card expenses that from the finance cost were transferred from 1/1/2021 to distribution expenses.

We note that on a consolidated basis the parent company's Total Equity (after minority interest) at June 30, 2021 amounts to € 157.6 million versus an amount of € 156.4 million at December 31, 2020.

Today, seven (7) IKEA Stores are operating, five (5) of which in Greece, one (1) in Cyprus and one (1) in Bulgaria. In addition, six (6) Pick up & Order Points with IKEA products are operating in Greece (in Rhodes Island, Patras, Chania, Heraklion, Komotini and Kalamata), and one (1) Small Store in Pireaus. In Bulgaria there are two (2) Pick up & Order Points for IKEA products in Burgas and Plovdiv and one (1) IKEA Small Store in Varna, and in Cyprus (Limassol) there is one (1) Planning store studio. There are also three e-commerce Stores in Greece, Cyprus and Bulgaria.

All supply chain services are provided by the company of the Group TRADE LOGISTICS which supports IKEA Stores in Greece with automated warehousing and order delivery systems.

3. Basic Financial Indicators (Consolidated)

Below please find basic Indicators for the Group Financial Structure and Performance & Efficiency according to the consolidated financial statements included in the Interim Condensed Financial Statements of the Group.

Financial Structure Indicators:

	30/6/2021	31/12/2020
Total Current assets/ Total Assets	70.07%	69.39%
Total current assets without Assets classified as held for sale / Total Assets	30.34%	28.64%
Total Liabilities/ TOTAL SHAREHOLDERS EQUITY & LIABILITIES	66.31%	65.09%
Total Shareholders Equity / TOTAL SHAREHOLDERS EQUITY & LIABILITIES	33.69%	34.91%
Total Current assets / Total Current Liabilities	177.23%	194.25%
Total current assets without Assets classified as held for sale / Total current Liabilities without Liability arising from assets held for sale	85.72%	92.06%

Performance & Efficiency basic Indicators:

	a' semester 2021	a' semester 2020
Operating Profit / Revenue	4.40%	3.33%
Profit/(Loss) before Tax / Shareholders Equity	0.27%	(0.60%)

The amounts of the last period have been adjusted to become similar and comparable with the corresponding amounts of the current period in terms of credit card costs transferred from the finance cost transferred from 1/1/2021 to distribution expenses as well as the advances for investments in the supply chain of the Group that from the other current assets have been transferred to the long-term receivables.

4. Operating Performance – Important developments:

During the period 1/1 – 30/6/2021 the following share capital changes were realised:

TRADE ESTATES S.A.:

On 12/7/2021 it was registered in the General Commercial Register (G.E.M.I.) with Registration Code Number (K.A.K.) 2580689 or decision number 73223 / 12.07.2021 of the Head of the Companies Department, of the General Management Of the General Secretariat of Commerce and Consumer Protection of the Ministry of Development and Investment, which approved the establishment of the company under the name "TRADE ESTATES SA" ("TRADE ESTATES REAL ESTATE"), by contribution of a split branch, by contributions in kind and by payment of cash in accordance with the provisions of Law 4601/2019, Law 4548/2018 and Law 2778/1999 (article 21 par. 1), as well as its articles of association , as it was prepared with no. 21422 / 30.06.2021 notarial deed of the Athens notary Mrs. Maria P. Tsangari and received number G.E.M.I. 160110060000 (Relevant or no. 77263 / 12.07.2021 Announcement of the above Directorate of Companies).



The initial share capital of the Company, amounting to one hundred seventy three million five hundred twenty seven thousand three hundred seventy eight euros (€ 173,527,378) was covered by the following founders as follows:

a) From "HOUSEMARKET SA" was covered an amount of euro sixty seven million three hundred seventy two thousand sixty-six (67,372,856) with a contribution from its spin-off real estate sector, including Ioannina (IKEA Ioannina), Thessaloniki (IKEA Thessaloniki) and Inofyta, amounting to euro thirty four million two hundred eighteen thousand fifty three (34,218,053) with a contribution of the shares of the Cypriot company under the name "H.M. ESTATES CYPRUS LTD »and an amount of one thousand one (1,001) with cash payment, ie the above founder covered a total amount of one hundred one million five hundred ninety one thousand nine hundred ten (101,591,910). Following this, the above founder participated in the share capital of the company at a rate of 58.50% and took fifty million seven hundred ninety five thousand nine hundred fifty five (50,795,955) registered shares, with a nominal value of two (2) euros each.

b) From "HOUSEMARKET BULGARIA EAD" covered an amount of twenty-nine million four hundred twenty-five thousand seven hundred ninety-two (29,425,792) with a contribution of the shares of "TRADE ESTATES BULGARIA EAD". Following this, the above founder participated in the share capital of the company at a rate of 17.0% and took fourteen million seven hundred twelve thousand eight hundred ninety-six (14,712,896) registered shares, with a nominal value of two (2) euros each.

c) From "H.M. HOUSEMARKET CYPRUS LIMITED " an amount of seventeen million two hundred forty five thousand six hundred ninety four (17,245,694) was covered by a contribution of the shares "RENTIS INVESTMENTS REAL ESTATE ". Following this, the above founder participated in the share capital of the company at a rate of 9.9% and took over eight million six hundred twenty two thousand eight hundred forty seven (8,622,847) registered shares, with a nominal value of two euros (2) each.

d) "TRADE LOGISTICS SA" covered an amount of twenty-five million two hundred sixty-two thousand nine hundred eighty-one (specifically 25,262,981) with to the established company, of the property located in Schimatari, Boeotia, and an amount of one thousand one (1,001) with cash payment, which in total it covers twenty five million two hundred sixty three thousand nine hundred eighty two (25,263,982). Following this, the above founder participated in the share capital of the company at a rate of 14.6%, and took twelve million six hundred thirty one thousand nine hundred ninety one (12,631,991) registered shares, with a nominal value of two euros (2) each.

SEVAS TEN S.A.:

On 30/3/2021 HOUSEMARKET SA, in execution of the decision of the Board of Directors dated 24/3/2021. of (relative to the number 451 / 24.03.2021 minutes of the BoD), proceeded to the purchase, by the company based in the Municipality of Athens with the name "TEN BRINKE HELLAS S.A. " "TEN



BRINKE HELLAS MAE", of the half of the latter's participation in the societe anonyme with the name "SEVAS TEN SA" and the distinctive title "SEVAS-TEN M.A.E." in voting value of shares, nominal value amount of one hundred (100.00) euros each, instead of the total price amount of two hundred and seventy five thousand (275,000.00), payable in cash. The above shares correspond to 50% of the fully paid-up share capital of the above issuing company "SEVAS-TEN M.A.E.".

Subsequently, by decision of the General Meeting of Shareholders of SEVAS-TEN M.A.E. of 26/3/2021 an increase of the share capital of this company was made, in the amount of euro 275,000.00 with cash payment, with issue of 2,750 new common registered shares, nominal value amount of euro 100.00 and offering price of 1,000.00 euros for each one share. The shareholder HOUSEMARKET SA participated in the said share capital increase according to its participation percentage (50%), in execution of the decision of its Board of Directors dated 24/3/2021.

After the above share capital increase, which was registered in the General Commercial Register (G.E.M.I.) on 14/4/2021 (K.A.K. 2357180), issued for this purpose its announcement number 2526963 / 14.04.2021 Service of G.E.M.I. of the Athens Chamber of Commerce and Industry, the share capital of the above company amounts to the amount of 825,000 euros, divided into 8,250 common

F. WYLDES LTD:

The BoD of the shareholder HOUSEMARKET S.A. decided, on 25/1/2021, to proceed to the payment of the amount € 100,000.00 for acquiring 10 issued common nominal vote shares of nominal value €1,00 per share, plus the amount of € 99,990.00 share premium, namely the payment of the total amount of € 100,000.00.

It is noted that by 30/6/2021 an amount of € 70,000 had been paid.

It is noted that, with a resolution still pending until today regarding the share capital increase by the BoD of WYLDES LTD, the share capital of the company still amounts to € 7,062.00 divided into 7,062 common (ordinary) nominal vote shares of nominal value € 1.00 per share.

Moreover, WYLDES LTD has an indirect shareholding of 50% in the company SOFIA SOUTH RING MALL EAD which exploits the mall owned by Sofia Ring Mall and all funds invested aim to the development and optimization of the mall's operation.

Apart from the above, no other changes were made in the share capital of the Group companies during the first half of 2021.

The parent company FOURLIS HOLDINGS SA does not have branches.

The subsidiaries and especially the retail companies have developed and are developing an important network of Branches both in Greece and abroad.

5. Information about Group's plan of development (2nd semester 2021)

The Group was also affected in the first half of 2021 by the COVID-19 health crisis, which disrupted global economies and had a significant negative impact on many activities.



The Group, with a sense of responsibility towards people, customers and society as a whole, responded immediately to the recent developments, taking the appropriate information, prevention and protection measures to mitigate the spread of the Covid-19 pandemic.

The Group implemented work from home for employees of each subsidiary's management buildings. In addition, individuals belonging to vulnerable groups and parents of students were facilitated with special purpose vacations, in accordance with the respective legal framework of the countries in which they operate. At the same time, business trips were limited to the absolutely necessary, trainings were carried out remotely and information messages and recommendations were constantly sent to avoid numerous meetings and crowded places. Moreover, the cleaning and disinfection of the facilities was intensified, as well as the guidance of the human resources in the field of personal hygiene, according to the guidelines and the suggestions of the governments and the Ministry of Civil Protection. After the restrictions were lifted in May and June, domestic demand for goods and services recovered and tourist arrivals increased in the first months of the summer compared to last year.

In particular, for the Group's stores network, instructions were immediately sent regarding the preventive measures, the observance of the individual hygiene rules and social distancing, as well as the way of managing any cases. Indicatively, during the reopening of the stores, the following measures were applied:

- Mandatory use of mask by all human resources.
- Temperature measurements to human resources.
- Counting and control of the maximum number of visitors, depending on the area of each Store.
- Placement of signs for keeping the distances and protective plexiglass in the cash registers and in the info desks.
- Antiseptics available for both customers and human resources.
- Disinfection of clothes and shoes that were tested / returned by customers (INTERSPORT and TAF Stores).
- Ventilation / air conditioning maintenance.

Group's management estimates that the second semester will have a higher financial performance regarding financial results compared to the first semester, due to historically increased revenues within the second semester, strong competitive position of retail companies of the Group but also due to balanced expansion of its activities and therefore its income, but mainly, because the vaccination has started with a fairly high percentage of the population in Greece and abroad with a direct impact on the macroeconomic variables that affect the course of the Group but also the developments in the economic and political environment, especially in Greece, where the biggest part of its revenues arises (55.44% in the first half of 2021).



A detailed presentation of the effects of the pandemic on the business activities, the financial situation and the financial performance of the Group is given in section 7.

The Group continues to implement its investment program where it is estimated that there is room for expansion under the current circumstances. On July 12, 2021, the Ministry of Development and Investment approved the establishment of TRADE ESTATES REAL ESTATE INVESTMENT (TRADE ESTATES SA). The initial share capital of the company amounts to one hundred seventy three million five hundred twenty seven thousand three hundred seventy eight (€ 173,527,378). The real estate portfolio of TRADE ESTATES AEEAP includes all the existing privately owned properties of the Group which are used for the operation of the Retail Home Equipment (IKEA), the supply chain centers in Schimatari and Oinofyta, as well as its investment property in Greece. The purpose of TRADE ESTATES AEEAP is to be active in purely large retail real estate ("Big Boxes") and e-commerce infrastructure, through the acquisition of new real estate outside the Furlis Group, creating a portfolio of high quality and performance.

The Group operates with seven (7) IKEA Stores, two (2) IKEA Small Store Stores, eight (8) Pick Up & Order Points, one (1) Planning studio store and three (3) Electronic Stores Commerce (e-commerce) in Greece, Bulgaria and Cyprus and in the second half of 2021 will add to its network the IKEA Small Store in Attica and specifically in Maroussi. Based on the development plan in the three countries where the Group operates IKEA stores, (5) five medium-sized IKEA stores of 5,000 - 12,000 sq.m. will be opened. and ten (10) small shops of 1,000 - 2,000 sq.m. the next five years.

Management's orientation towards gaining benefits from synergies within the Group will be continued for the 2nd semester of 2021. "Integrity", "Respect" and "Efficiency" continue to compose major comparative advantages through which the Group aims to achieve its goals.

6. Stock Option Plan

Members of the Management of the Company and its subsidiaries participate in a Stock Option Plan of the parent company FOURLIS HOLDINGS SA.

