FRAPORT REGIONAL AIRPORTS OF GREECE "A" SOCIETE ANONYME

- Management Report of the Board of Directors (BoD) of the Company 'Fraport Regional Airports of Greece "A" SOCIETE ANONYME' for the period ended on 31 December 2021

- Financial Statements for the year ended on 31 December 2021 in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union

- Independent Chartered Auditor - Accountant Audit Report

REGISTERED OFFICES: 10 GERMANIKIS SCHOLIS STR., AMAROUSIO ATTICA
GENERAL COMMERCIAL REGISTER (G.E.M.I.) No: 133592401000
Tax Authority FAE OF ATHENS

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Management Report of the Board of Directors (BoD) of the Company ‘Fraport Regional Airports of Greece “A” SOCIETE ANONYME’ for the period ended on 31 December 2021

MANAGEMENT REPORT OF THE BOARD OF DIRECTORS (BoD) OF THE COMPANY FRAPORT REGIONAL AIRPORTS OF GREECE "A" S.A.

TO THE GENERAL ASSEMBLY OF SHAREHOLDERS

Dear Shareholders,

Pursuant to article 150(1) of Law 4548/2018, we submit to your General Meeting this Management Report of the Board of Directors and the attached financial statements of FRAPORT REGIONAL AIRPORTS OF GREECE "A" S.A. (hereinafter "Fraport Greece A" or "Company") which were prepared in line with the International Financial Reporting Standards ("IFRSs"), as these have been adopted by the European Union, for the year which ended on 31 December 2021, and kindly request that you approve them.

1. Business plan, goals and key strategies

Fraport Greece A was established in 2015 with the object of maintaining, operating, managing, improving, and developing for the coming 40 years 7 regional airports in Greece. On 11 April 2017, Fraport Greece A undertook the operation of the airports.

The project involves the operation, management, development and maintenance of 7 regional airports, 3 in mainland Greece and 4 on islands. In particular, Fraport Greece A is in charge of the operation of the airports of Aktio, Zakinthos, Kavala, Thessaloniki, Kerkira, Kefalonia, and Chania.

Fraport Greece A has set the goal of increasing the international competitiveness of the airports through improvements in airport operations, infrastructure modernization and upgrading as well as by delivering ongoing training to staff. High-quality passenger service, qualified and highly trained staff, and compliance with safety regulations form the backbone of our mission for implementing this project. Combining cutting-edge know-how, international experience and qualified human resources, we acknowledge our responsibility to passengers. For this reason, we comply closely with the strictest international standards with a view to providing high-level services, better service, ensuring compliance with all safety procedures and regulations and, as a result, ensuring passenger satisfaction.

In the context of the Concession Agreement of Right, in 2021, Fraport Greece A completed the construction work at the 7 Cretan, Continental Greece and Ionian Sea Regional Airports, as regards the refurbishment, upgrade, and construction of new infrastructures, i.e. an investment of approximately €226 million. More specifically, new terminals were constructed in Thessaloniki (SKG), Kerkira (CFU) and Kefalonia (EFL), refurbishment and expansion occurred in 2 terminals in Aktio (PVK) and Kavala (KVA), whilst interior reconfiguration was made at the airports of Chania (CHQ) and Zakinthos (ZTH). New baggage handling systems were installed in most departures/arrivals areas, as well as smart monitoring systems, safe and efficient equipment for heating/ventilation and fire safety, whilst aprons were rehabilitated and converted to push back operations, with LED illumination and according to EASA standards for marking and signage. New fire stations were constructed in most airports. The commercial areas were upgraded and developed.

The Concession Agreement was signed on the 14 of December 2015, while the Concession Commencement Date (CCD) occurred on the 11th of April 2017.

Under the Agreement, the time limit for the completion of the Refurbishment Works was 2 years after the CCD, and for the completion of the New Works/Expansion Works 4 years after the CCD.

By the end of 2018, all refurbishment works were completed for Fraport Greece A and in 2020 the New and Expansion Works were completed. In 2021, all outstanding construction issues were resolved and technical details were settled for the better operation of the airports.
A far as the New or Expansion Works are concerned, the main works and the time of completion of the 7 airports are as follows:

Zakinthos (ZTH)

The terminal of final size 25,530 m2 was completely refurbished and remodelled. New Fire Station and Guard house were constructed, airside pavements were refurbished. Works were completed on December 15, 2018.

Kavala (KVA)

The terminal was remodelled and expanded to a final size of 8,570 m2. New Fire Station and Guard house were constructed, airside was refurbished and apron lights were reorganized. Works were completed on December 15, 2018.

Chania (CHQ)

The terminal was remodelled and departure gates were rearranged and increased. The terminal covers a total area of 35,899 m2. Apron was reorganized and illumination improved. Airside pavements were refurbished. Works were completed on December 15, 2018.

Aktio (PVK)

The terminal was remodelled and expanded with new gates, to a total area of 9,649 m2. Reconfiguration of landside and new Guard house were constructed. Airside pavements were refurbished and apron lights reorganized. Works were completed on 10 May, 2019.

Kefalonia (EFL)

The existing terminal was demolished and a new terminal of 10701 m2 was constructed. Landside was reconfigured, and new fire station and guard house were constructed. Major refurbishment was undertaken on the runway. Works were completed on 15 December, 2019.

Kerkira (CFU)

The existing terminal was remodelled and refurbished whilst a new terminal of 10,528 m2 was constructed. The terminal covers a total area of 31,690 m2. Remodelling of roads and parking areas, as well as refurbishment of airside pavements and drainage works were implemented. The apron was expanded. The existing RFF Station was also refurbished. Works were completed on June 16, 2020.

Thessaloniki (SKG)

The existing terminal covering an area of 27,339 m2 was remodelled and refurbished whilst a new terminal of 33,331 m2 was constructed. The terminal covers a total area of 60,640 m2. Apart from the terminal, a new RFF Station and two new guard houses at the entrance were constructed, the landside was restructured, the airside pavements were refurbished and the apron and its lighting were reconfigured. Works were completed on December 9, 2020.

2. Annual review

In 2021, the airports of Fraport Greece (consisting of the companies Fraport Greece A and Fraport Greece B) welcomed 17.43 million passengers, a decrease of 42.2% (-12.73 million passengers) compared to 2019 levels, while compared to 2020 levels there was an increase of 102.4%.
The sharp decline in passenger traffic compared to 2019 is mainly due to the impact of the Covid-19 pandemic. Domestic and international flights at Fraport Greece airports, compared to 2020 levels, showed an increase of 53.6% and 123.7% respectively, while compared to 2019 levels, they decreased by 41.8% and 42.3% respectively.

Traffic at the airports managed by the Company for 2021 was 45.3% below the corresponding levels of 2019, reaching a total of 9.13 million passengers, while it is worth noting that compared to the corresponding period of 2020, there was an increase of 88.6%.

From August 2021, following staff training, the new EASA procedures for assessing and reporting the condition of runways will be implemented.

After a closure of approximately 10 months for maintenance work, in September 2021, runway 16/34 at Thessaloniki airport was relaunched, resulting in the airport having two fully operational runways for the first time since the start of the concession agreement, increasing its operational capabilities.

It is noted that all the planned works have now been completed and the level of services provided to passengers and users of all airports under the Company's management has been upgraded. At the same time, the examination of the landside of the airports for further adaptation and reconfiguration has been initiated.

The Crisis Planning department coordinated the steps taken to face the Covid-19 pandemic in cooperation with the Public Health Authorities and in line with the emergency response plans in place at the airports, since the prevention measures at the entry gates continued to be implemented.

At the same time, readiness exercises were carried out at all airports.

The Network Scheduling Operations Center successfully managed the General Aviation Facility Permit Requests (PPR-Prior Permission Required) for 6 airports, with the aim of smoothly managing all 7 airports before the start of the 2022 summer season.