The Ordinary General Assembly of the Company on 16/6/2017, under the context of Stock Option Plan, approved the disposal of 2,566,520 stock options and authorized the Board of Directors to regulate the procedural issues and details. The program will be implemented in four waves, with a maturity period of five years per wave. Options must be exercised within five years from maturity date. In case that there are undisposed options, after the allocation of options mentioned above, these options will be cancelled. The underlying share price of each wave is the closing stock price of the share at the decision date of the General Assembly regarding the approval of the SOP.

On 20/11/2017, the BoD granted 641,630 stock options, which compose the first of the four waves. The underlying share price to which the granted stock options refer, is determined to the amount of euros 5,768 per share which is the closing stock price of the share adjusted with the share capital decrease



which was implemented after the date of the General Assembly.

On 19/11/2018, the BoD granted 641,630 stock options, which compose the second of the four waves. The underlying share price to which the granted stock options refer, is determined to the amount of euros 5,666 per share which is the closing stock price of the share adjusted with the share capital decrease which was implemented after the date of the General Assembly.

On 19/11/2019, the BoD granted 641,630 stock options, which compose the third of the four waves. The underlying share price to which the granted stock options refer, is determined to the amount of euros 5.5637 per share which is the closing stock price of the share adjusted with the share capital decrease which was implemented after the date of the General Assembly.

On 23/11/2020 the BoD granted 641,630 stock options, which compose the fourth of the four waves. The underlying share price to which the granted stock options refer, is determined to the amount of euros 5.5637 per share which is the closing stock price of the share adjusted with the share capital decrease which was implemented after the date of the General Assembly.

On December 16, 2020 the BoD of the Company issued an Invitation to the beneficiaries of the SOP which was approved by the Extraordinary General Assembly held on 27/9/2013 and the Ordinary General Assembly held on 16/6/2017 regarding the exercise of their options. 10 beneficiaries responded to this Invitation and exercised their option for the purchase of 87,040 shares, of nominal value € 1.00 and underlying price € 3.2226 per share and paid the total amount of € 280,495.10.

It is noted that the underlying price of shares to which the distributed options reflect, had been initially determined at the amount of € 3.40 per share, which was the closing stock price of the share on the date of the resolution of the General Assembly regarding the SOP since 27/9/2013 (Extraordinary General Assembly date). The historical closing price of the share was readjusted and formed at the underlying price of € 3.226 each (following the BoD resolutions of 20/11/2017, 19/11/2018, 18/11/2019 407/18.11.2019).

On 26 January, 2021 started the trading of 87,040 new common nominal shares of the Company which resulted from the shareholding increase (87,040 shares x €1.00) and €193,455.10 that transferred to "Share Premium reserve". The above increase came by the response of 10 beneficiaries regarding the exercise of their options at the nominal value € 3.2226 , according to the Second Stock option plan, the resolution of the Extraordinary General Assembly of the shareholders held on 27/9/2013 and the BoD resolutions held on 25/11/2013, 24/11/2014 and 23/11/2015 . On January 15, 2021 the share capital increase of the Company by the amount of € 87,040.00 through cash payment and the issue of 87,040 new shares of nominal values € 1.00 and underlying price € 3.2226 each were registered in the GEGR (2450940). It is noted that, after the aforementioned increase, the share capital now amounts to € 52,092,001.00 divided into 52,092,001 nominal shares of nominal value € 1.00 per share. The Corporate Actions Committee of Hellenic Exchanges - Athens Stock Exchange, on their meeting held on 21/1/2021 approved the trading of the 87,040 new common nominal shares of the Company. A decision of the Company stipulates that the above new shares are negotiable on the ATHEX from January 26, 2021.



From the same date, the starting price of the Company's shares on the ATHEX will be adjusted in accordance with the ATHEX Regulations no. 26 of the of the ATHEX as in force, the new shares will have been credited to the shares and securities accounts of the eligible shareholders in the Intangible Securities System (DSS).

During the period 1/1-30/6/2021 none of the rights granted under the first, second and third series of the Stock Option Program of September 27, 2013 and the first and second series of the Program of 16/06/2017 were exercised.

7. Major Risks & Uncertainties for the Group

a) Financial Risk Management

The Group is exposed to financial risks such as foreign exchange risk, interest rate risk and liquidity risk. The management of risk is achieved by the central Treasury department of the parent company FOURLIS HOLDINGS SA. The Treasury department identifies, determines and hedges the financial risks in cooperation with the Groups' subsidiaries. The Board of Directors provides written instructions and directions for the general management of the risk, as well as specific instructions for the management of specific risks such as foreign exchange risk and interest rate risk.

Foreign Exchange Risk:

The Group is exposed to foreign exchange risk arising from transactions in foreign currencies (SEK) with suppliers which invoice the Group in currencies other than the local. The Group, in order to minimize the foreign exchange risk, according to the needs, in certain cases pre - purchases foreign currencies.

Interest rate risk/liquidity:

The Group is subject to cash flow risk which in the case of possible variable interest rates fluctuation, may affect positively or negatively the cash inflows or outflows related to the Group's assets or liabilities. Cash flow risk is minimized via the availability of adequate credit lines and cash. Also, the Group has entered into Interest Rate Swap (IRS) contracts in order to face interest rate risk.

Coronavirus spread risk:

The Group carefully monitors the events regarding the spread of coronavirus, in order to adjust in the special conditions arising exclusively for the treatment and restriction of spread of COVID-19. It complies with the official directives of competent authorities for the operation of physical stores and central offices in countries it operates. It also complies with the existing legislation and conducts its trading transactions in its physical stores according to the directives. The quantitative and qualitative consequences on the Group's and Company's operation also taking into consideration the directives of capital market committee are summarized in the following:

1. Increase of the Group's sales in the first semester of 2021 amounted € 5.32 million compared to the same period of last year and reduction of gross profit margin by 0.83 % compared to the same period of last year. It is noted that within the first semester of 2021, the Group's sales through its e-commerce stores increased by € 8,8 million compared to the same period of last year, while



investments in innovation and technology continued and the upgrade of services, following the rapid changes in consumer habits and the physiognomy of the retail trade.

2. Increase in Group's cash equivalents on 30/6/2021 amounted € 5.9 million compared to 31/12/2020 due to the utilization of open credit lines and financial support measures to deal with the pandemic.
3. Increase of the Group's operating expenses in the first semester of 2021 amounted € 2.78 million compared to the same period of last year and specifically reduction of the salary costs amounted € 1.63 million, third party services (rights, leases, energy, etc.) amounted € 0.54 million, other expenses (advertising, storage, transport, etc.) amounted € 0.48 million and taxes amounted € 0.13 million.
4. The Group utilized the national supporting measures to deal with the consequences of the pandemic in all countries which operates, whether they concerned salary costs, or leasing costs, or tax reliefs, or financing, or facilitation of payments.
5. The Group secured "freezing" agreements of payments to its main suppliers during suspension of stores operation as well as modification of payment terms for the period after the end of the suspension and until the end of the year.
6. Within the first semester of 2021 the availability of goods was not affected compared to the same period of last year nor is it expected to be affected within the rest of the year.
7. Management of the Group has implemented telework in all the countries in which it operates.
8. The portfolio management service continues to identify, assess and hedge financial risks and provide guidance on the management of this exceptional risk, in order to provide protection to investors.
9. The Group has reinforced its infrastructures both in terms of information systems and operation of logistics centers, in order for its operational and commercial operation not only to continue smoothly but also to be further reinforced. In this context, new investments are realized by the subsidiary TRADE LOGISTICS AEBE for the expansion of the storage and the e-commerce orders' management and the automation of the provision of the relevant services. In addition, in order to enhance the coverage of its consumers growing expectations and creation of a complete positive experience for the customer, the Group seeks for the harmonious combination of e-commerce with the "traditional" development model, making the most of digital media and new technologies in order to offer an omnichannel experience to both offline and online level.
10. The Group continues strictly selected investments. In this context, within the second semester of 2021, a new IKEA Small Store in Maroussi will be added to the network of Stores in the home equipment and furniture sector.
11. In the context of the approval received from the Hellenic Capital Market Commission for operating the company under formation "TRADE ESTATES REAL ESTATES INVESTMENT COMPANY" for its operation as: a) Real Estate Investment Company according to the provisions of law 2778/1999 and b) an internally managed Alternative Investments Fund Manager ("AIFM") according to the provisions of L. 4209/2013, the Group continues the implementation of its strategic plan. The actions taken by the Group for the establishment of companies in the field of real estate management in Cyprus and

Bulgaria (TRADE ESTATES CYPRUS LTD, HM ESTATES CYPRUS LTD, TRADE ESTATES BULGARIA EAD) and for the strategic planning of TRAD are included in the same context. Real Estate Investment Societe Anonyme, which includes finding a strategic partner who will make a significant investment in the established company, with a percentage that will amount to at least more than 50%. Also, within the first half of 2021, it has acquired an indirect participation in the real estate management company SEVAS TEN SA.

12. The Group has complied with the new corporate governance framework in force in Greece from 17/7/2021 through law 4706/20120 for listed companies and their important subsidiaries and the relevant decisions and circulars of the Hellenic Capital Market Commission and has adopted voluntarily and implements the Greek Code of Corporate Governance of the Hellenic Corporate Governance Council.

b) Legal Issues

There are no litigations or legal issues that might have a material impact on the Annual Financial Statements of the Group or Company for the period 1/1 - 30/6/2021.

8. Alternative Performance Measures (APMs)

Group has adopted as Alternative Performance Measure (APM) the earnings before taxes, interest and depreciation & amortization (EBITDA), which is in compliance with the ESMA Guidelines (05/10/2015|ESMA/2015/1415). Alternative Performance Measures (APMs) are used under the context of making decisions for financial, operational and strategic planning as well as for the assessment and publication of performance. Alternative Performance Measures (APMs) are taken into account combined with financial results which have been conducted according to IFRS and under no circumstances they do not replace them.

Definition **EBITDA (Earnings Before Interest, Taxes and Depreciation & Amortization)/ Operating results before taxes, financing, investing results and total depreciation**= Earnings before tax +/- Financial and investing results (Total financial expenses + Total financial income + Contribution in subsidiaries' losses) + Total depreciation / amortization (property, plant and equipment and intangible assets).

Definition of **EBITDA (OPR) (Earnings Before Interest, Taxes, Depreciation & Amortization & Impairment excluding right of use assets) / Operating results before taxes, financial, investment results and total depreciation / impairment other than assets** Definition of **EBITDA (OPR) (Earnings Before Interest, Taxes, Depreciation & Amortization & Impairment excluding right of use assets) / Operating results before taxes, financial, investment results and total depreciation / impairment other than assets**=Earnings before taxes +/- Financial and investment results (Total financial expenses + Total financial income + Participation in losses of



associates) + Depreciation / Impairment other than depreciation of assets with the right to use (IFRS depreciation)

The most directly related item of the Income Statement for the calculation of EDMA EBITDA and EBITDA (OPR) is operating profit (EBIT) and depreciation / amortization. Operating profit is presented in a separate line of the Income Statement and depreciation / impairment is presented as a whole in a separate line of the Cash Flow Statement.

More analytically, reconciliation of the selected APM and the financial statements of the Group for the corresponding period is as follows:

(amounts in thousand euros)

Group Consolidated Results		
	1/1-30/6/2021	1/1-30/6/2020
(Loss)/ Earnings before tax	421	(967)
Financial and investing results	4,566	4,546
Total depreciation / amortization	5,133	6,037
Earnings / (Loss) before tax, interest and depreciation & amortization (EBITDA)	10,121	9,616
Depreciation of right of use assets (depreciation IFRS 16)	(3,029)	(2,960)
Operating earnings before tax, interest and depreciation/ amortization EBITDA (OPR)	7,092	6,656

9. Sustainable Development & Social Responsibility

This Non-Financial Statement is part of the Annual Report of the Board of Directors and contains information on all the activities of HOUSEMARKET Group, during the period 01/01/2021-30/06/2021, on the following thematic aspects:

- Business model/Main non-financial risks,
- Social and labor issues,
- Respect for human rights,
- Ensuring business ethics and regulatory compliance,
- Environmental issues,
- Supply chain issues,
- Impact of the COVID-19 pandemic on non-financial issues.



Material topics/Stakeholder engagement

In the context of the continuous improvement of the approach to sustainable development and social responsibility topics, FOURLIS Group conducts a materiality analysis to prioritize its topics and thus, its companies' topics that present the most significant economic, social and environmental impacts as well as those that have a significant impact on its stakeholders. The methodology used for the materiality analysis is based on the GRI Standards.