Also, since early 2021 and throughout the year, steps and actions -similar to those of 2020- for ensuring protection and safeguarding the health of passengers during their stay at the airport facilities were put in place at all 7 airports, under supervision by the Plans and Programming department and with a view to achieving full compliance with regulatory requirements, best practices and air transport protocols adopted by competent International and European Organizations (ICAO, EASA and ACI). Such steps and actions included, among other things, floor markings, delimitation posts and audiovisual information (announcements, signs, and screens) about maintaining social distancing, wall-mounted disinfectant dispensers spread out inside terminals, protective fiberglass panels at all passenger service counters. In addition, cleaning services continued to be very intensive and particular emphasis was placed on the disinfection of heavily visited and used spaces, surfaces and equipment. At the same time, a critical certification on the implementation of measures against Covid-19 was obtained at the beginning of the year by all 7 airports. In particular, they have been certified by the Airports Council International (ACI World) for their commitment to the travelling public, staff and other stakeholders in implementing appropriate measures and best practices to curb the spread of Covid-19.

The construction of specially designed customer service offices and waiting areas for passengers with reduced mobility (PRM) with special specifications was then completed, as well as the creation of suitable waiting areas near these offices. The offices were staffed with properly trained personnel and equipped with state-of-the-art software in order to provide optimal service to the public and ensure that they receive the necessary assistance during their stay at the airports in accordance with the requirements of European legislation.

The Safety department carried out internal inspections of the Safety Management System at all seven (7) airports.

Further steps were taken to reduce the risk of birds or other animals colliding with civil aviation aircraft, giving priority to airport safety. To that end, three (3) more Wildlife Controllers were hired in Thessaloniki in 2021.

In addition, the Wildlife Hazard Management Team also implements a Biodiversity Protection Program in all 14 regional airports. This program includes a 5-year action plan to conserve fauna biodiversity which is not a threat to aircraft.

In 2021, working with ACI World, Fraport Greece signed the Buckingham Palace Declaration United for Wildlife intended to tackle illegal wildlife trade. Fraport Greece will take immediate steps to adopt protocols under which it will inform competent authorities to combat illegal wildlife trade at the 14 regional airports.

The ARFF fleet was strengthened by acquiring 2 new fire trucks for the airports in Kavala, Kefalonia, and two (2) new large farming tractor with a heavy-duty destructor for the airports in Zakynthos and Kefalonia. Two (2) fire trucks were overhauled for the airports in Thessaloniki and Zakynthos.

The Slot Coordination Committee and the Slot Performance Sub-committee continued their successful operation, contributing to the improvement of traffic conditions, airport capacity and punctuality, and combating slot misuse. Both Committees continue receiving positive comments from the aviation community and IATA representatives.

In 2021, EASA selected Kerkira Airport (CFU) for an inspection by a competent team in order to verify the maintenance of the airport's certification. The EASA Compliance department carried out an internal compliance audit inspection at Kerkira Airport as part of the proper preparation of the airport. The airports of Chania (CHQ) and Aktion (PVK) were inspected internally for compliance of rescue and firefighting services. In addition, in compliance with EASA regulatory changes, in June 2021, the aerodrome operations manuals of Kavala, Kerkira, Thessaloniki, Zakynthos and Kefalonia Airports were updated.

During the whole year no major compliance incident occurred and no Compliance violations were reported from Fraport Greece A employees. Fraport Greece will extend its Compliance training program using its newly developed electronic tools.

Airline Marketing and Development – 2021

Following the biggest crisis in the history of aviation worldwide as a result of the Covid-19 pandemic that occurred in 2020 and the impact of this pandemic on the aviation industry, the year 2021 found Greece in the second wave of the pandemic and amidst a strict nationwide lockdown that lasted until May 14th, 2021.

The second wave of the pandemic led to the peak of the biggest crisis that air transport has suffered in our country, with the airports operated by the Company showing a 79.3% drop in total passenger traffic in the first half of the year and an 83.6% drop in international passenger traffic compared to the respective figures in the first half of 2019.

However, after the lifting of the measures from 15 May 2021, which marked a mild resumption of the tourist season, several airlines responded positively with the launch of routes to our country, while we managed to welcome numerous new routes to our airports in the midst of the pandemic. This important development, as well as the fact that the country remained coordinated both in its pandemic management policies and stable in the framework of entry requirements, inspired confidence among air carriers and those who visited our country during the summer months, and resulted in the extension of the tourist season during the autumn months, up to November, at airports such as Chania and Corfu. As a result, total passenger traffic at the airports operated by the Company for the year 2021 managed to be contained, with a 45.3% drop compared to 2019.

Also positive was the contribution of the country's communication policy by way of targeted advertising as well as strengthened and targeted support to airlines/tour operators via shared advertising schemes implemented as a result of Fraport Greece's close cooperation with the Ministry of Tourism.

More specifically, in the context of the gradual exit from the pandemic crisis and the acceleration of the recovery process of the tourism sector, Fraport Greece has made a significant effort throughout 2021 with the aim of raising as much funds as possible from state funds (Ministry of Tourism, Hellenic Tourism Organisation / EOT) and local bodies (Regions, Municipalities, Hotel Owners Associations) for the benefit of airlines, achieving positive results that were particularly appreciated by the airlines/tour operators operating at the airports managed by the Company.

Focusing on EOT, the cooperation with Fraport Greece A continued to be effective in all areas of common interest, such as the distribution of the co-advertising budget among airlines, the targeted promotion of destinations and the extension of the tourist season, while it was instrumental in ensuring that airlines receive maximum support through the co-advertising programmes implemented by the organisation. It is indicative that despite the high recovery observed during the summer season of 2021, concerted efforts are being made for the EOT to proceed to a review of the co-advertising budget with the airlines, which demonstrates Fraport Greece's contribution to the formulation and strengthening of the relevant support mechanisms.

Finally, in 2021, Fraport Greece A renewed its cooperation with Marketing Greece for the targeted promotion of Chania and Kavala, launching a similar project for the promotion of Thessaloniki, in cooperation with all local stakeholders. Through its cooperation with Marketing Greece and the local partnerships, Fraport Greece A actively participates in the formulation of a single strategic plan for the promotion of destinations and in the implementation of the jointly developed action plans.

Commercial Development - 2021

Always aiming at growing passenger satisfaction, creating a perfect travel experience and increasing the revenues of Fraport Greece A, the commercial design focused on activity linked to the development of new units to upgrade the commercial climate for the 2021 summer season.

In particular, during this quite demanding period due to the pandemic, Fraport Greece A worked closely with:

- Food companies with a view to developing a number of international and local concepts to meet the multiple gastronomic preferences of today's travellers.

- In particular, ten (10) new F&B areas were developed at Thessaloniki airport: one Burger King restaurant, one Starbucks coffee shop, one Italian restaurant, and an additional seven (7) snack bars, new local and mainstream concepts that respond to the many preferences of our passengers.
- Four (4) new eating venues were developed at the Corfu Airport: one pub, one Starbucks coffee shop, one Burger King restaurant, and a bakery.
- DUFRY completed its walkthrough store at the airport of Thessaloniki, where passengers can have a world-class experience in a friendly and functional store. In addition, DUFRY completed the development of their shop in the Extra-Schengen area of the airport in Kefalonia. The above have a major contribution to the general reconfiguration of the existing image of retail areas in the airside section of the airport.

- Four (4) new shops were developed at the airport in departures Free Access Area. In particular, a souvenir store, a clothing store, a jewellery store and an eyewear store were developed. Also, one (1) souvenir store was developed at the airport in Kefalonia.

New Airport Infrastructure

In 2021, Fraport Greece delivered 14 new, upgraded and safe airports with new services and more amenities to the country, Greeks and travellers from all over the world.

Work at the airports did not stop during the first three summers, when passenger traffic was high, and continued during the pandemic, overcoming eventually the difficulties and huge obstacles. Thus, in January 2021, Fraport Greece completed the works at all 14 airports, ahead of the contractual obligation which was set for April 2021.

The innovative €440 million investment scheme of Fraport Greece transformed the airports. The investment included the construction of five new modern terminals, five extensions, the redesign of four terminals, the construction and renovation of 12 RFF Stations and the renovation of 12 runways. Furthermore, all airports now have modern baggage handling and explosives detection systems.

In more detail, upgrade works were first completed at the airports in Zakynthos, Crete (Chania) and Kavala. In Zakynthos, the terminal was refurbished and redesigned, leading to a 35% and 150% increase in check-in counters and security points, respectively. At the Chania Airport, the terminal was fully reorganized, gates increased by 25% and security and control points doubled. Similar refurbishment work was also carried out in Kavala, including an increase in the terminal area of the Megas Alexandros Airport by 1,900 sq.m.

Another airport in mainland Greece which underwent a major overhaul was that of Aktio, which saw an increase in its surface area of 2,500 sq.m. and a full redesign. It currently has 14 check-in counters, 7 departure gates and double the number of the original security points. In Samos, following the completion of the modernization works and the an extension of 1.500 sq.m., there are now more check-in counters, departure gages and security points. The airport in Skiathos has an extra 2,200 sq.m. and was fully refurbished; the Odysseas Elytis Airport in Mytilene has now a brand new 7,100 sq.m. modern and comfortable terminal. Following completion of the works at the Anna Pollatou Airport in Kefalonia, there is no a new 10,700 sq.m. terminal and therefore 70% more check-in counters, double the original security points and departure gates.

The terminal of the Mykonos Airport, which is brand new and 50% larger, a gem on the island that brings together the traditional architecture of the Cyclades and modern airport infrastructure, now has more check-in counters and departure gates. The best is made of the expansion of the terminal to better serve passengers and airport users.
The airport in Rhodes has had a major face lift. It is a modern airport by international specifications with a redesigned apron and more check-in counters, baggage claim carousels as well as security and control points.

The same goes for the Ioannis Kapodistrias Airport in Corfu, delivered in Q2 2020. The new 10,400 sq.m. terminal, an extension of the original terminal, has 28 check-in counters, 8 control points and 12 departure gates.

Next followed the airports in Kos, Santorini and the Macedonia Airport in Thessaloniki. In Kos, Fraport Greece built a new terminal taking up a total surface area of 23,000 sq.m., a new apron and redesigned the existing one. In Santorini, the new 15,000 sq.m. terminal will totally upgrade travel experience.

Lastly, the largest airport managed by Fraport Greece, where an investment of 100 mio euros was put into its upgrade, the Macedonia Airport of Thessaloniki, has a new terminal which connects by bridges to the existing one. As a result, the surface area of the airport's terminals doubled. New check-in counters, double the original departure gates, new restaurants and stores create an airport environment reminiscent of the most popular airports in the Old Continent.

New Travel Experience

High-quality passenger service, qualified and highly trained staff, and compliance with safety regulations form the backbone of the mission of Fraport Greece.

Airport staff, guided by a great sense of responsibility regarding public and passenger health, follow to the letter the recommendations of experts and the Authorities regarding passenger safety. Therefore, a new passenger-focused experience is created at the airport, taking any and all measures which act as a safety net, offering a sense of safety and calm.

3. Company performance

Taking into account the above review, in 2021, the Company's operating income saw a 34.4% increase, going up to €140.0 million from €104.2 million in 2020. In 2021, operating expenses saw a 7.3% increase, rising to €114.6 million (including depreciation for the period) from €123.6 million in 2020. In 2021, net financial expenses saw a 7.6% increase, going up to €52.8 million from €49.1 million in 2020. Lastly, for the year that ended on 31 December 2020, the Company's net profit before taxes stood at €18.5 million against net losses before taxes of €69.3 million for the year that ended on 31 December 2017, experiencing a 126.7% increase. However, with the exception of the effect of the compensation received by the Company as part of the steps taken to respond to the Covid-19 pandemic (non-payment of the Annual Concession Fee for 2019 – 2022), for the year that ended on 31 December 2021 the Company recorded a loss in the amount of €27.2 million.

Although clearly improved compared to the comparison year, the Company's performance was off budgeted levels and was mostly affected by continuing steps in response to the COVID-19 pandemic. The Company's finances improved compared to 2020 as a result of the vaccination schemes deployed across Europe, which led to a partial lift of the measures taken to curb the pandemic. In addition, the recognition of the effect of the compensation received by the Company by the Greek State for the consequences of the steps taken to respond to the Covid-19 pandemic (non-payment of the Annual Concession Fee for 2019 – 2022), amounted to a profit of €45,777,061 which was recorded in the "Other Income" contributing positively to the final profit or loss.
The sharp decline in passenger traffic compared to 2019 is mainly due to the impact of the Covid-19 pandemic. Domestic and international flights at the airports operated by the Company, compared to 2020 levels, showed an increase of 53.6% and 123.7% respectively, while compared to 2019 levels, they decreased by 41.8% and 42.3% respectively.

Financial and commercial matters linked to responding to the COVID-19 pandemic

In order to address the impact of the pandemic and the measures to deal with it on the Company's activities, liquidity and financial position, the Management has entered into an agreement with the Greek State, which was ratified by the Greek Parliament's law 4810/2021 on 25 June 2021. Under the agreement, the Greek State accepts that Article 30.4 of the Concession Agreement should be applied to compensate the Concessionaire as a result of a State Responsible Event and provides for a setoff of the Concessionaire's compensation with Concession Fees and other arrangements. In particular, it was agreed that:

- No Annual Concession Fee would be paid for 2019-2021 as well as for 2022, however, in the latter case terms and conditions would apply; During the period that ended on 31 December 2021 and based on the course of the pandemic, it was agreed not to pay the Annual Fee for the year 2022 as well.
- the obligation to pay the Variable Concession Fee would be moved after the fourth anniversary from the Concession Commencement Date, that is starting from 2022 and 2023, in this latter case terms and conditions would apply;
- steps were envisaged to handle a possible improvement in passenger traffic in 2021;
- provisions were made to apply the Control Mechanism under the compensation agreement;
- no dividends would be paid to the Company's shareholders until 31 March 2022;
- provisions were made to take into account the benefit generated by a possible refunding of the Company by its Lenders.

In addition, during the period that ended on 31 December 2021, the Company asked for and obtained the following waivers from various obligations under its existing loan agreements:

A. On 29 June 2021, the Company obtained a waiver and consent from Alpha Bank, as its Loan Manager, effective until 31 October 2021, regarding:

   - The Company's obligations to file an approved modified Financial Model and other documents envisaged in the loan agreement about the Company's financial figures and data for the period that ended on 31 December 2020.

(AMOUNTS IN EURO)

- The obligation to maintain frozen deposits regarding future capital expenses that are to do with the upgrade of the airports and other loan payables.

- The possibility of a waiver of default for the period before and on the reference date of 30 June 2021 due to failure to comply with financial commitments regarding the documents that the Company is under obligation to file under the loan agreement.

B. On 24 December 2021, the Company obtained an additional waiver and consent from Alpha Bank, as its Loan Manager, effective until 31 May 2022, regarding:

- The Company's obligations to file an approved modified Financial Model and other documents envisaged in the loan agreement about the Company's financial figures and data for the period that ended on 31 December 2021.
- The obligation to maintain frozen deposits regarding future capital expenses that are to do with the upgrade of the airports and other loan payables.

- The possibility of a waiver of default for the period before and on the reference date of 31 December 2021 due to failure to comply with financial commitments regarding the documents that the Company is under obligation to file under the loan agreement.

In addition, under the waiver of 24 December 2021, the Company received a time extension regarding the filing of its financial statements as at 31 December 2020 and 2021, the Compliance Certificate calculations and of the list of transactions with associated companies. The extension is 20 business days from the date on which the above waiver was signed.

The evolution of certain key financial ratios of the Company is as follows:

A) Profitability Ratios

			2021		2020	
Return on Invested Capital	=	Net Profit/(Loss) before tax / Total Assets	18.532.496 / 1.142.399.499	**1,62%**	-69.299.030 / 1.145.205.173	**-6,05%**

			2021		2020	
Return on Equity	=	Net Profit/(Loss) before tax / Equity	18.532.496 / 76.700.620	**24,16%**	-69.299.030 / 61.260.684	**-113,12%**

B) Liquidity Ratios

			2021		2020	
Working Capital Ratio	=	Current Assets / Short-term liabilities	128.361.667 / 71.065.454	**1,81**	102.260.096 / 73.290.679	**1,40**

(AMOUNTS IN EURO)

C) Financial/capital Structure Ratios

			2021		2020	
Equity to Total Capital	=	Equity / Total Equity and Liabilities	76.700.620 / 1.142.399.499	**6,71%**	61.260.684 / 1.145.205.173	**5,35%**

			2021		2020	
Leverage Ratio (borrowing)	=	Net borrowing: / Total capital employed	637.291.118 / 713.991.739	**89,26%**	652.250.231 / 713.510.916	**91,41%**

D) Activity Ratios

			2021		2020	
Asset Turnover Ratio	=	Sales / Total Assets	185.767.768 / 1.142.399.499	**16,26%**	104.181.566 / 1.145.205.173	**9,10%**

4. Anticipated course of the Company

For the year 2022 it is estimated that the impact of the pandemic will be significantly reduced, which will result in an increase in tourist traffic both in Greece and abroad, but the latest developments in Ukraine are likely to have a negative impact on tourism and the price of energy, especially if they are prolonged for a long period of time.