FOURLIS Group recognizes as stakeholders those who have an impact or are affected by its activities. Having identified and prioritized its stakeholders, the Group invests in continuous and two-way communication with them, in order to maintain a consistent flow of information from and to the Group, about their requests, concerns and expectations. The main stakeholder groups of the Group are:

Employees, Shareholders/Institutional investors & Financial Analysts, Customers, Suppliers/Partners, Civil Society, Local Communities, Official and Supervisory Authorities/State, Business Community, Media, NGOs. FOURLIS Group Sustainable Development and Social Responsibility Report 2020, which is available at www.fourlis.gr, includes:

- a description of the stakeholder groups and the engagement method, as well as of the frequency at which the Group communicates with its stakeholders.
- a description of all the steps of the materiality analysis, as well as the material topics derived through that process.

a) Brief description of business model

HOUSEMARKET Group, headquartered at the 501 building of Athens Airport's Retail Park, in the "Eleftherios Venizelos" Airport, through its subsidiaries in Greece and abroad, is active in the following divisions:

- Retail Home Furnishings (IKEA stores) through HOUSEMARKET S.A., H.M. HOUSEMARKET (CYPRUS) Ltd and HOUSE MARKET BULGARIA EAD.
- Storage and Distribution services (Logistics) through its subsidiary TRADE LOGISTICS S.A.
- Real Estate Constructions and Development through RENTIS REAL ESTATE INVESTMENTS S.A., subsidiary of H.M. HOUSEMARKET (CYPRUS) Ltd.
- Holding of Investments through WYLDES LTD and its subsidiaries VYNER Limited and SW SOFIA MALL ENTERPRISES Limited.

The parent company HOUSEMARKET S.A., is a subsidiary of FOURLIS HOLDINGS S.A. which holds 100% percentage of its share capital.

More information regarding the business environment, strategy, objectives and main progress and factors that could influence the Group's development are available in the following chapters of the Group's Board of Directors' Annual Report:

- 4. Operating performance-Important developments
- 7. Information about the Group's plan of development
- 8. Major threats and uncertainties faced by the Group



as well as in the following chapters.

b) Main non-financial risks

In the context of the sustainable development approach, the Group consistently identifies and prioritizes the topics that are linked to its activities and may cause negative impacts to its stakeholders and to the wider society and the environment in the countries where it operates.

At Group level, the Regulation of Operations, based on article 14 of the L. 4706/2020, describes the organizational structure, the risk management system and the internal control system. The Board of Directors of FOURLIS HOLDINGS S.A. is responsible for monitoring the risk management system. The responsibility for risk management lies with the HOUSEMARKET Group Management. Specifically, in the area of Sustainable Development and in particular in the Group's Sustainable Development and Social Responsibility Report for 2020, the Group's sustainable development material topics are described, and thus, its subsidiaries', as emerged by the latest materiality analysis, including information on the potential risks associated with them.

c) ESG Strategic Objectives

Indicative examples of ESG performance objectives for 2021 are:

	TOPIC	OBJECTIVES 2021
For our People	Employment creation	Increasing the number of employees according to the Group's business plans
	Protection of employee health, safety and well-being	Zero incidents of fatalities and/or high-consequence work-related injuries
	Protection of human rights in the workplace	Maintaining zero incidents of human rights violations in the Group
	Investing in employee training and development	Carrying out the scheduled training plan*
For the Society	Creation and distribution of direct economic value to stakeholders	Maintaining donations and sponsorships at least at 2020 levels*
	Active and responsible social contribution	Maintaining social contribution programs at least at 2020 levels*

For the Market	Regulatory compliance and business ethics	<ul style="list-style-type: none"> - Full compliance with the new Corporate Governance Law - Zero cases of fraud/corruption
	Product compliance, labeling and responsible communication	Maintain a level of full compliance with regulations and voluntary codes regarding product labeling and responsible communication
	Protection of customer and visitor health and safety	Zero incidents of non-compliance with regulations and voluntary codes relating to customer and visitor health and safety issues

**The specific objectives are subject to revision as their implementation depends on the evolution of the COVID-19 pandemic.*

d) Social & labor issues

A. Social Issues

1. Ensuring the health, safety and accessibility of customers and visitors

Stores/Facilities

Giving special emphasis on prevention, the Group complies with the applicable legislation and implements a Health & Safety Policy for all the subsidiaries of the Group, in all countries of operation. The Policy includes a wide range of relevant procedures, measures and initiatives related to the safe stay of visitors, customers, partners and employees at the Group's facilities. Any variations in the Group's relevant procedures by country or region, depend on the size of the facilities, as well as on the existing legislation in the countries where the Group's companies operate.

In this context, some of the practices the Group implements are the following:

- Cooperation with an external service provider on accident protection and prevention.
- Written occupational risk assessment, according to existing methodology and legislation.
- Measures taken for reducing "emergency pick" incidents, in order to prevent accidents at the IKEA stores.
- Training of First Aid Teams.
- Training of Fire Safety and Firefighting Teams.
- Infirmaries equipped with medical beds and automatic external defibrillators in all the IKEA stores, as well as in the TRADE LOGISTICS AEBE distribution center.
- Provision of wheelchairs at the entrance of all the IKEA stores, as well as of accessible lavatories and parking spaces, aiming to provide safe accommodation and transportation for people with disabilities.

Moreover, employees receive regular training, in order to be able to respond to emergency incidents that can affect both their own and visitors' safety at its facilities. The training includes:



- Scheduled annual exercise on store evacuation with the participation of customers.
- Scheduled biannual exercise on store evacuation, without the participation of customers.
- Conducting regular fire safety exercises.
- Training of First Aid Groups.
- Training of Fire Safety and Firefighting Teams.

In order to ensure the compliance to the Health and Safety Policy, regular inspections are conducted by Safety Technicians for all Group operations. All Health and Safety incidents occurring within the Group's premises and stores are reported and a Safety Report is compiled for each store as well as a consolidated one for all of them. The report includes information not only on the number and type of incidents, but also on the way they were addressed. Through these reports the Group is able to receive useful information on the effectiveness of the policies and to improve its practices, when and where needed.

Products

The Group manages this issue through the compliance of the products traded by its subsidiaries, in all countries of its activity, according to manufacturer and supplier specifications, European and / or domestic legislation, and through their compliance with all laws and regulations concerning their labeling and use (e.g. CE approval).

IKEA products have special labeling and signs aiming to provide information and advice to consumers like for example in relation to product manufacturing, to their dimensions, to their life cycle, to whether a product must be used only by adults, etc. It is also worth mentioning that IKEA provides a multiannual product guarantee, which in some cases reaches 25 years, while a product withdrawal policy is followed and applied. If necessary and depending on the importance of the incident the withdrawal case is publicly disclosed. At the same time, IKEA monitors product returns and if an increased number of returns of an item is observed (due to a defect) specific procedures, that have been defined worldwide by IKEA, are followed for the information of all stakeholders. In addition, a Food Safety System is maintained according to the international standard ISO 22000 in all restaurants of IKEA stores.

2. Product compliance, labeling and responsible communication

In compliance with the relevant legislation of the European Union and more specifically with the Regulation for energy labeling (EU) 2017/1369, since November 2020 at IKEA has started and is currently in progress, with specific preparatory actions, the transitional period of implementation of the new Directives for the launch of new energy labels, through which customers will be informed about the energy consumption of electrical appliances and light bulbs. Since March 2021, the new energy labels will be available on products sold in both physical and online retail stores. More information is available on the project's website, www.label2020.gr.

For the advertising and promotion of IKEA products, the company follows the communication code applied by IKEA worldwide and all codes of conduct, marketing and communication as well as the food market rules which it is obliged to comply with while it takes into consideration all local needs. The company's policy concerning product marketing is adapted to both local as well as to consumers' needs.



For this reason, IKEA stores differ depending on their location, in order to meet the standards and culture of the respective local community.

3. Society and local communities support

FOURLIS Group daily operates for the realization of its commitment and vision: *the establishment of the preconditions for a better life for all*. In this context, the Group seeks to be in constant connection with the citizens and the wider society in the countries where it operates, aiming to be informed about their needs and to understand them. Then, it proceeds with the evaluation and prioritization of the needs, in order to design programs and actions that are in line with the Group Principles and Values, which respond to the most important of these, but also to those aligned with the strategy and nature of its activities. These programs and actions focus mainly on supporting vulnerable social groups, as well as children.

In addition, in cases where there are special circumstances (e.g. pandemic, natural disasters), the Group either adjusts its programs or includes actions aimed at addressing these emergencies for the relief of society and citizens.

The following are some of the most significant programs and actions implemented by HOUSEMARKET Group companies during the 1st half of 2021, to support society.

- Offer of free equipment from HOUSEMARKET S.A. (IKEA stores in Greece) for the realization of wishes of children supported by Make A Wish Organization (Greece).
- In the context of responding to emergencies, HOUSEMARKET S.A. (IKEA stores), in cooperation with the relevant authorities, proceeded to the donation of household items such as tableware (dishes, glasses, cutlery), cooking utensils, kitchen utensils, etc. in order for the 20 houses intended for the housing of the residents of the areas of Ellassona and Tyrnavos, that were affected by an earthquake, to be fully functional.
- A Voluntary Blood Donation, which was implemented in June 2021 at the facilities of HOUSEMARKET Group companies in Greece and Cyprus. With the voluntary participation of the employees in this action, a total of 96 bottles of blood were collected.
- H.M. HOUSEMARKET (Cyprus) LTD (IKEA stores in Cyprus) continued the implementation of "Furnished With Joy" program and fully equipped, with IKEA products, 2 rooms at a municipal nursery school at Lakatamia in Nicosia, in cooperation with the Municipal Authorities. HOUSEMARKET S.A (IKEA stores in Greece) will continue the implementation of this program in Greece, when the pandemic conditions allow it.
- HOUSEMARKET Bulgaria EAD (IKEA Bulgaria stores) continued to support the UNICEF Bulgaria program "STEPs together" which the Organization implements in cooperation with the Ministry of Education and Science, and which focuses on creating a safe school environment and to the prevention of bullying and violence. The aim is to change the school environment and to create spaces where children may feel confident to produce and share ideas for the improvement of school environment, thus creating the conditions to reduce stress and distraction from the school routine. HOUSEMARKET Bulgaria EAD will create "stress relief corners" in 5 pilot schools, while until today it



has already created such a corner in a school in the city of Kjustendil.

B. Work related issues

1. Creating and retaining employment

FOURLIS Group is its People, all those who support its operations on a daily basis. Its approach to employment and its relationships with its employees directly affect their performance, retention and development, while these issues are also significant for the Group's long-term sustainable development. The following are the main pillars of the policy, regarding the recruitment of staff and the professional development of its human resources:

- Common recruitment evaluation criteria for all the Group's companies, to ensure equal opportunities and to fight discrimination.
- Provision of equal development opportunities to all Group employees, through internal transfer and promotion processes.
- The compensation and benefit policy, which is based on the financial results of the Group, on the employee's performance appraisal conducted on an annual basis and on retail market trends in relation to compensations.
- Taking into consideration the balance when it comes to gender, nationality, religion, political or other opinions, as well as issues such as disability, sexual orientation, etc. during the selection and development processes of employees, as well as in the compensation and benefits policy.

When in any of the companies there are job openings, those are readily covered either via internal transfer/promotion of employees (through the Open Resourcing Policy), or via a direct transfer/promotion of an employee (for Executives), or via a new recruitment.

2. Providing employee training and development

The Group believes that the employees' need for training is continuous and ever increasing, as the competition and the current market demands are constantly generating new training and educational needs. For this reason, the training of each Group employee begins upon his/her recruitment, while ensuring the continuous training and education of employees is achieved through adherence to the training plan drawn up at the completion of the annual performance appraisal.

Education

The first training program for every Group employee is an induction program, through which it is ensured that all the newly hired employees are informed about the Group's Structure, Values, Code of Conduct and Internal Labor Regulation of each company. This program is implemented both in classroom and via e-learning. Also, all the employees of the Group are members of the Training Academy of the Group "FOURLIS Learning Academy", which has been operating since 2011, and participate in programs according to the requirements of their role and their needs for personal development.



In the context of the Academy, the FOURLIS Retail Diploma program was launched in 2016. The program was created with the main objective to provide high level knowledge from University Professors and Senior Executives of both the market and the Group, in a range of fields mainly focusing on Retail Management. The program is also attended by employees of HOUSEMARKET Group.

In 2021, all trainings were implemented remotely either through e-learning or through an synchronous training platform.

Performance Appraisal and Development

Since 2008 an annual Performance Appraisal and Development Review System for all the Group employees is adopted, in order to ensure that the evaluation process is and will remain transparent. The performance Appraisal and Development Review Procedure, which includes both the assessment of the agreed measurable objectives and the employees' skills and behavior, is conducted once a year for all employees in all the Group companies. In addition, the evaluation form also records all actions related to Employees' Development Plan.