At the present time, the impact of the latest developments in Ukraine on the Company's financial figures cannot be quantified as the war is ongoing and there is significant uncertainty as to its duration and extent and consequently its impact on the global economy.

The Company's Management monitors developments, assesses risks and takes all actions deemed necessary to ensure the operational continuity of the Company.

5. Major risks and uncertainties

The risk management is monitored by the Company's Management and is developed in the framework of instructions, directions and approved rules.

A. Financial risk factors

The Company is exposed to financial risks, such as market risks (market values), credit risk and liquidity risk. The Company's general risk management plan seeks to minimise the potential negative impact of the financial markets' volatility on the Company's financial performance. The Company is in the position of using Financial derivatives in order to hedge its exposure to specific risks.

The risk management is implemented by the Company's financial department, which operates under specific rules. The Board of Directors gives instructions, provides guidance and rules about interest rate risk, credit risk and non-derivative financial instruments as well as short-term cash investments.

a) Market risk

Market risk is the risk of changes in market prices as well as in exchange and interest rates affecting the fluctuations of the value held by the Company. Market risk management is the Company's effort to manage and maintain acceptable levels of exposure.

The individual risks making up the market risk and the Company's policies intended to manage them are detailed next:

i. Price risk

The Company is not exposed to the changes in the prices of equity instruments because it does not have investments, which have been recognised in the statement of financial position, either as debit financial instruments at fair value through other total revenues or as debit financial instruments at fair value through profit or loss.

ii. Currency risk

There is currency risk due to the Company's transactions in foreign currency. The Company is not exposed to currency risk as its financial assets and liabilities arise/are in euros, the Company's operating and presentation currency.

iii. Risk of cash flows and risk of changes in fair value due to change in the interest rates

The Company is exposed to interest rate risks from primary and derivative financial assets and liabilities.

As regards assets and liabilities, funding is pursued based on maturity match. The interest rate risk for the twelve months from the date of the statement of financial position is a check item. To this end, it is checked on a quarterly basis and reported to the Financial Risk Committee. This risk is assessed based on sensitivity analyses. They show the impact of changes on market rates, interest payments, interest income and expenses and other items in the statement of comprehensive income and equity. Changes in interest rates mean the maximum fluctuation of the base rate in the past for the respective currency and time period and/or the maximum fluctuation of the ten-year swap in the past. The deviation is considered in absolute terms.
To limit interest risk, the Company uses derivative financial instruments such as interest rate swap agreements.

b) Credit risk

The Company is exposed to credit risk and for this reason it has established and has been applying credit control procedures.

The credit risk arises from cash and cash equivalents and deposits in banks and financial institutions, including derivative financial instruments, as well as from open credit of clients, including the outstanding claims and binding transactions.

As regards the credit risk arising from investments made, it is pointed out that the Company collaborates only with financial organisations of acceptable credit rating. If a credit assessment is available for clients, then the said assessment is used. If there is no credit assessment, then client's credit rating is checked by taking into account its financial condition, previous experience and other factors. The individual credit limits are determined on the basis of internal or external assessments. The application of credit limits is monitored on a constant basis.

The Company's key client is the Hellenic Civil Aviation Authority (HCAA), which in the Company's opinion is creditworthy and prestigious, as it is public agency under the Ministry for Infrastructure, Transport and Networks. Receivables from the HCAA represent 40% of the Company's total receivables. In addition, the Company can offset part or all of its receivables from the HCAA with overdue debts it has to the HCAA or other Company debts to the Greek State under the Concession Agreement.

The credit risk the Company's other clients represent as at 31 December 2021 is considered limited as the Company has secured its receivables by way of letters of guarantee which more than cover the balance of trade receivables (after deducting its receivables from the HCAA) listed in the statement of financial position.

c) Liquidity risk

The Company ensures the required liquidity mainly through its business activity and external funding. Funds are used mostly to fund capital expenses to acquire the concession right (realised in 2017) and invest in the airports.

Operating cash flows, available cash (including cash and other financial instruments) as well as current and short-term credits and borrowing offer adequate flexibility to ensure the Company's liquidity. As at 31 December 2021, the Company's had unused credit funds in the amount of €1,000,000 compared to €1,000,000 as at 31 December 2020, as well as available funds from the bond loan with its shareholders.

B. Non-financial risk factors

The company is also exposed to non financial risks, such as cyberattack risks.

All significant business and operational procedures of Fraport A are supported by advanced IT systems. A serious systemic error or a loss of data could lead to serious disorder of business operations, as well as to security risks. Apart from that, cybervirus and hackers' attacks might lead to systemic issues and finally to the loss of critical and/or confidential data for the company. In order to address such risks, all IT systems of critical importance for the Company are properly configured and located at various sites and not at the same spot. The remaining risk arising from architecture and operation of IT systems cannot be fully eliminated due to the nature of the risk.

The continuing development of new technologies and constantly increasing global threat of cyber attacks pose increased risks for the IT systems of the company, which takes into account the said conditions in its active and preventive security management of its IT systems. Specific policies have been established for the proper observance of IT systems security of Fraport A, to which all employees of the company must adhere.

IT systems are of particular importance for all business and operational procedures of Fraport A. Despite the implementation of preventive and proactive measures, the possible implications following such attacks are estimated as of "high risk" and the incidence of such attack is estimated as "probable".

6. Branches:

The Company has seven branches at each airport that has been conceded to the company and specifically at the following airports: Thessaloniki, Kerkira, Zakinthos, Kefalonia, Aktio, Kavala and Chania.

7. Treasury shares

The Company holds no treasury shares.

8. Activity in the research and development sector

The Company does not implement any research and development activities, apart from the activities mentioned above regarding development of the airports it manages and operates.

(AMOUNTS IN EURO)

9. Environmental issues

In 2021, despite the COVID-19 pandemic, Fraport Greece put into place a an Environmental and Social Management System (ESMS) and implemented associated Biodiversity and Environmental Protection Action Plans to ensure compliance with legal and other requirements and improve its environmental efficiency.

To this end, in June 2021 it restructured the General Divisions under the CEO and CTO and unified the key organization units dealing with Sustainable Development (IMS and PU-QE), while close cooperation among the Company's various departments (IMS, Wildlife Hazard Management, etc.) is still the key tool for achieving its goals.

The actions under the Action Plans focused on the following environmental aspects: noise, vibrations, rainwater, waste water, solid waste (hazardous and non-hazardous), soil and underground water protections, energy use, air pollution and climate change, biodiversity protection.

Main achievements of the period (non exhaustive list):

1. Revision of ESMS procedures, with emphasis on management and supervision measures set in the relevant risk assessment.
2. Maintaining ACA (Airport Carbon Accreditation) certification for SKG, EFL, CHQ, RHO, MJT, and SMI, calculation of all greenhouse gases for all other airports in line with ISO 14064.
3. Upgrade of urban waste management at all airports with a view to increasing materials recovery by 5% and 10% at the Cluster A and Cluster B airports, respectively, managed by the Company.
4. Drafting of reports (where required) to Lenders of the company (Annual Monitoring Report, Environmental Strategy, Business Reports etc.) and of the Group (Sustainability Report, etc.).
5. Special actions:
   - We committed to reducing direct and indirect (Scope 1 and 2) CO_2 emissions by 2030 compared to those in 2018.
   - We committed to ACI's NET ZERO initiative for zero CO2 emissions by 2050 and created the first roadmap for that goal.
   - Standard operation of modern air and noise pollution monitoring stations at SKG, RHO and CFU airports where past annual campaigns indicated the highest impact of airport operation.
   - Standard operation of new oil separators at SKG, JTR and CFU airports.
   - Continuation of discussions with the State on matters related to the First Approved Environmental Terms of the airports, as stipulated in the Concession Agreement.