In 2020, the Appraisal and Development Review procedure was renewed to meet current business needs. The 1st half of 2021 the Performance Appraisal and Development Reviews for 2020 were completed.

3. Other actions for our people

In the 1st half of 2021, the following actions were also implemented for FOURLIS Group employees. HOUSEMARKET Group employees also participated in these actions:

- **Scholarships Program:** The Scholarships Program "I Study with a Scholarship" continued. Through this program the Group supports employees' children who study in public Universities in Greece, Cyprus and Bulgaria, away from their permanent residencies and whose families face difficulties in meeting the financial requirements of covering the cost of accommodation in another city.
- **Years in service award:** The program of awarding employees who have for numerous years contributed to the achievement of the Group's objectives (10, 20 and 30 years of recognition and contribution), continued.
- **We say BRAVO:** The "We say BRAVO" program continued. This is a program which aims to highlight and award those employees who, through certain behaviors, stand out for their professionalism and distinct contribution, always in alignment with the Group's Values and Mission.
- **#IamRemarkable:** FOURLIS Group, aiming to boost the confidence of its employees and especially women, participated in Google's global initiative **#IamRemarkable** where through a 90-minute workshop, the 80 participant employees from FOURLIS Group as well as HOUSEMARKET Group companies in Greece had the opportunity to discover the power that lies within them, to express



their achievements in their professional and personal life but also to develop a set of skills that will help them challenge the social perceptions that stand in the way of achieving their goals.

- **Diversity Charter:** FOURLIS Group, in order to further strengthen its commitment to combating discrimination and promoting equality in the workplace, signed the "Diversity Charter" for Greek companies and organizations. The Diversity Charter is an initiative of the European Commission, implemented in our country by KEAN, and aims to encourage organizations, businesses and public bodies to develop and implement practices for the integration and management of diversity.

In this context, FOURLIS Group and HOUSEMARKET Group have already launched a new initiative on diversity and inclusion and plan to implement a series of actions in this field.

4. Protection of employee health, safety and wellbeing

Given that the creation of a safe and healthy work environment is a fundamental Principle for the Group, as it is also depicted in its Values, at the Group an important priority is to ensure compliance with the Health and Safety Policy. The Group has also developed and implements an Occupational Health and Safety management system, which complies with all legal requirements as well as the requirements of the "ILO Code of Practice on Recording and Notification of Occupational Accidents and Diseases". The system applies to all the activities, stores and facilities of the Group, as well as all employees and suppliers and partners working or visiting its facilities.

Furthermore:

- All the actions required by law on risk management are carried out. In particular, as required by legislation, intensive inspections are carried out by Safety Technicians in all facilities of the Group companies. In order to manage health and safety risks, a documented Occupational Risk Assessment is carried out and in addition Safety Technicians prepare a Risk Report. At the Group there is also a Risk Management Team.
- The Group provides the services of an Occupational Physician, as required by the law.
- There is a Committee for the Health and Safety of employees consisting of employee representatives from all parts of the stores.
- The Group invests in the continuous and regular training of all its employees, so that they can respond to emergencies that affect both their own safety and that of customers / visitors and partners at its facilities. Especially at the IKEA stores, internal Safety, Fire Protection and First Aid teams have been created.

In addition, aiming to inform employees on health and wellbeing issues and to encourage them to adopt a healthier lifestyle, the Group's Social Responsibility Division implemented the EF ZIN (WELLBEING) program for the 11th consecutive year. In the context of this program, a number of actions that concern healthy diet, health and prevention, exercise, etc. are taking place every year.



The 1st half of 2021 the following actions, in which HOUSEMARKET Group employees participated, were implemented:

- Online pilates program for the Group employees in Greece.
- Online sessions with dieticians/nutritionists for the Group employees in Greece, Cyprus and Bulgaria.
- Mediterranean Diet program which includes weekly indicative menus with recommended recipes, based on the Mediterranean Diet, as well as regular updates on other relevant topics. The program is implemented for the Group employees in Greece, Cyprus and Bulgaria, in cooperation with experienced dieticians/nutritionists.
- Counseling and psychological support line for the Group employees in Greece, in cooperation with specialized counselors/psychologists. The Line operates 24/7/365 and employees as well as their relatives (spouses, adult children) may call anonymously and receive by the psychologists, with absolute confidentiality, immediate consulting support and guidance on issues that concern them and affect their personal, family and professional life.
- In the context of the Counseling/ Psychological Support Line, the implementation of psychology online seminars continued in cooperation with the counselors/psychologists that support the Line. The seminars are implemented for the Group employees in Greece and cover a variety of matters, including parents' Groups.

e) Respect for Human Rights

The Group approaches the issues of respect and protection of Human Rights in a systematic way through policies and initiatives. This effort is comprised of:

- Participation, through FOURLIS Group, in the UN Global Compact, through which the Group commits to uphold the respective Principles such as those relating to the respect of freedom of association, the abolishment of child and forced labor and discrimination in the workplace and its supply chain.
- The Internal Labor Regulations.
- The Code of Conduct of FOURLIS Group.
- The Open Resourcing Policy and procedure of FOURLIS Group.
- The Health and Safety Policy of FOURLIS Group.
- The responsible product policies.

All Group employees have signed, independently of their position in the corporate hierarchy, the detailed or concise version of the Code of Conduct, (the concise version is available on the website www.fourlis.gr).



In addition, the Code of Conduct Line of the Group is available 24 hours a day and anyone may call the Line, in order to report (anonymously or not), any concerns related to Code of Conduct violations or non-compliance with the legislation.

f) Ensuring business ethics and regulatory compliance

FOURLIS Group's approach on Regulatory Compliance issues is based on and has as a prerequisite three key pillars: corporate governance, business ethics and anti-corruption and anti-competitive behavior.

HOUSEMARKET Group's approach is based on the following FOURLIS Group procedures and practices:

- Corporate Governance Code
- Code of Conduct
- Code of Conduct Line
- Regulation of Operations
- Audit Committee
- Internal Audit Department
- Nomination and Remuneration Committee
- Implementation of a specific procedure for informing the Senior Management and the Internal Audit Department on any fraud or corruption incident.
- Supervision of Sustainable Development

More information is available at www.fourlis.gr as well as at the FOURLIS Group Sustainable Development and Social Responsibility Report 2020, also available at www.fourlis.gr

Personal data protection

The Group adheres not only to the European Legislation, but also to the local legislations of the countries where it operates, regarding personal data protection of the parties who transact with the Group. Respecting privacy is a core element of both the Code of Conduct and the policies that are embedded in Group and its subsidiaries operations.

The Group values the trust of all those who enter into a transaction with the Group and has designed and implements a personal data and sensitive personal data protection policy for all natural persons (visitors, partners, customers, suppliers, current, former and candidate employees). The Group makes sure to protect, with due diligence, all personal information collected for business needs, after obtaining legal consent, and to safeguard the rights of natural persons, in accordance with the existing legislation and Data Protection Authority guidelines (GDPR), in all countries where the Group companies operate. It is worth mentioning that all the Group employees in all counties where it operates, have received training in GRDP issues, either via classroom seminars or via e-learning. GDPR training is also part of the induction program for all new employees. Compliance with the relevant legislation and data security is examined at Group companies Board of Directors level.



More information is available at www.fourlis.gr as well as at FOURLIS Group Sustainable Development and Social Responsibility Report 2020, also available at www.fourlis.gr

g) Environmental issues

In the Group, since Environmental issues have not emerged as a material topic through the latest materiality analysis conducted by FOURLIS Group, the risks that may arise from climate change in relation to the Group's business model are not recorded. However the effects of the activities are monitored and a series of voluntary actions and interventions are being carried out, aimed at reducing environmental impact, saving and recycling of natural resources, as well as raising awareness of employees and the public on environmental issues and adopting a responsible attitude towards life. The results of the applied practices are communicated in the annual Report on Sustainable Development and Social Responsibility, as well as in the Progress Report "Communication on Progress" of the Group, regarding the observance of the ten Principles of the United Nations Global Compact.

The practices implemented by the Group companies include the following:

Reducing energy consumption and greenhouse gas emissions

- ENERGY CONSUMPTION: HOUSEMARKET Group companies systematically monitor electricity, oil and natural gas consumption at their facilities and proceed with the necessary interventions, where and when necessary, in order to reduce it.
- CARBON EMISSIONS: Since 2012, the subsidiary TRADE LOGISTICS S.A. calculates its CO₂ emissions for all of its operations, aiming to find the most compatible solutions for emissions reduction.
- PHOTOVOLTAIC SYSTEMS: Since 2013, the subsidiary TRADE LOGISTICS S.A. has installed on its building's roof and operates a photovoltaic system of 1,400 MWh average annual capacity for producing electricity. Respectively, HOUSEMARKET S.A. is in the process of implementing the installation of electric power generation systems on its buildings' roofs, with the aim to maximize the use of installations that do not further burden the environment. In this context, in 2019, the process of installing a photovoltaic system with offsetting was completed in the IKEA Cyprus store and is expected to operate in 2021.

More information is available at FOURLIS Group Sustainability Development and Social Responsibility Report 2020, at www.fourlis.gr

Proper waste and materials management

- RECYCLING AND WASTE MANAGEMENT: HOUSEMARKET Group implements recycling programs in collaboration with competent bodies for sorting and appropriately managing each waste category. In addition, recycling programs are carried out in the Group premises with the participation of employees and the use of special recycling bins that have been placed in the workplace for this purpose. The materials recycled at the Group include: paper, batteries, cooking oil, light bulbs, aluminum, glass, plastic, metals, timber.
- APPROPRIATE MATERIAL MANAGEMENT:



- The IKEA Airport store manages organic waste, which is promoted for composting.
- Since September 2016, HOUSEMARKET S.A. (IKEA stores in Greece) implements an electronic archiving system for copies of invoices and credits, with significant benefits in saving paper

Responsible Water Consumption

At HOUSEMARKET Group we know that a significant quantity of water is consumed at our facilities, due to the sanitation needs and to the large number of visitors and employees. For this reason, we monitor consumption per subsidiary, and we examine the implementation of additional measures where necessary, in order to reduce water consumption at our facilities.

Sustainable products

IKEA stores have sustainable products which are presented in detail on its website (<https://www.ikea.gr/en/much-more-than-what-you-can-imagine/sustainable-products/>).

In relation to the food available in the restaurant of the IKEA stores and sold by the IKEA Swedish Food Store, the following are worth mentioning:

- The salmon served at the IKEA store restaurant and sold by the IKEA Swedish Food Store, comes from responsible aquaculture according to the ASC standard.
- Seafood served at the IKEA store restaurant and sold by the IKEA Swedish Food Store, comes from sustainable fishing certified according to the MSC standard.
- IKEA chocolates and coffee are UTZ certified. This means that both the cocoa and the coffee are sourced from sustainable farms that create better living opportunities for the producers and their families.
- In 2020, IKEA launched the new vegetable meatballs HUVUDROLL, which are produced from pea protein, oats, potatoes, onion and apple and which have the same taste and texture as the classic IKEA meatballs. The plant ingredients of this new product come from sustainable sources, with a very small environmental footprint (4%).

Overall, the IKEA stores' restaurant maintains a Food Safety System according to the international standard ISO 22000.

h) Supply chain issues

FOURLIS Group, as well as HOUSEMARKET Group, seeks to continuously improve its relationship with suppliers by communicating the terms of cooperation and the key framework of principles and values that govern their partnership. The Group's business continuity is critical to the continuous delivery of high-quality products and services. The Group aims to maximize the client satisfaction and develop mechanisms, aimed at identifying and responding to situations that may adversely affect the business continuity of its critical operations, such as the availability of its products. In order to ensure business



continuity, the Group assesses its weaknesses and investigates threats that may affect its business model and are related to its supply chain and takes relevant precautionary measures.

Concerning its supply chain FOURLIS Group, as well as HOUSEMARKET Group, is in the process of evaluating the possibility of implementing within the next 2 years, the following practices:

- Incorporation of FOURLIS Group Code of Conduct into its supplier contracts.
- Integration of ESG criteria during the selection and evaluation of potential and existing suppliers.

The main supply chain services provider for the Group is the subsidiary TRADE LOGISTICS. TRADE LOGISTICS (TRADE LOGISTICS S.A.) purpose is to provide supply chain services, like the receipt, storage and transport of goods, the creation of promotional and other packaging, the supply of business units and the management of all relevant information. More specifically, its activities are:

1. Storage and distribution services for the below stores:
 - IKEA in Greece, Cyprus and Bulgaria
2. Delivery of e-commerce orders directly to the customers in Greece for:
 - IKEA's e-shop (www.ikea.gr) and

TRADE LOGISTICS, with its specialized and experienced personnel, the use of technology and the adoption of innovative methods in the Logistics field, aims at the proper operation of all storage and delivery procedures, as well as at the development of its activities.

f) Impact of the COVID-19 pandemic on non-financial issues

To deal with the unprecedented challenge of the COVID-19 pandemic, the Group continued to implement the emergency response plan aiming at its smooth operation and the health and safety of its employees, customers and partners.

Health, safety and wellbeing of employees

To ensure the health, safety and wellbeing of employees, HOUSEMARKET Group continued the strict implementation of the legislation for every labor issue. In Greece, but also in other countries (Cyprus, Bulgaria), the Group continued the regular and thorough information on the issues of the COVID-19 pandemic to its employees. In addition, there was constant communication between the employees and the occupational physicians, while business travel was limited to what was absolutely necessary. The Group also undertook further initiatives for the safety of its employees, in addition to the obligations arising from the legislation.

Suppliers and partners

The Group respectively took protection measures for its partners and suppliers. In this context and following the legislation, it proceeded to the cessation of live meetings in its workplaces, implementing online meetings using digital media (Microsoft Teams). In cases where there was the need for a live meeting, such as when sampling products, the official guidelines were completely followed by taking all the necessary safety measures. For the partners who were in the workplace, the policies and guidelines concerning the employees of the Group were followed.



Customer health and safety

And for its customers, the Group continued the strict implementation of all laws related to retail stores.

10. Related parties transactions

Related parties transactions are analysed in Note 18 of the Interim Condensed Financial Statements of the period 1/1 – 30/6/2021.

11. Human Recourses

The number of employed human resources of the Group on 30/6/2021 is 2,205 people (2,321 on 30/6/2020). Respectively, the human resources of the Company on 30/6/2021 are 1,300 people (1,477 on 30/6/2020).

12. Treasury shares

On 30/6/2021 the Company did not hold any treasury shares.

13. Management members' transactions and remuneration

Transactions and fees with the Management members are analyzed in Note 18 of the Interim Condensed Financial Statements of the period 1/1 – 30/6/2021.

14. Subsequent Events

There are subsequent events of 30/6/2021 which are:

- On July 12, 2021, the Ministry of Development and Investment approved the establishment of TRADE ESTATES REAL ESTATE INVESTMENT SOCIETE ANONYME (TRADE ESTATES AEEAP). The initial share capital of the company amounts to one hundred seventy three million five hundred twenty seven thousand three hundred seventy eight (€ 173,527,378). The purpose of TRADE ESTATES AEEAP is to be active in purely large retail real estate ("Big Boxes") and e-commerce infrastructure, through the acquisition of new real estate outside the Fourlis Group, creating a portfolio of high quality and performance.
- The Ordinary General Meeting of the Company was held on 2/7/2021.
- On 9/7/2021 subsidiary's BOD decided the conclusion of commercial cooperation regarding the implementation of the investment plan of the company RECON SOLE SHAREHOLDER and finally the acquisition, through the company TRADE ESTATES SA, of total share capital of RECON SOLE SHAREHOLDER by the HOUSEMARKET Group. For this purpose, the amount of € 1,638 th. was paid in July 2021.



This Report, the Interim Condensed Financial Statements of the 1st semester of 2021, the Notes on the Interim Condensed Financial Statements along with the Auditor's Report, are published at the Group's web site, address: [http:// www.housemarket.gr](http://www.housemarket.gr).

Paiania, August 30 2021

The Board of Directors



The Interim Condensed Financial Statements of the Company and Group included in pages 35 to 62 are in accordance with the IFRS (IAS 34) as applied in the European Union and approved by the Board of Directors on 30/8/2021 and are signed by the following:

Chairman of the Board of Directors

CEO

Dafni A. Furlis

ID No. Φ – 019071

Panagiotis D. Katiforis

ID No. AK – 129648

Finance Manager Controlling & Planning

Chief Accountant

Emmanouil D. Manousakis

ID No. AB - 669252

Christos G. Vasilopoulos

ID No. X – 067556

Ch. Acct. Lic. No. 62815 A Class

THIS REPORT HAS BEEN TRANSLATED FROM THE ORIGINAL VERSION IN GREEK

REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION

To the Shareholders of “HOUSEMARKET S.A.”

Introduction

We have reviewed the accompanying interim condensed separate and consolidated statement of financial position of “Housemarket S.A.” (the “Company”) as at 30 June 2021, and the related interim condensed separate and consolidated statements of income, 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 condensed 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 as incorporated in Greek Law and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that may 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 between the other information contained in the six-month financial report prepared in accordance with article 5 and 5a of Law 3556/2007 with the accompanying interim condensed financial information.

Athens, 31 August 2021

The Certified Auditor Accountant

SOFIA KALOMENIDES
S.O.E.L. R.N. 13301
ERNST & YOUNG (HELLAS)
CERTIFIED AUDITORS ACCOUNTANTS S.A.
CHIMARRAS 8B,
151 25 MAROUSSI
SOEL REG. No. 107

Interim Condensed Statement of Financial Position (Consolidated and Separate) **as at June 30, 2021**

(In thousands of Euro, unless otherwise stated)

	Note	Group		Company	
		30/6/2021	31/12/2020	30/6/2021	31/12/2020
Assets					
Non-current Assets					
Property plant and equipment	6	34,458	34,555	20,135	21,365
Right of use assets	7	57,526	59,362	50,312	52,827
Intangible Assets	9	7,228	6,889	5,464	5,141
Investments		26,928	27,465	80,567	80,497
Long Term receivables		8,630	4,977	5,120	2,620
Deferred Taxes	15	5,197	3,811	4,782	3,299
Non-current Assets		139,966	137,059	166,380	165,748
Current assets					
Inventory		37,956	37,594	21,613	24,751
Income tax receivable		147	101	109	23
Trade receivables		3,546	3,458	2,845	2,650
Other receivables		14,999	7,746	10,253	8,060
Cash & cash equivalent		85,267	79,367	58,607	58,995
Assets classified as held for sale	8	185,798	182,505	84,747	82,466
Total current assets		327,714	310,771	178,174	176,945
Total Assets		467,680	447,830	344,554	342,693
SHAREHOLDERS EQUITY & LIABILITIES					
Shareholders equity					
Share Capital	10	47,451	47,451	47,451	47,451
Share premium reserve		(649)	(649)	(217)	(217)
Reserves		18,305	18,194	18,390	18,285
Retained earnings		92,446	91,359	50,940	56,742
Total Equity (c)=(a)+(b)		157,553	156,355	116,564	122,261
LIABILITIES					
Non Current Liabilities					
Non - current loans	13	67,110	71,006	46,935	51,089
Lease liabilities	14	52,559	54,915	48,563	50,764
Employee retirement benefits		5,056	5,121	4,355	4,460
Deferred Taxes	15	241	167	0	0
Other non-current liabilities		248	280	59	59
Total non current Liabilities		125,213	131,489	99,913	106,371
Current Liabilities					
Short term loans for working capital	13	11,002	8,290	9,999	4,990
Current portion of non-current loans and borrowings	13	55,516	47,470	46,634	42,756
Short term portion of long term lease liabilities	14	7,823	6,974	4,443	4,354
Income Tax Payable		779	177	0	0
Accounts payable and other current liabilities		90,438	76,420	67,003	61,961
Liability arising from assets held for sale	8	19,356	20,655	0	0
Total current Liabilities		184,914	159,986	128,078	114,061
Total liabilities (d)		310,127	291,475	227,990	220,432
Total Equity & Liabilities (c) + (d)		467,680	447,830	344,554	342,693

The amounts of the previous period have been adjusted to be similar and comparable with the corresponding amounts of the current period concerning advances for investments in the supply chain of the Group that were transferred from other current assets to the long-term receivables.

The accompanying notes on pages 43 to 62 are an integral part of the Interim Condensed Financial Statements.

Interim Income Statement (Consolidated) for the period
1/1 to 30/6/2021

(In thousands of Euro, unless otherwise stated)

		Group	
	Note	1/1 - 30/6/2021	1/1 - 30/6/2020
Revenue		113,378	107,646
Cost of Goods Sold		(67,276)	(62,980)
Gross Profit		46,102	44,667
Other income		6,894	4,134
Distribution expenses		(40,998)	(38,461)
Administrative expenses		(6,898)	(6,648)
Other operating expenses		(113)	(112)
Operating Profit		4,988	3,579
Total finance cost		(4,031)	(4,146)
Total finance income		2	17
Contribution associate companies profit and loss		(537)	(417)
Profit/(Loss) before Tax		421	(967)
Income tax	15	589	212
Net Profit /(Loss) (A)		1,011	(755)
Attributable to:			
Equity holders of the parent		1,011	(755)
Net Profit /(Loss) (A)		1,011	(755)
Basic Earnings / (Losses) per Share (in EURO)	16	0.0213	(0.0159)
Diluted Earnings / (Losses) per Share (in EURO)	16	0.0213	(0.0159)

The amounts of the previous period have been adjusted to be similar and comparable with the corresponding amounts of the current period concerning credit card expenses that were transferred at 1/1/2021 from finance cost line to the distribution expenses.

Revenue is meant as income from contacts with customers.

The accompanying notes on pages 43 to 62 are an integral part of the Interim Condensed Financial Statements.

Interim Statement of Comprehensive Income (Consolidated) for the period 1/1 to 30/6/2021

(In thousands of Euro, unless otherwise stated)

		Group	
	Note	1/1 - 30/6/2021	1/1 - 30/6/2020
Net Income/(Loss) (A)		1,011	(755)
Other comprehensive income/(expenses)			
Other comprehensive income/(expenses) transferred to the income statement			
Effective portion of changes in fair value of cash flow hedges		73	(10)
Total Other comprehensive income/(expenses) transferred to the income statement		73	(10)
Other comprehensive income/(expenses) not transferred to the income statement			
Other Comprehensive Income/(Losses) after Tax (B)		73	(10)
Total Comprehensive Income/(Losses) after Tax (A) + (B)		1,084	(766)
Attributable to:			
Equity holders of the parent		1,084	(766)
Total Comprehensive Income/(Losses) after Tax (A) + (B)		1,084	(766)

The accompanying notes on pages 43 to 62 are an integral part of the Interim Condensed Financial Statements.

Interim Income Statement (Separate) for the period 1/1 to 30/6/2021

(In thousands of Euro, unless otherwise stated)

		Company	
	Note	1/1 - 30/6/2021	1/1 - 30/6/2020
Revenue		61,489	65,836
Cost of Goods Sold		(35,562)	(37,834)
Gross Profit		25,927	28,002
Other income		5,361	2,932
Distribution expenses		(29,811)	(27,663)
Administrative expenses		(5,415)	(5,548)
Other operating expenses		(65)	(79)
Operating Loss		(4,003)	(2,357)
Total finance cost		(3,220)	(3,303)
Total finance income		2	17
Loss before Tax		(7,221)	(5,643)
Income tax	15	1,419	1,205
Net Loss (A)		(5,802)	(4,438)
Attributable to :			
Equity holders of the parent		(5,802)	(4,438)
Net Loss (A)		(5,802)	(4,438)

The amounts of the previous period have been adjusted to be similar and comparable with the corresponding amounts of the current period concerning credit card expenses that were transferred at 1/1/2021 from finance cost line to the distribution expenses.

Revenue is meant as income from contacts with customers.

The accompanying notes on pages 43 to 62 are an integral part of the Interim Condensed Financial Statements.

Interim Statement of Comprehensive Income (Separate) for the period 1/1 to 30/6/2021

(In thousands of Euro, unless otherwise stated)

	Note	Company	
		1/1 - 30/6/2021	1/1 - 30/6/2020
Net Loss (A)		(5,802)	(4,438)
Other comprehensive income/(expenses)			
Other comprehensive income/(expenses) transferred to the income statement			
Total Other comprehensive income/(expenses) transferred to the income statement		0	0
Other comprehensive income/(expenses) not transferred to the income statement			
Total Other comprehensive income/(expenses) not transferred to the income statement		0	0
Other Comprehensive Income/(Losses) after Tax (B)		0	0
Total Comprehensive (Losses) / Income after Tax (A) + (B)		(5,802)	(4,438)

The accompanying notes on pages 43 to 62 are an integral part of the Interim Condensed Financial Statements.