Key Performance Indicators:

RE.1-1: Annual water consumption per traffic unit (lt/unit) [2021]

Source / Type	SKG	CFU	ZTH	EFL	PVK	KVA	CHQ	MEAN VALUE CLUSTER A
Yearly	27,59	6,43	14,18	38,46	20,11	10,06	4,81	**16,7**

(AMOUNTS IN EURO)

PP.9.2: Annual direct (Scope 1) and indirect (Scope 2) CO2 emissions (tons of CO2) [2021]

Source / Type	SKG	CFU	ZTH	EFL	PVK	KVA	CHQ	MEAN VALUE CLUSTER A
Direct CO_2 emissions (Scope 1) (tons CO_2)	722,4	73,9	101	34,3	7	59,3	59,6	**1057,6**
Indirect CO_2 emissions (Scope 1) (tons CO_2)	8492,8	2818,8	1619,1	796,9	920,5	920,1	3299,7	**18867,9**
TOTAL	**9215,2**	**2892,7**	**1720,1**	**831,2**	**927,5**	**979,4**	**3359,3**	**19925,4**

10. Employment Matters

In 2020, Fraport Greece's Human Resources and Training implemented a number of actions with a view to boosting the performance and capabilities of Employees, maintaining employment in the midst of the pandemic, immediately implementing remote working and training, and enhancing two-way communication in the Company.
In 2021, the Company had 242 employees on average (163 men and 79 women) compared to 232 employees (156 men and 76 women) to 2020.

Employee Health & Safety to manage the pandemic

It is our top priority to take protection and prevention steps for our staff to prevent the spread of COVID-19. The Company still follows closely all developments in this area via the competent national and world agencies and is in constant contact with specialists, physicians, and experts.
In this context, it prepared a practical guide on the preventive measures that staff must be aware of and comply with, which are intended to ensure their Health & Safety and limit their exposure to COVID-19. This Guide was posted on the corporate learning platform and made available to all Staff. In addition, it immediately implemented remote working and online meetings.

Maintaining Employee Employment

With a view to maintaining jobs, the Company took part in the SYN-ERGASIA program throughout 2021. Its participation percentage varied by month as a function of its operational needs. A portion of its employer costs were met in conjunction with the employer subsidies the Government granted to companies engaged in the air transport sector. This enabled the Company to keep all of its employees despite the significant drop in passenger traffic compared to 2019.

Training

In line with the Annual Human Resources Training and Development Plan and regulatory requirements, in 2021, 1,146 training seminars were held with 11,390 participants, of whom 6,577 (58%) were Fraport Greece's staff and 4,813 (42%) staff of other companies of the Network of Fraport Greece's 14 Airports.
It is worth mentioning that 2021 too was another year during which Fraport Greece's Human Resources and Training made the best of the company's e-learning system not only for its own staff but also for that of partner companies in Fraport Greece's Network of 14 Airports, using a separate e-learning portal for third parties (Learning Together).

In particular:

1. For the first time, of the 4,813 participants from the staff of partner companies within the Network of 14 Airports, 1,858 (38%) completed their course via Learning Together which delivers e-learning and is intended to train and raise awareness among employees about the philosophy and procedures of the Corporate Security Management System in place at all Airports managed by Fraport Greece

2. Respectively, of the total 6557 participants from Fraport Greece's staff, 6100 (93%) completed the training course delivered via live and e-learning sessions, making use of the features offered by Fraport Greece's corporate learning platform.

Athens, 30/03/2022

For the company's Board of Directors

THE CHAIRMAN
STEFAN SCHULTE

German passport No

C5HNXCY9C

FRAPORT REGIONAL AIRPORTS OF GREECE "A" SOCIETE ANONYME

Financial Statements for the year ended on 31 December 2021 in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union

REGISTERED OFFICES: 10 GERMANIKIS SCHOLIS STR., AMAROUSIO ATTICA
GENERAL COMMERCIAL REGISTER (G.E.M.I.) No: 133592401000
Tax Authority FAE OF ATHENS

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FINANCIAL STATEMENTS AS OF 31 DECEMBER 2021 (AMOUNTS IN EURO)

Statement of Financial Position

	Not.	31/12/2021	31/12/2020 (Revised)
Assets			
Non-current assets			
Tangible assets	5	52.522	63.808
Intangible assets	6	992.556.760	1.015.106.378
Deferred tax assets	8	21.296.469	27.656.807
Other receivables and financial assets	10	132.082	118.085
Total non-current assets		**1.014.037.833**	**1.042.945.078**
Current assets			
Receivables from associate companies	18	247.332	139.272
Trade receivables	9	14.535.510	6.691.292
Other receivables and financial assets	10	5.096.587	5.132.800
Time deposits	12	31.578.325	30.831.398
Cash and cash equivalents	11	76.903.914	59.465.334
Total current assets		**128.361.668**	**102.260.096**
Total assets		**1.142.399.501**	**1.145.205.174**
Equity and liabilities			
Equity			
Share capital	13	75.000.000	75.000.000
Statutory and other reserves	13	800.057	(1.905.990)
Profit or loss carried forward	13	900.565	(11.833.325)
Total equity		**76.700.622**	**61.260.685**
Liabilities			
Long-term liabilities			
Loans from banks	14	499.657.712	513.830.696
Bond loans from associated/related parties	14	231.742.546	218.439.582
Provisions for personnel compensation due to retirement or dismissal	15, 2.21	87.821	72.010
Derivative financial instruments	7	2.842.535	7.033.752
Liabilities under the Concession Agreement	16	241.262.242	251.528.332
Suppliers and other liabilities	17	19.040.570	19.749.438
Total non-current liabilities		**994.633.426**	**1.010.653.810**
Short-term/current liabilities			
Loans	14	14.373.099	10.276.685
Suppliers and other liabilities	17	50.314.248	34.349.023
Income tax		358.183	-
Liabilities under the Concession Agreement	16	-	23.347.410
Liabilities to associate/related companies	18	6.019.923	5.317.561
Total current liabilities		**71.065.453**	**73.290.679**
Total liabilities		**1.065.698.879**	**1.083.944.489**
Total equity and liabilities		**1.142.399.501**	**1.145.205.174**

The Notes in pages 24-72 form an integral part of these financial statements.

FINANCIAL STATEMENTS AS OF 31 DECEMBER 2021 (AMOUNTS IN EURO)

Statement of Profit and Loss and of Comprehensive Income

	Not.	01/01/2021 - 31/12/2021	01/01/2020 - 31/12/2020 (Revised)
Income	19	139.990.707	104.181.566
Operating expenses			
Cost of consumables and services rendered	20	(65.276.971)	(82.748.942)
Staff costs	21	(6.247.957)	(6.939.304)
Other operating expenses	22	(12.354.889)	(7.821.002)
Total operating expenses		**(83.879.817)**	**(97.509.248)**
Operating income			
Other revenues	23	45.777.061	-
Total operating income		**45.777.061**	**-**
Profit before taxes and depreciation		**101.887.951**	**6.672.318**
Depreciation	5, 6	(30.703.484)	(26.133.864)
Operating (loss) / profit		**71.184.467**	**(19.461.546)**
Interest income	24	155.501	190.773
Interest expenses	24	(52.872.848)	(49.140.794)
Other financial income / (expenses)	24	65.377	(887.462)
Net financial expenses		**(52.651.970)**	**(49.837.484)**
Profit/(Loss) before taxes		**18.532.497**	**(69.299.030)**
Income tax	8	(5.798.607)	17.065.095
Profit/(Loss) after taxes		**12.733.890**	**(52.233.934)**
Other comprehensive income:			
Items that are not subsequently reclassified in the profit or loss			
Actuarial (loss)/profit	13	(472)	(1.338)
Items that may subsequently be reclassified in the profit or loss			
Profit / (Loss) from derivatives used as cash flow hedges	13	2,706,519	(1.117.995)
Other comprehensive income:		**2.706.047**	**(1.119.333)**
Aggregate comprehensive income/(loss) after taxes		**15.439.937**	**(53.353.267)**

The Notes in pages 24-72 form an integral part of these financial statements.

FINANCIAL STATEMENTS AS OF 31 DECEMBER 2021 (AMOUNTS IN EURO)

Statement of Changes in Equity

	Share capital	Statutory and other reserves	Profit or loss carried forward	Total equity
Balance as at 31 January 2019	**75.000.000**	**(761.757)**	**40.257.949**	**114.496.192**
Impact of changes in accounting policy (adoption of the IAS 19 interpretation see Not. 2.21)		(24.900)	142.660	117.760
Balance as at 01 January 2020 - Revised	**75.000.000**	**(786.657)**	**40.400.609**	**114.613.952**
Profit or loss after taxes for 2020	-	-	(52.233.934)	(52.233.934)
Other comprehensive income (Not. 13)	-	(1.119.333)	-	(1.119.333)
Aggregate comprehensive income/loss after taxes - Revised	**-**	**(1.119.333)**	**(52.233.934)**	**(53.353.267)**
Balance as at 31 December 2020 - Revised	**75.000.000**	**(1.905.990)**	**(11.833.325)**	**61.260.685**
Balance as at 01 January 2021	**75.000.000**	**(1.905.990)**	**(11.833.325)**	**61.260.685**
Profit or loss after taxes for 2021	-	-	12.733.890	12.733.890
Other comprehensive income (Not. 13)	-	2.706.047	-	2.706.047
Aggregate comprehensive income after taxes	**-**	**2.706.047**	**12.733.890**	**15.439.937**
Balance as at 31 December 2021	**75.000.000**	**800.057**	**900.565**	**76.700.622**

The Notes in pages 24-72 form an integral part of these financial statements.

FINANCIAL STATEMENTS AS OF 31 DECEMBER 2021 (AMOUNTS IN EURO)

Statement of Cash Flows

	Not.	01/01/2021 - 31/12/2021	01/01/2020 - 31/12/2020 (Revised)
Cash flow from operating activities			
Profit/(Loss) before taxes		**18.532.497**	**(69.299.030)**
Adjustments for:			
Depreciation of property, plant and equipment	5	11.286	13.960
Intangible asset depreciation	6	30.692.198	26.119.904
Provisions for personnel compensation due to retirement or dismissal	15	26.911	19.165
Effect of the compensation from the Greek State for the steps taken against the Covid-19 pandemic	23	(45.777.061)	-
Reversal of prepaid liability under a Concession Agreement	24	12.163.561	13.091.321
Interest and related income	24	(155.501)	(190.773)
Debit interest and related expenses	24	40.709.287	36.049.473
		56.203.178	**5.804.021**
Changes:			
(Increase) / decrease in trade and other receivables		(8.405.244)	2.266.496
Less suppliers, other liabilities and liabilities under the Concession Agreement		24.707.608	(10.725.273)
Increase in liabilities to associated undertakings		702.362	2.390.191
Income tax		-	(21.994)
Net cash (outflows)/ inflows from operating activities		**73.207.904**	**(286.559)**
Cash flow from investment activities			
Payments for additional tangible assets	5	-	(6.298)
Down payment and payments for additions to other intangible assets	6	(18.170.490)	(53.207.641)
Collected interest	24	155.501	190.773
Net cash outflows from investment activities		**(18.014.989)**	**(53.023.166)**
Cash flows from financing activities			
Income from bond loans taken out from Banks	14	-	90.000.000
Principal payments for bank and bond loans	14	(11.375.005)	(11.078.103)
Payments of interest on bond loans and interest rate swap agreements		(25.632.403)	(21.744.087)
(Increase)/Decrease in time deposits	24	(746.927)	10.173.630
Net cash (outflows) / inflows from finance activities		**(37,754,335)**	**67.351.440**
Net increase in cash and cash equivalents		**17.438.580**	**14.041.715**
Cash and cash equivalents in the beginning of the year	11	59.465.334	45.423.619
Cash and cash equivalents in the end of period		**76.903.914**	**59.465.334**

Non-cash investment and financial activities		**2021**	**2020**
Addition to intangible assets and concurrent offset of advance payments for construction projects	6	243.428	5.572.317
Capitalization of interest on bond loans from shareholders	14	17.700.004	16.716.595

The Notes in pages 24-72 form an integral part of these financial statements

Notes on the financial statements

1. General information

Fraport Regional Airports of Greece "A" S.A. (hereinafter the "Company") implements operations related to the upgrade, maintenance, management and operation in general, of seven regional airports of Crete, Continental Greece and Ionian, specifically of the airports of Thessaloniki, Kerkira, Zakynthos, Kefalonia, Aktio, Kavala and Chania, in accordance with the terms and conditions of the relevant Concession Agreement, concluded on 14 December 2015 between the Company, its shareholders and the Hellenic Republic Asset Development Fund S.A. ("Grantor") and the Greek State (hereinafter the "Concession Agreement") whose term is 40 years.

The Company is a Societe Anonyme that has been founded and seated in Greece. Its registered offices (seat) are located in the Municipality of Amarousio in Attica; in specific, at 10 Germanikis Scholis street, 151 23 Marousi.

The Company was founded on 27 February 2015 by FRAPORT AG FRANKFURT AIRPORT SERVICES WORLDWIDE ("FRAPORT"), having its registered office in Germany, and SLENTEL LIMITED ("SLENTEL"), having its registered office in Cyprus (together the "Initial Shareholders"), with an initial holding in the Company of 72% and 28%, respectively. In December 2017, SLENTEL LIMITED transferred 10% of its holding, on the date of the transfer, to Marguerite Airport Greece S.A.R.L. ("MARGUERITE"). Next, considering the share capital increases which took place in 2017, the holdings of the three shareholders, FRAPORT, SLENTEL, and MARGUERITE, were 73.40%, 16.60% and 10%, respectively.

In accordance with Article 4 of the concession agreement, the Company has been granted, among others, with the exclusive right of exploitation of the concession operations in the seven airports of Crete, Continental Greece and Ionian. These operations include inter alia the right of commercial exploitation of the airport services in each concession site of the aforementioned airports. Pursuant to Article 28.3 of the Concession Agreement, the Company's return on capital from air activities may not exceed 15% of the Air Activities Capital. Where the compounded cumulative return exceeds 15%) in 3 out of any 4 successive financial years, the Company must pay to the Greek State any such excess.

The Concession Agreement has been ratified and acquired the force of law by means of article 215 of Law 4389/2016 (GG A 94/27.5.2016).

The Company began its commercial operation and the provision of services on 11 April 2017, after having paid to the Concessionaire the upfront fee provided for in the Concession Agreement in the amount of €609,000,000.

In 2021, on average 241 employees were employed by the Company on employment contracts of indefinite term, compared to 232 during 2020.

The Financial Statements have been approved for publication by the Company's Board of Directors on 30 March 2022 and are subject to the approval by the Ordinary General Assembly of shareholders.

2. Summary of significant accounting principles

The main accounting principles that were applied during preparation of these Financial Statements are described below. These principles have been applied consistently in all periods presented, unless otherwise stated.

2.1. Financial statements preparation framework

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) and the Interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as these have been adopted by the European Union. The financial statements have been prepared in accordance with the historical cost rule, save financial assets (including derivatives), which have been valued at their fair value.

Preparing these financial statements in accordance with the IFRS requires that use be made of accounting estimates and the opinion of the Management in implementing the accounting principles that have been adopted. The areas that contain a significant level of judgement or complexity or where assumptions and estimates significantly affect the financial statements are given in Note 4.

2.1.1. Going concern basis

The financial statements as at 31 December 2021 are prepared in accordance with the International Financial Reporting Standards (IFRS) , as adopted by the European Union and fairly present the Company's financial position, profit or loss, and cash flows based on the going concern principle, based on an assessment by the Management due to the impact of the COVID-19 pandemic on the Company, and appear below.

Impact of the COVID-19 pandemic

Following the biggest crisis in the history of aviation worldwide as a result of the Covid-19 pandemic that occurred in 2020 and the impact of this pandemic on the aviation industry, the year 2021 found Greece in the second wave of the pandemic and amidst a strict nationwide lockdown that lasted until May 14th, 2021.

The second wave of the pandemic led to the peak of the biggest crisis that air transport has suffered in our country, with the airports operated by the Company showing a 79.3% drop in total passenger traffic in the first half of the year and an 83.6% drop in international passenger traffic compared to the respective figures in the first half of 2019.