Interim Statement of Changes in Equity (Consolidated) for the period 1/1 to 30/6/2021

(In thousands of Euro, unless otherwise stated)

Note	Share Capital	Share premium reserve	Reserves	Revaluation Reserve	Foreign exchange diff. from Statement of Financial Position transl. reserves	Retained earnings / (Accumulated losses)	Total Equity
Balance at 1.1.2020	47,451	(649)	17,143	722	0	96,015	160,682
Total comprehensive income/(loss) for the period							
Profit / (Loss)	0	0	0	0	0	(755)	(755)
Effective portion of changes in fair value of cash flow hedges	0	0	(10)	0	0	0	(10)
Total comprehensive income/(loss)	0	0	(10)	0	0	0	(10)
Total comprehensive income/(loss) after taxes	0	0	(10)	0	0	(755)	(766)
Transactions with shareholders recorded directly in equity							
SOP Reserve	0	0	128	0	0	0	128
Total transactions with shareholders	0	0	128	0	0	0	128
Balance at 30.6.2020	47,451	(649)	17,260	722	0	95,260	160,044
Balance at 1.1.2021	47,451	(649)	17,472	722	(77)	91,436	156,355
Total comprehensive income/(loss) for the period							
Profit	0	0	0	0	0	1,011	1,011
Effective portion of changes in fair value of cash flow hedges	0	0	73	0	0	0	73
Total comprehensive income/(loss)	0	0	73	0	0	0	73
Total comprehensive income/(loss) after taxes	0	0	73	0	0	1,011	1,084
Transactions with shareholders, recorded directly in equity							
SOP Reserve	0	0	114	0	0	0	114
Total transactions with shareholders	0	0	114	0	0	0	114
Balance at 30.6.2021	47,451	(649)	17,659	722	(77)	92,446	157,553

The accompanying notes on pages 43 to 62 are an integral part of Interim Condensed Financial Statements.

Interim Statement of Changes in Equity (Separate) for the period 1/1 to 30/6/2021

(In thousands of Euro, unless otherwise stated)

	Note	Share Capital	Share premium reserves	Reserves	Revaluation Reserves	Retained earnings / (Accumulated losses)	Total Equity
Balance at 1.1.2020		47,451	(217)	17,287	722	68,874	134,117
Total comprehensive income/(loss) for the period							
Profit /(Loss)		0	0	0	0	(4,438)	(4,438)
Total comprehensive income/(loss) after taxes		0	0	0	0	(4,438)	(4,438)
Transactions with shareholders recorded directly in equity							
SOP Reserve		0	0	119	0	0	119
Total transactions with shareholders		0	0	119	0	0	119
Balance at 30.6.2020		47,451	(217)	17,406	722	64,436	129,798
Balance at 1.1.2021		47,451	(217)	17,563	722	56,742	122,261
Total comprehensive income/(loss) for the period							
Profit /(Loss)		0	0	0	0	(5,802)	(5,802)
Total comprehensive income/(loss) after taxes		0	0	0	0	(5,802)	(5,802)
Transactions with shareholders, recorded directly in equity							
SOP Reserve		0	0	105	0	0	105
Total transactions with shareholders		0	0	105	0	0	105
Balance at 30.6.2021		47,451	(217)	17,668	722	50,940	116,564

The accompanying notes on pages 43 to 62 are an integral part of the Interim Condensed Financial Statements.

Interim Statement of Cash Flow (Consolidated and Separate) for the period 1/1 to 30/6/2021

(In thousands of Euro, unless otherwise stated)

Note	Group		Company	
	1/1 - 30/6/2021	1/1 - 30/6/2020	1/1 - 30/6/2021	1/1 - 30/6/2020
Operating Activities				
Profit/(Loss) before taxes	421	(967)	(7,221)	(5,643)
Adjustments for:				
Depreciation / Amortization	5,133	6,037	4,144	4,597
Provisions	99	341	51	296
Foreign exchange differences	2	12	1	3
Results (Income, expenses, profit and loss) from investment activity	(1)	(17)	(1)	(17)
Interest Expense	4,030	4,133	3,219	3,299
Plus/less adj for changes in working capital related to the operating activities				
(Increase) / decrease in inventory	(362)	1,289	3,138	94
(Increase) / decrease in trade and other receivables	(11,038)	(11,033)	(4,945)	(9,874)
Increase / (decrease) in liabilities (excluding banks)	24,755	30,405	15,242	20,025
Less				
Interest paid, interest on leases	(3,980)	(4,060)	(2,989)	(3,218)
Income taxes paid	(79)	(24)	(79)	0
Net cash generated from operations (a)	18,980	26,116	10,559	9,563
Investing Activities				
Purchase or Share capital increase of subsidiaries and related companies	0	0	(70)	(125)
Purchase of tangible and intangible fixed assets	(3,612)	(2,139)	(1,127)	(897)
Proceeds from disposal of tangible and intangible assets	6,9 3	240	0	2
Addition of assets	8 (2,132)	(4,469)	(1,895)	(3,300)
Proceeds from dividends	0	0	0	2,000
Interest Received	2	17	2	17
Total (outflow) / inflow from investing activities (b)	(5,739)	(6,350)	(3,090)	(2,303)
Financing Activities				
Proceeds from issued loans	13 12,037	52,261	5,000	44,000
Repayment of loans	13 (6,478)	(2,275)	(498)	(2,107)
Dividends paid	(10,200)	(2,250)	(10,200)	(2,250)
Repayment of leasing	(2,700)	(2,399)	(2,158)	(1,962)
Total inflow / (outflow) from financing activities (c)	(7,341)	45,337	(7,856)	37,681
Net increase/(decrease) in cash and cash equivalents for the period (a)+(b)+(c)	5,901	65,102	(388)	44,940
Cash and cash equivalents at the beginning of the period	79,367	23,042	58,995	7,978
Closing balance, cash and cash equivalents	85,267	88,144	58,607	52,918

The amounts of the previous period have been adjusted to be similar and comparable with the corresponding amounts of the current period concerning credit card expenses that were transferred at 1/1/2021 from finance cost line to the distribution expenses and accounts in lines interest expense and interest paid, interest on leases were affected.

The accompanying notes on pages 43 to 62 are an integral part of the Interim Condensed Financial Statements.



Notes to the interim condensed financial statements (consolidated and separate) **as of June 30, 2021**

1. Corporate information

1.1 General Information

HOUSEMARKET S.A. (the Company) is located in Greece and has its headquarters located at International Airport of Athens "Eleftherios Venizelos", Building 501. It is registered in the Companies Registry of the Ministry of Development with registration number 46208/04/B/00/37(04). It is subsidiary of the company FOURLIS HOLDINGS S.A. with a shareholding of 100%.

The Company's term, in accordance with its Articles of Incorporation, is set for 50 years and expires at 24th April 2050.

The current Board of Directors of the Company is as follows:

1. Dafni A. Furlis, Chairman, executive member
2. Vassilis St. Furlis, Vice Chairman, executive member
3. David A. Watson, Independent Vice Chairman, independent non executive member
4. Panagiotis D. Katiforis, CEO, executive member
5. Apostolos D. Petalas, Director, executive member
6. Ioannis Ath. Kostopoulos, Director, non executive member
7. Stylianos M. Stefanou, Director, independent non executive member

The total number of employees of the Company and its subsidiaries (hereinafter the "Group") on 30/6/2021 is 2,205 (30/6/2020 2,321) while the total number of employees of the Company on 30/6/2021 is 1.300 (30/6/2020 1,477).

1.2 Activities

The Group's Companies activities are the retail trading of home furniture and household goods and real estate.

The Financial Statements include the direct and indirect subsidiaries of the Group as presented below:

Direct subsidiaries	Parent	Location	% Holding
HOUSE MARKET BULGARIA EAD	HOUSEMARKET SA	Bulgaria	100
HM HOUSEMARKET (CYPRUS) LTD	HOUSEMARKET SA	Cyprus	100
TRADE LOGISTICS SA	HOUSEMARKET SA	Greece	100
WYLDES LIMITED LTD	HOUSEMARKET SA	Cyprus	100
H.M. ESTATES CYPRUS LTD	HOUSEMARKET SA	Cyprus	100

Indirect subsidiaries

RENTIS SA	HM HOUSEMARKET (CYPRUS) LTD	Greece	100
TRADE ESTATES CYPRUS LTD	H.M. ESTATES CYPRUS LTD	Cyprus	100
TRADE ESTATES BULGARIA EAD	HOUSE MARKET BULGARIA EAD	Bulgaria	100

Affiliates

MANTENKO SA	HOUSEMARKET SA	Greece	50
POLICENCO SA	HOUSEMARKET SA	Greece	50
VYNER LTD	WYLDES LIMITED LTD	Cyprus	50
SW SOFIA MALL ENTERPRISES LTD	WYLDES LIMITED LTD	Cyprus	50
SEVAS TEN SA	HOUSEMARKET SA	Greece	50

On 30/3/2021 the parent company HOUSEMARKET SA acquired 50% of the shares of SEVAS TEN SA, which operates in real estate.

During the period 1/1/2021 – 30/6/2021 no share capital changes were realized at the share capital of parent company.

2. Basis of presentation of the Financial Statements

The accompanying Interim Condensed Consolidated and Separate Financial Statements (hereinafter «Interim Condensed Financial Statements») have been prepared in accordance with International Financial Reporting Standard (IFRS) 34 for Interim Financial Statements, as adopted by the European Union and therefore they do not include all required information for the annual financial statements and must be studied combined with the published financial statements of the Group on 31/12/2020 which have been uploaded at the internet, at the website <http://www.housemarket.gr>. The Board of Directors of the Company approved the Interim Condensed Financial Statements on 30/8/2021.

Management examined the impact of the COVID-19 pandemic up to the date of approval of these interim condensed financial statements and concluded that going concern assessment is the appropriate basis for their preparation.

Management concluded that the Group is able to meet all its obligations on time, at least for a period of 12 months from the Balance Sheet date, and that there are no significant uncertainties that could doubt its ability to operate on a going concern basis.

It is noted that the Group utilized the national supporting measures to deal with the consequences of the pandemic in all countries which operates, whether they concerned salary costs, or leasing costs, or tax reliefs, or financing, or facilitation of payments.

All amounts are presented in thousands of Euro, unless otherwise stated and any differentiations are due to rounding.

3. Changes in accounting policy 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 and Company as of 1 January 2021:

- **Credit card costs are presented at disposal costs and not at financial costs.**
- **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. Management of the Group and Company is in process of estimating the impact of the above on the financial statements.

- **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.

Standards issued but not yet effective and not early adopted by the Group/Company

- **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 amendments have not yet been endorsed by the EU. Management of the Group and Company is in process of estimating the impact of the above on the financial statements.

- **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. These Amendments have not yet been endorsed by the EU. Management of the Group and Company is in process of estimating the impact of the above on the financial statements.

- **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

The amendments have been endorsed by the EU. Management of the Group and Company is in process of estimating the impact of the above on the financial statements.

- **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 Amendment has not yet been endorsed by the EU. Management of the Group and Company is in process of estimating the impact of the above on the 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. Management of the Group and Company is in process of estimating the impact of the above on the financial statements.

- **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. Management of the Group and Company is in process of estimating the impact of the above on the financial statements.

- **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. Management of the Group and Company is in process of estimating the impact of the above on the financial statements.

- **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 employment to retirement age for its employees. 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 retrospectively the impact on the financial statements as at 31 December 2021.

4. Financial Risk Management

Polices regarding management of financial risk and capital of the Group are those analyzed in the annual financial statements of 31/12/2020.

5. Management estimates

The preparation of the Interim Condensed Financial Statements according to IFRS requires the management to make estimations and assumptions that may influence the accounting balances of Assets & Liabilities, the disclosures relating to Contingent Receivables & Payables, along with the recording of the amounts of Revenues and Expenses, recorded during the current period. The use of available information and subjective judgment are an integral part of making assumptions.

Future results may vary from the above estimates. Management's estimates and adjustments are under constant evaluation, based on historical data and the expectations for future events which are considered as realistic under the current circumstances. Management estimates and adjustments are consistent with those followed for the issuance of the annual Financial Statements Separate and Consolidated for the year ended 31/12/2020. As a result of the effects of the Covid-19 pandemic and its financial effects, Management revised its estimates for future cash flows used to estimate the recoverable amount of its investments and fixed assets, and Management concluded that no impairment occurred. However, Management will continue to monitor developments for the remaining of the year and adjust its estimates accordingly.

Historically, the consumers' demand for the Group products increases during the last four months of the year.