However, after the lifting of the measures from 15 May 2021, which marked a mild resumption of the tourist season, several airlines responded positively with the launch of routes to our country, while we managed to welcome numerous new routes to our airports in the midst of the pandemic. This important development, as well as the fact that the country remained coordinated both in its pandemic management policies and stable in the framework of entry requirements, inspired confidence among air carriers and those who visited our country during the summer months, and resulted in the extension of the tourist season during the autumn months, up to November, at airports such as Chania and Corfu. As a result, total passenger traffic at the airports operated by the Company for the year 2021 managed to be contained, with a 45.3% decrease, reaching a total of 9.13 million passengers compared with 2019. However, it is worth noting that compared to the corresponding period of 2020, there was an increase of 88.6%.

The Company's operating income stood at €140.0 million in 2021, compared to €248.1 million in 2019, representing an increase of €35.8 million, that is 34.3% compared to the previous financial year. In particular, income from air services increased by €54.52 million and income from non-air services dropped by €18.71 million. Consumable and service provision costs dropped by €17.47 million to a 21% decrease compared to the year presented for comparison purposes.
In order to address the impact of the pandemic and the measures to deal with it on the Company's activities, liquidity and financial position, the Management has entered into an agreement with the Greek State, which was ratified by the Greek Parliament's law 4810/2021 on 25 June 2021. Under the agreement, the Greek State accepts that Article 30.4 of the Concession Agreement should be applied to compensate the Concessionaire as a result of a State Responsible Event and

provides for a setoff of the Concessionaire's compensation with Concession Fees and other arrangements. In particular, it was agreed that:

- No Annual Concession Fee would be paid for 2019-2021 as well as for 2022, however, in the latter case terms and conditions would apply; During the period that ended on 31 December 2021 and based on the course of the pandemic, it was agreed not to pay the Annual Fee for the year 2022 as well.
- the obligation to pay the Variable Concession Fee would be moved after the fourth anniversary from the Concession Commencement Date, that is starting from 2022 and 2023, in this latter case terms and conditions would apply;
- steps were envisaged to handle a possible improvement in passenger traffic in 2021;
- provisions were made to apply the Control Mechanism under the compensation agreement;
- no dividends would be paid to the Company's shareholders until 31 March 2022;
- provisions were made to take into account the benefit generated by a possible refunding of the Company by its Lenders.

It is noted that at the end of the financial year 2021, due to the course of the pandemic and the measures taken to deal with it, it was established that the conditions provided for in the aforementioned agreement with the Greek State for the non-payment of the Annual Concession Fee for the year 2022 also occurred.

The total impact of the above agreement on the Company's financial statements amounts to a gain of €45.8 million resulting from the non-payment of the Annual Concession Fee for the above years.

In addition, during the period that ended on 31 December 2021, the Company asked for and obtained the following waivers from various obligations under its existing loan agreements:

A. On 29 June 2021, the Company obtained a waiver and consent from Alpha Bank, as its Loan Manager, effective until 31 October 2021, regarding:

- The Company's obligations to file an approved modified Financial Model and other documents envisaged in the loan agreement about the Company's financial figures and data for the period that ended on 31 December 2020.
- The obligation to maintain frozen deposits regarding future capital expenses that are to do with the upgrade of the airports and other loan payables.
- The possibility of a waiver of default for the period before and on the reference date of 30 June 2021 due to failure to comply with financial commitments regarding the documents that the Company is under obligation to file under the loan agreement.

B. On 24 December 2021, the Company obtained an additional waiver and consent from Alpha Bank, as its Loan Manager, effective until 31 May 2022, regarding:

- The Company's obligations to file an approved modified Financial Model and other documents envisaged in the loan agreement about the Company's financial figures and data for the period that ended on 31 December 2021.
- The obligation to maintain frozen deposits regarding future capital expenses that are to do with the upgrade of the airports and other loan payables.
- The possibility of a waiver of default for the period before and on the reference date of 31 December 2021 due to failure to comply with financial commitments regarding the documents that the Company is under obligation to file under the loan agreement.

In addition, under the waiver of 24 December 2021, the Company received a time extension regarding the filing of its financial statements as at 31 December 2020 and 2021, the Compliance Certificate calculations and of the list of transactions with associated companies. The extension is 20 business days from the date on which the above waiver was signed.

The Company's investments are long-term and the Company estimates that the consequences of the pandemic will be limited in the medium run.

Taking into account the above information, the Management proceeded to prepare a cash flow budget for the coming months. In line with the above budgeted cash flows and existing cash and credit limits, the Management estimates that there will be no issues with liquidity or non-compliance with the financial ratios established in the Company's loan agreements for at least 12 months form the publication of these financial statements.

Therefore, these financial statements were prepared on a going concern basis.

2.2. New standards, amendments of standards and interpretations

Standards and Interpretations mandatory for subsequent periods.

New standards, amendments to standards and interpretations: Certain new standards, amendments to standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 01 January 2021. The Group's estimate regarding the influence from application of these new standards, amendments and interpretations is cited below:

Standards and Interpretations effective for the current financial year

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

This amendment provides lessees (but not lessors) with an optional exemption from assessing whether a COVID-19-related rent concession is a lease modification. Lessees can chose to account for rent concessions as they would have for changes that are not lease amendments. The amendment did not have a material effect on the Company's financial statements.

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments) "Reformation of reference rates - Phase 2"

These amendments supplement those issued in 2019 and focus on the impact it has on financial statements when a company replaces the old reference rate with an alternative one as a result of reformation. In particular, the amendments are to do with how a company will account for changes in the contractual cash flows for financial instruments, changes in its hedging relations and the information it is to disclose. The amendment did not have a material effect on the Company's financial statements.

Standards and Interpretations effective for subsequent periods

IFRS 16 (Amendment) Covid-19-Related Rent Concessions - Extended application period (effective for annual periods beginning on or after 01 June 2020)

The amendment extends the application period for the practical expedient to rent concessions by one year to account for cuts in payments originally due on or before 30 June 2022. The amendment is not expected to have a significant impact on the Company's financial statements.

IAS 16 (Amendment) Property, plant and equipment - Proceeds before intended use (effective for annual periods beginning on or after 01 January 2022)

The amendment 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. It also requires of entities to recognise separately the proceeds and costs related to such items which are not part of the entity's usual activity. The amendment is not expected to have a significant impact on the Company's financial statements. The amendment is not expected to have a significant impact on the Company's financial statements.

IAS 37 (Amendment) Onerous Contracts — Cost of Fulfilling a Contract (effective for annual periods beginning on or after 01 January 2022)

According to the amendment the "the cost of fulfilling a contract" is to include costs directly related to fulfilling the contract and the distribution of other costs directly linked to its fulfilling. The amendment also makes clear that before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract and not on assets dedicated only to that contract. The amendment is not expected to have a significant impact on the Company's financial statements.

IAS 1 (Amendment) Classification of Liabilities as Current or Non-current(effective for annual periods beginning on or after 01 January 2023)

The amendment clarifies that liabilities are classified as current or non-current based on the rights being effective the expiry of the reference period. The classification is not affected by the expectations of the entity or by events after the reporting date. In addition, the amendment clarifies what settlement of a liability under IAS 1 means. The amendment has not yet been adopted by the European Union.

IAS 1 (Amendments) Presentation of Financial Statements and IFRS Second Practice Statement on Disclosure of Accounting Policies (effective for annual periods beginning on or after 01 January 2023)

These amendments require of companies to provide information on their accounting policies when these are material and offer guidance with regard to the concept of materiality as it applies to accounting policy disclosures. The amendments have not yet been endorsed by the EU.

IAS 8 (Amendments) Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (effective for annual periods beginning on or after 01 January 2023)

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

IAS 12 (Amendments) Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual periods beginning on or after 01 January 2023)

Under the amendments companies are required to recognize deferred taxation on specific transactions which upon initial recognition exemption give rise to equal taxable and deductible temporary differences. This usually applies to transactions such as leases for lease liabilities, and decommissioning obligations. The amendments have not yet been endorsed by the EU.

Annual Improvements to IFRSs 2018-2020 (effective for annual periods beginning on or after 01 January 2022)

IFRS 9 "Financial Instruments"

The amendment looks into what expenses need to be included in the 10% Test for Derecognition of Financial Liabilities. The respective costs or fees could be paid either to third parties or the lender. According to the amendment, costs or fees paid to third parties will not be included in the 10% test.