6. Property, plant and equipment

Property, plant and equipment of the Group and Company are analyzed as follows:

	Group					
	Buildings and installations	Machinery / Installations	Vehicles	Furniture	Assets under construction	Total
Net book value at 31.12.2020	21,939	1,635	869	6,519	3,594	34,555
1.1 - 30.6.2021						
Additions	145	133	50	567	1,750	2,644
Other changes in acquisition cost	53	(1)	(23)	(315)	(360)	(646)
Depreciation/ amortization	(1,230)	(150)	(92)	(959)	0	(2,431)
Other changes in depreciation	1	1	22	313	0	336
Acquisition cost at 30.6.2021	47,304	6,363	5,526	38,688	4,983	102,863
Accumulated depreciation at 30.6.2021	(26,397)	(4,745)	(4,700)	(32,564)	0	(68,405)
Net book value at 30.6.2021	20,907	1,618	826	6,124	4,983	34,458

	Company					
	Buildings and installations	Machinery / Installations	Vehicles	Furniture	Assets under construction	Total
Net book value at 31.12.2020	16,941	1,223	279	2,857	66	21,365
1.1 - 30.6.2021						
Additions	97	40	4	176	0	317
Other changes in acquisition cost	54	0	0	(305)	(54)	(306)
Depreciation/ amortization	(975)	(111)	(26)	(435)	0	(1,547)
Other changes in depreciation	1	0	0	304	0	305
Acquisition cost at 30.6.2021	40,921	4,432	1,643	21,959	11	68,967
Accumulated depreciation at 30.6.2021	(24,804)	(3,279)	(1,387)	(19,362)	0	(48,832)
Net book value at 30.6.2021	16,117	1,153	256	2,597	11	20,135

Additions in Property, Plant and Equipment for the period refer to the purchase of retail stores (new and existing) equipment and formation expenses.

Other changes in property, plant and equipment include write-offs of amount € 329 thousand and sales of assets of amount € 11 th.

Moreover, other changes in depreciation include write-offs of amount € 327 thousand and sales of assets of amount € 9th.

Other changes in acquisition value the other changes in depreciation of the Company refer to write-offs.

Depreciation of property, plant and equipment for the period 1/1 - 30/6/2021 for the Group amounted to € 2,431 th. (30/6/2020: € 2,471 th.). Total depreciation of property, plant and equipment and intangible assets of amount € 3,059 th. (30/6/2020: € 3,076 th.) was registered by the amount of € 99 th. (30/6/2020: € 91 th.) in cost of sales, € 2,467 th. (30/6/2020: € 2,572 th.) in distribution expenses and € 493 th. (30/6/2020: € 413 th.) in administrative expenses.

Depreciation of property, plant and equipment for the period 1/1 - 30/6/2021 for the Company amounted to € 1,547 th. (30/6/2020: € 1,621 th.). Total depreciation of property, plant and equipment and intangible assets of amount € 2,033 th. (30/6/2020: € 2,100 th.) was registered by the amount of € 1,608 th. (30/6/2020: € 1,725 th.) in distribution expenses and € 425 th. (30/6/2020: € 375 th.) in administrative expenses.

7. Right of use assets

Right of use assets of the Group and Company for the period 1/1 – 30/6/2021 are analyzed as follows:

	Leasing Buildings	Group Leasing Machinery / Installations	Leasing Vehicles	Total
Net book value at 31.12.2020	57,128	1,646	588	59,362
Other changes				
Additions	0	0	116	116
Other changes in acquisition cost	1,077	0	0	1,077
Depreciation/ amortization	(2,735)	(188)	(106)	(3,029)
Acquisition cost at 30.6.2021	68,889	2,437	1,102	72,429
Accumulated depreciation at 30.6.2021	(13,419)	(979)	(505)	(14,903)
Net book value at 30.6.2021	55,470	1,458	597	57,526

	Leasing Buildings	Company Leasing Vehicles	Total
Net book value at 31.12.2020	52,457	369	52,827
Other changes			
Additions	0	46	46
Depreciation/ amortization	(2,495)	(66)	(2,561)
Acquisition cost at 30.6.2021	62,220	655	62,875
Accumulated depreciation at 30.6.2021	(12,257)	(306)	(12,563)
Net book value at 30.6.2021	49,962	350	50,312

Additions of right to use assets of the period relate to new lease agreements for retail stores.

Other changes in right of use assets for the period are mainly related to subsidiary's adjustment of the



lease value.

8. Assets held for sale

The Group exploits new investing opportunities regarding the formation of the company "TRADE ESTATES REAL ESTATES INVESTMENT COMPANY", for its operation as a) a Real Estate Investment Company according to the provisions of L. 2778/1999 and b) an internally managed Alternative Investments Fund Manager ("AIFM") according to the provisions of L. 4209/2013. Under the same context, the actions of the Group for the establishment of companies operating in real estate management in Cyprus and Bulgaria (TRADE ESTATES CYPRUS LTD, H.M. ESTATES CYPRUS LTD, TRADE ESTATES BULGARIA EAD) and for the strategic plan of TRADE ESTATES S.A. which includes the finding of a business partner who will make a significant investment in the established company, which along with the imminent public offering, will arise at the percentage of at least 50%.

Therefore, on 31/12/2019 the Group classified its assets related to TRADE ESTATES SA of amount € 176.1 mil. as held for sale because on this date all criteria are met regarding their classification based on IFRS 5. Before classification time, as defined by provisions of IAS 36, an impairment test was made at these specific assets before their classification as assets held for sale and no impairment loss arised. At the date of their classification as held for sale and in accordance with the requirements of IFRS 5, depreciation on the specific assets was ceased. In case these assets were not classified as held for sale, net depreciation of the specific assets would be approximately € 1.7 m., 3.3 m. and 1.6 m., respectively, the semester ending 30/6/2021, the year 2020 and the semester that ended on 30/6/2020, with an equal reduction on the net results of the respective periods.

Assets which have been classified for sale compose a cash generating unit (CGU) given that they set an entire total of operations and assets which will be contributed in TRADE ESTATES SA in order implement the approval received by HCMC. These specific assets were measured at the lowest value between book value and fair value minus sale expenses.

Assets held for sale include:

- The IKEA Store in Thessaloniki (which is own-used by the Group),
- The IKEA Store in Ioannina (which is own-used by the Group),
- The IKEA Store in Nicosia, Cyprus (which is own-used by the Group),
- The IKEA Store in Sofia, Bulgaria (which is own-used by the Group),
- The real estate company RENTIS with the shopping center on Piraeus Street in Athens,
- The logistics center in Schimatari,
- The logistics center in Oinofyta,
- The indirect shareholding of the real estate company MANTENKO SA with an asset in Heraklion,
- The indirect shareholding of the real estate company POLIKENCO SA with an asset in Patras,

- The indirect shareholding of the real estate company SEVAS TEN SA with an asset in Spata.

The fair value estimation was conducted by certified appraisers in February 2021 and amounted to € 184.7 mil. On 30/6/2021 Management confirmed the assumptions that were used to ensure that the assets held for sale are measured at the lowest value between book value and fair value.

On 30/6/2021, the criteria for the classification of assets held for sale under IFRS 5 continue to be met, given that:

- COVID-19 pandemic (unexpected event on 31/12/2019) created delays of about one and a half years in the negotiation procedures as well as in the necessary actions of transfer of these assets to TRADE ESTATES S.A., resulting to its operation approval on 12/7/2021 (Note 21),
- their net book value will be recovered primarily from the sale and not from their continued use,
- the assets are available for immediate sale in their current condition,
- there is Management's commitment and a buyer-finding program is in progress, while active efforts have been made to sell the assets at a price that is reasonable in relation to their fair value. In particular, professional investment advisers have been hired and while, advanced discussions and exchange of draft contract texts and detailed budget figures with specific potential investors, throughout the period from the date we classified these assets as held for sale as assets since today, creates belief that it is very likely within the next 6-9 months to find a strategic partner who will make a significant investment in the newly established company, so that eventually the Group's percentage will be less than 50%.

Management monitors and will continue to monitor the appropriate classification of the specific assets as held for sale in each reporting period.

Assets and liabilities which are included in category held for sale on 30/06/2021 are as follows:

	Group		Company	
	30/6/2021	31/12/2020	30/6/2021	31/12/2020
Assets	182,307	180,564	80,449	79,753
Investments	7,013	5,363	7,013	5,363
Deferred Taxes	(3,522)	(3,422)	(2,715)	(2,650)
Total non-current assets	185,798	182,505	84,747	82,466
Non - current loans	(12,450)	(13,800)	0	0
Other non-current liabilities	(4,306)	(4,355)	0	0
Total non current Liabilities	(16,756)	(18,155)	0	0
Current portion of non-current loans and borrowings	(2,600)	(2,500)	0	0
Total current Liabilities	(2,600)	(2,500)	0	0
Net Assets	166,442	161,850	84,747	82,466

Changes in value of assets held for sale for the period 1/1 - 30/6/2021 include:



- a) the indirect shareholding of the company SEVAS TEN SA amounted € 1.7 mil. which was classified as an asset held for sale,
- b) the additions amounted € 1.7 million in assets that were recognized as held for sale on 31/12/2020.

9. Intangible assets

Intangible assets of the Group are analyzed as follows:

	Group			
	Royalties	Software	Miscellaneous	Total
Net book value at 31.12.2020	3,519	3,363	7	6,889
1.1 - 30.6.2021				
Additions	0	968	0	968
Depreciation/ amortization	(139)	(488)	(1)	(628)
Acquisition cost at 30.6.2021	8,872	11,734	12	20,618
Accumulated depreciation at 30.6.2021	(5,492)	(7,891)	(6)	(13,389)
Net book value at 30.6.2021	3,380	3,842	6	7,228

Intangible assets of the Company are analyzed as follows:

	Company			
	Royalties	Software	Miscellaneous	Total
Net book value at 31.12.2020	2,667	2,467	7	5,141
1.1 - 30.6.2021				
Additions	0	810	0	810
Depreciation/ amortization	(125)	(360)	(1)	(486)
Acquisition cost at 30.6.2021	7,210	9,037	12	16,259
Accumulated depreciation at 30.6.2021	(4,668)	(6,120)	(6)	(10,795)
Net book value at 30.6.2021	2,542	2,916	6	5,464

Royalties include the use of brand names (IKEA).

Additions in intangible assets are related to software licenses.

10. Share capital

On 30/6/2021 and 31/12/2020 the share capital amounted to € 47,450,647 divided into 47,450,647 shares of nominal value € 1.00 per share.

11. Dividends

The Shareholders Ordinary General Assembly held on 2/7/2021 did not propose a dividend distribution for the year 2020.

12. Employee retirement benefits

12.1 Liabilities due to termination of service

The basic assumptions of the actuarial study conducted in the year 2020 are in force.

12.2 Share based payments

During the period 1/1 – 30/6/2021, no option that was granted based on the first, second and third wave of the SOP of 27/9/2013 and the first and second wave of the SOP of 16/6/2017 was exercised. The current SOP Programs are presented in the annual financial report for the year 2020.

During the period 1/1 – 30/6/2021, the amount of € 114 th. was registered in the consolidated income statement as an expense.

13. Borrowings

Borrowings of the Group on 30/6/2021 and 31/12/2020 are analyzed as follows:

	Group		Company	
	30/6/2021	31/12/2020	30/6/2021	31/12/2020
Non - current loans	122,626	118,477	93,569	93,844
Current portion of non-current loans and borrowings	55,516	47,470	46,634	42,756
Non - current loans	67,110	71,006	46,935	51,089
Short term loans for working capital	11,002	8,290	9,999	4,990
Total loans and borrowings	133,628	126,767	103,567	98,834

The repayment period of non - current loans varies between 1 to 7 years and the average effective interest rate of the Group was 3.02% during the period 1/1 - 30/6/2021 (1/1 – 30/6/2020: 3.58%). Repayments and proceeds of loans of the Group for the current period amounted to € 6,478 thousand (30/6/2020: € 2,275 th.) and € 12,037 thousand (30/6/2020: € 52,261 th.) and for the Company € 498 thousand (30/6/2020: € 2,107 th.) and € 5,000 thousand (30/6/2020: € 44,000 th.). Non - current loans, including their part which is payable within 12 months, cover mainly the Group's growth needs and are analyzed in bond, syndicated and other non - current loans on 30/6/2021 and 31/12/2020 as follows:

30/6/2021		Amount	Issuing Date	Duration
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	8,122	23/4/2019	5.5 years from the issuing date (€2,168 th. payable forthcoming period)
		8,122		
HOUSE MARKET BULGARIA EAD	Syndicated	9,118	11/7/2016	9 years from the issuing date (€1,965 th. payable forthcoming period)
		9,118		

30/6/2021		Amount	Issuing Date	Duration
HOUSEMARKET SA	Bond	39,850	4/10/2016	5 years from the issuing date
	Bond	9,438	26/2/2019	5 years from the issuing date (€1,000 th. payable forthcoming period)
	Bond	19,852	17/7/2020	4 years from the issuing date (€4,000 th. payable forthcoming period)
	Bond	19,513	31/7/2020	4 years from the issuing date (€2,000 th. payable forthcoming period)
	Bond	4,915	24/9/2020	3 years from the issuing date
		93,568		
TRADE LOGISTICS SA	Bond	4,750	8/3/2017	5 years from the issuing date (€4,750 th. payable forthcoming period)
	Bond	6,955	5/3/2021	7.5 years from the issuing date
	Refundable down payment	113	16/6/2020	5 years from the issuing date
		11,818		
Total		122,626		

31/12/2020		Amount	Issuing Date	Duration
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	9,385	23/4/2019	5.5 years from the issuing date (€2,168 th. payable forthcoming period)
		9,385		
HOUSE MARKET BULGARIA EAD	Syndicated	10,084	11/7/2016	9 years from the issuing date (€1,947 th. payable forthcoming period)
		10,084		
HOUSEMARKET A.E.	Bond	39,765	4/10/2016	5 years from the issuing date
	Bond	9,923	26/2/2019	5 years from the issuing date (€991 th. payable forthcoming period)
	Bond	19,828	17/7/2020	4 years from the issuing date (€2,000 th. payable forthcoming period)
	Bond	19,432	31/7/2020	4 years from the issuing date (€0 th. payable forthcoming period)
	Bond	4,896	24/9/2020	3 years from the issuing date
		93,844		
TRADE LOGISTICS A.E.B.E.	Bond	5,050	8/3/2017	5 years from the issuing date (€600 th. payable forthcoming period)

31/12/2020		<u>Amount</u>	<u>Issuing Date</u>	<u>Duration</u>
	Refundable down payment	113	16/6/2020	5 years from the issuing date
		5,163		
Total		118,476		

Non –current loans include loans with a guarantee of 80% of their value from the Hellenic Development Bank with the financing of the Hellenic State and the European Union:

- Company's bond loan of € 20 million issued by NATIONAL BANK on 16/7/2020 with maturity on 30/6/2024.
- Company's bond loan of € 20 million issued by EURO BANK on 30/7/2020 with maturity on 31/7/2024.
- Company's bond loan of € 5 million issued by PIRAEUS BANK on 24/9/2020 with maturity on 24/9/2023.

Current portion of non-current loans and borrowings includes:

- The bond loan issued by the company HOUSEMARKET S.A. of five-year maturity. The Bond Loan, was disposed through a public offering between 28th and 30th of September 2016 in Greece by cash payment and the available 40 million bearer bonds were issued on 6/10/2016 for trading in the Fixed Income Securities Category of the regulated market of Athens Stock Exchange. The loan is subject to Greek law, has a five year maturity date with fixed interest rate 5% per year and quarterly interest payment. The Company purchased totally 107,184 treasury shares, which were canceled according to the announcement of 10/8/2020.

Direct costs of the bond loan issue amounted to € 853 th., of which € 727 th. have been allocated within the years 2016-2020, € 85 th. have been allocated within the first semester of year 2021 and the remaining amount € 41 th. will be allocated within the next months of year 2021 until maturity on 4/10/2021.

- Part of Company's bond loan corresponding to an amount of € 2 million, with four-year maturity ending on 30/6/2024 with a total amount of € 20 million.

Total short term loans of the Group include current loans and overdraft bank accounts which are used for the Group's working capital needs. The amounts drawn are used mainly to cover current obligations to suppliers.



During the current period, Interest Rate Swaps or IRSs continue to exist, in order to mitigate the risk of subsidiaries of a sudden increase in interest rates in the interbank market.

The terms of the swap agreements are as follows:

- 7year financial product (IRS) that hedges interest rate risk through the exchange of fixed/ floating rate for nominal amount of € 8.6 million, with a negative fair value for HOUSE MARKET BULGARIA EAD on 30/06/2021 of € 79 thousand (31/12/2020: € 111 thousand). The outcome of the valuation has been registered in the Statement of Comprehensive Income.
- 7year financial product (IRS) that hedges interest rate risk through the exchange of fixed/ floating rate for nominal amount of 12.6 million, with a negative fair value for TRADE ESTATES BULGARIA EAD on 30/06/2021 of € 124 thousand (31/12/2020: € 174 thousand). The outcome of the valuation has been registered in the Statement of Comprehensive Income.

Some of Group's loans include loan covenants. On 30/6/2021 the Group was either in compliance with its loan terms or had received waiver in their measurements.

The Group, having centralized its capital management, has the ability to directly identify, quantify, manage and hedge, if necessary, its financial risks created by its operational activities so as to be consistent to the changes in the economic environment. The Group continuously observes and budgets its cash flow and acts appropriately in order to ensure open credit lines for covering current capital needs. The Group has adequate open credit lines with domestic and foreign financial institutions in order to cover the needs of the companies in working capital. On 30/6/2021, the open balance of credit lines amounted to € 87 million (31/12/2020: € 36 million).

14. Leasing Liabilities

On 30/6/2021, leasing liability for the Group and Company is analyzed as follows:

	Group		Company	
	30/6/2021	31/12/2020	30/6/2021	31/12/2020
Opening balance	(61,889)	(63,992)	(55,118)	(59,446)
Additions	(116)	(6,648)	(46)	(2,730)
Other changes	(1,077)	3,988	0	3,086
Interest expense on lease liabilities	(1,239)	(2,481)	(1,128)	(2,305)
Repayment of leasing	3,939	7,244	3,286	6,276
Total	(60,381)	(61,889)	(53,006)	(55,118)

Maturities of leasing liabilities are presented below:

	Group		Company	
	30/6/2021	31/12/2020	30/6/2021	31/12/2020
Up to 1 year	7,823	6,974	4,443	4,354
Between 1-5 years	22,174	22,387	18,898	18,732
More than 5 years	30,385	32,528	29,666	32,031
Total	60,381	61,889	53,006	55,118

During the first semester of 2021, the Group's subsidiaries have received a reduction in leases (either by law or as a result of negotiations with lessors).

Lessors granted a voluntary or by law discount on the lease liability without further changes to the lease agreements. Taking into account the nature of the discount and that no change in the lease agreements occurred, the Group assessed that the criteria of partial write-off of the lease liability are met. The effect of the reduction of leasing costs amounted € 3 million was recognized in other operating income of the period ended 30 June 2021.

15. Income taxes

The nominal tax rates in the countries that the Group is operating vary between 10% and 22% for the year, as follows:

Country	Income Tax Rates (30/6/2021)
Greece	22,00%
Bulgaria	10,00%
Cyprus	12,50%

On 1/1/2021 the tax rate for income in Greece changed from 24% to 22%.

16. Earnings per share

The basic earnings per share are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of shares during the period. The weighted average number of shares as at 30 June 2021 is 47.450.647 and as at 30 June 2020 was 47.450.647.

	Group	
	30/6/2021	30/6/2020
Profit / (Loss) after tax attributable to owners of the parent	1,011	(755)
Number of issued shares	47,450,647	47,450,647
SOP Impact	0	0
Effect from purchase of own shares	0	0
Weighted average number of shares	47,450,647	47,450,647
Basic Earnings / (Losses) per Share (in Euro)	0.0213	(0.0159)
Diluted Earnings / (Losses) per Share (in Euro)	0.0213	(0.0159)

17. Commitments and Contingencies

The Group's contingent liabilities for the period 1/1 - 30/6/2021 are analyzed as follows:

- Letters of guarantee from the Company, amounting to € 2,219 thousand for the proper execution of the contract between the Company and Athens International Airport, € 8,000 thousand for the proper execution of the contract between the Company and NOVAL PROPERTIES REIC and € 1,024 thousand for the timely and accurate payment of exchanges and utilities expenditure between the Company and BHTA TETARTI, whereas furthermore other letters of guarantee of amount € 24 thousand have been given. Other guarantees of the Company for its subsidiaries H.M. HOUSEMARKET (CYPRUS) LIMITED amounting to € 8,122 thousand and TRADE LOGISTICS of amount € 12,750 th.
- Letter of guarantee for HOUSEMARKET BULGARIA EAD of amount € 1,689 th. for the proper execution of the leasing contract with the company TRADE ESTATES BULGARIA EAD.
- Letter of guarantee for H.M. HOUSEMARKET (CYPRUS) LTD of amount € 1,545 th. for the proper execution of the leasing contract with the company TRADE ESTATES CYPRUS LIMITED.
- A subsidiary company has provided fluctuating guarantee on assets until the amount of € 13,000 th. in order to secure bilateral loan.

18. Related parties

Related parties of the Group include the Company FOURLIS HOLDINGS SA, subsidiary and associated companies, the management and the first line managers and the companies controlled by them.

The analysis of the related party receivables and payables as at 30 June 2021 and 31 December 2020 are as follows:

		Group		Company	
		1/1 - 30/6/2021	1/1 - 31/12/2020	1/1 - 30/6/2021	1/1 - 31/12/2020
Receivables from:					
	FOURLIS HOLDINGS SA	287	1	188	0
	H.M. HOUSE MARKET (CYPRUS) LTD	0	0	6	6
	INTERSPORT SA	261	454	32	44
	INTERSPORT (CYPRUS) LTD	10	10	0	0
	GENCO BULGARIA	19	13	0	0
	HOUSE MARKET BULGARIA EAD	0	0	20	14
	TRADE LOGISTICS SA	0	0	19	0
	Total	577	477	265	64
Payables to:					
	FOURLIS HOLDINGS SA	99	10,548	26	10,464
	INTERSPORT SA	0	0	0	0
	HOUSE MARKET BULGARIA EAD	0	0	10	9
	TRADE LOGISTICS SA	0	0	312	606
	Total	99	10,549	348	11,080

Related party transactions for the periods 1/1 – 30/6/2021 and 1/1 – 30/6/2020 are as follows:

	Group		Company	
	30/6/2021	30/6/2020	30/6/2021	30/6/2020
Revenue	1,952	1,710	13	25
Other income	188	175	170	152
Total	2,140	1,885	182	177

	Group		Company	
	1/1 - 30/6/2021	1/1 - 30/6/2020	1/1 - 30/6/2021	1/1 - 30/6/2020
Distribution expenses	301	392	3,259	2,347
Administrative expenses	1,664	1,354	1,349	1,043
Total	1,966	1,746	4,608	3,390

During periods 1/1 – 30/6/2021 and 1/1 – 30/6/2020, transactions and fees of management members were as follows:

	Group		Company	
	1/1 - 30/6/2021	1/1 - 30/6/2020	1/1 - 30/6/2021	1/1 - 30/6/2020
Transactions and fees of management members	888	912	796	818

There are no other transactions between the Group and the management. The transactions with related parties are arm's length.

19. Transactions with Subsidiaries

During the periods 1/1 – 30/6/2021 and 1/1 – 30/6/2020, between the parent company and its subsidiaries the following transactions occurred:

	Group		Company	
	30/6/2021	30/6/2020	30/6/2021	30/6/2020
Revenue	6,506	5,432	13	23
Cost of sales	13	27	13	23
Other income	262	168	82	59
Administrative expenses	19	7	5	5
Distribution expenses	6,653	5,566	3,259	2,206
Other operating expenses	84	0	0	0

	Group		Company	
	30/6/2021	31/12/2020	30/6/2021	31/12/2020
Trade receivables	808	657	45	20
Creditors	808	657	322	616

Transactions presented in Group's column are eliminated at Group level.

20. Significant Additions in Consolidated Data

The most significant changes recorded in the Consolidated and Separate Statement of Financial Position as of 30/6/2021 in comparison with the corresponding data as at 31/12/2020 are the following:

- Increase in the amount of "Cash and cash equivalents" and "Other receivables" is due to the pandemic response actions taken by the Group and advances for investments in the Group's supply chain.
- Increase in the amount of "Trade and other payables" is due to change in credit terms agreed in response to the pandemic.

21. Subsequent events

There are subsequent events of 30/6/2021 which are:

- On 12/7/2021 the establishment of TRADE ESTATES REAL ESTATES INVESTMENT COMPANY (TRADE ESTATES SA) was approved by the Ministry of Development and Investment. The initial share capital of the company amounts to € 173,527,378. The purpose of TRADE ESTATES SA is to operate purely in large area retail assets ("Big Boxes") and e-commerce infrastructure, through the acquisition of new assets outside the Furlis Group, creating a portfolio of high quality and performance.
- Company's Shareholders Ordinary General Assembly was held on 2/7/2021.
- On 9/7/2021 subsidiary's BOD decided the conclusion of commercial cooperation regarding the implementation of the investment plan of the company RECON SOLE SHAREHOLDER and finally the acquisition, through the company TRADE ESTATES SA, of total share capital of RECON SOLE SHAREHOLDER by the HOUSEMARKET Group. For this purpose, the amount of € 1,638 th. was paid in July 2021.



Web site for the publication of the Six-Month Financial Statements

The Interim Condensed Financial Statements (Consolidated and Separate) for the period 1/1 – 30/6/2021 have been made available at the company's website: www.housemarket.gr.