IFRS 16 "Leases"

The amendment removed from Illustrative Example 13 the reimbursement of leasehold improvements by the lessor to eliminate possible confusion as to the handling of lease incentives.

2.3. Tangible fixed assets

The facilities and the mechanical and other equipment mainly consist in movable assets which are not part of the intangible asset of the Concession Agreement.

Fixed assets are presented in the financial statements at acquisition cost less accumulated depreciation and any impairment suffered by the assets. The cost of acquisition also includes the expenses directly involved in acquisition of the said assets.

Subsequent expenses are either included in the carrying amount of tangible assets or -if deemed more appropriate- are recognised as a separate asset, only where it is possible that future economic benefits will inflow in the Company and under the condition that the asset's cost can be measured reliably. The carrying amount of an asset that is replaced is deleted. Repair and maintenance costs are entered as expenses in the statement of profit and loss and comprehensive income at the time they were incurred.

The depreciation of the tangible fixed assets are calculated based on the assets' useful life by means of annual charges of equal amount in the period of these assets' expected useful life, so that the cost is deleted at its residual value.

Land, buildings, facilities, fencing, aircraft ground power supply systems, runways, taxiways, aircraft bridges and aircraft service areas are part of the Services Concession Agreement and represent the overall infrastructure whose right of use has been recognized as an intangible asset (not. 2.4.1).
The estimated useful lives are as follows:

FINANCIAL STATEMENTS AS OF 31 DECEMBER 2021 (AMOUNTS IN EURO)

Asset category	**Useful life (years)**
Office building improvements	9
Office furniture	13
PCs and peripherals	3 - 7
Mobile phones	3 - 7
Other equipment	5 - 10

When the carrying amounts of tangible assets exceed their recoverable value, the difference (impairment) is recognized in profit or loss directly as expense (Note 2.5).

2.4. Intangible assets

Recognition of an asset as a intangible asset requires the Company to prove that the asset meets: a) the intangible asset's definition/identifiability criteria and b) the recognition criteria. This requirement is applicable to the costs that were initially incurred for the acquisition or internal generation of an intangible asset and the costs incurred subsequently for its supplementation, replacement of a part thereof or its maintenance. If there are no conditions for capitalization, costs are recognized in the statement of profit or loss and of comprehensive income for the period to which they relate.

The intangible assets are initially measured at cost. Following initial recognition, they are reflected at their cost less any accumulated amortisation and any accumulated impaired losses (Note 2.5).

The Company assesses whether the useful life of an intangible asset is finite or indefinite and, if finite, the duration of the years or the number of productive or identical units comprising such useful life. The accounting handling for an intangible asset is based on its useful life. An intangible asset with finite useful life is amortised on the basis of the straight-line method and an intangible asset with indefinite useful life is not amortised.

The estimated useful lives are as follows:

Asset category	**Useful life (years)**
Software	3 - 5
Concession Agreement and associated costs	up to 40

2.4.1. Concession agreement for the exclusive right of exploitation

The exploitation right is stipulated in the Concession Agreement, which defines it as the right granted to the Company by the Greek State for the upgrade, maintenance, management and operation in general of the seven regional airports. The above right has a finite useful life of 40 years which is equal to the concession period and started on the concession commencement date, that is on 11 April 2017. The Concession Agreement has been accounted for in line with Interpretation 12 of IFRIC, based on the intangible asset model since the Company, being the operator, is paid by the airport users and the Grantor has no contractual guarantee with respect to the investment's recovery. The intangible asset represents the value of the right granted by the Greek State to the Company to charge the airport users.

The Concession Agreement includes the upfront (concession) fee against the concession fee, which was paid on the concession commencement date and formed one of the prerequisites for commencement of the concession period. Upon commencement of the concession period, the above upfront concession fee was recognised in the intangible asset, as well as the present value of the well identified/determined future liabilities arising from the Concession Agreement, together with the recognition of a liability of the same amount. The discount interest rate used was the incremental interest rate for the investment at the start of the concession. Recognized financial liabilities are valued subsequently at amortized cost using the effective interest method. In addition, under the Concession Agreement, the Company undertook to refurbish, upgrade and build new infrastructure at the 7 regional airports conceded to it. All expenses specific to the above works will be capitalized in the total cost of the Concession Agreement under "Intangible fixed assets" until the works have been completed. The intangible assets are amortised using the straight line method throughout the entire concession period (40 years).

Impairment costs are recognized in line with IAS 36 (Note 2.5).

2.4.2. Concession fee for the exclusive right of exploitation - variable concession fee

As also stipulated in the Concession Agreement, during the period commencing from expiry of the investment period (fourth (4th) year of concession period) until expiry of the concession period, the Company must pay HRADF a variable concession fee. The variable fee will be estimated for each concession year as a percentage on EBITDA as these are defined in the Concession Agreement. The variable fee is not capitalized at the cost of the intangible asset but rather included as expense in the statement of profit and loss and of comprehensive income for the year.

Under an agreement with the Greek State, like the one that was repealed by Law 4810/2021 of the Greek Parliament on 25 June 2021, the liability to pay the Variable Concession Fee was postponed until after the fourth anniversary of the Concession Commencement Date, that is starting in 2022 and under terms and conditions from 2023 onwards.

For the year that ended on 31 December 2021, the Company —in agreement with the Greek State— did not pay the Variable Concession Fee due to pandemic-related conditions that persisted worldwide (note 2.1).

2.4.3. Other intangible assets

The Company has intangible assets which are associated to designs, technical projects and other costs connected with the design, improvement and development of the infrastructure of the regional airports, as well as consultation services connected with the completion of the Concession Agreement.

The depreciation of such assets starts with the completion of each project and continues until the end of the concession period.

Borrowing costs in connection with intangible assets which meet the conditions are capitalized at the cost of such assets (Note 2.14).

2.5. Impairment of non-financial assets

Goodwill and intangible assets with an indeterminate useful life are not subject to depreciation but checked for impairment on an annual or more frequent basis if due to events or changes in circumstances there is indication that they may be impaired. Fixed assets (tangible and intangible) that are subject to amortisation are tested for impairment whenever events or changes in circumstance indicate that their unamortised carrying amount may not be recoverable.

Impairment losses are immediately recognised as expenses and equal the difference between the unamortised and the immediately recoverable value of the underlying asset. The recoverable value is the highest amount resulting from comparison between a fixed asset's fair value less the selling cost and its value in use (the present value of cash flows which are expected to be generated according to Management estimates for future financial and operating conditions). For impairment calculation purposes, the assets are grouped at the lowest possible level in order to be linked with separate identifiable cash flows (cash-generating units).

Impaired non-financial assets are reassessed for a possible reversal of the impairment loss at each reporting date, excluding goodwill.

2.6. Financial assets

2.6.1. Classification

The Company classifies all its financial assets under the following categories:
(i) financial assets at amortised cost, and (ii) financial assets measured at their fair value through profit or loss ("EAMA"). This classification is dependent on: (a) the Company's business model, based on which the financial assets is managed, and (b) the characteristics of the contractual flows of the financial asset. Under IFRS 9 it is not allowed to separate embedded derivatives, if any, under a hybrid contract, when the main contract is a financial asset falling within the scope

of this standard. In these cases, the entire hybrid asset is placed under one of the following categories.

2.6.2. Recognition and derecognition

Acquisitions and sales of financial assets are recognised as at the date of the transaction, on which (date) the Company undertakes to buy or sell the asset. Investments are derecognised when the right to cash flows from investments ends or is transferred and the Company has transferred substantially all risks and benefits resulting from their ownership.

2.6.3. Measurement

Upon initial recognition, the Company measures its financial assets at fair value and, where a financial asset is not measured at fair value through profit or loss, it adds the costs that are directly attributed to the transaction concerned. With regard to financial assets measured at fair value through profit or loss, transaction costs are recognized in the profit or loss of the period in which they arise.

The best proof of the fair value of a financial instrument is usually the transaction price (that is the fair value of the consideration given or received). In cases where during initial recognition the fair value is other than the transaction price, the difference is recognized as deferred profit or loss for the transaction day. If the deferred profit or loss on the day of the transaction was the result of the fair value of a financial instrument, which is evidenced by an official stock exchange price in an active market for a similar asset or liability (that is a first-tier inflow) or a technical valuation using only data from observable markets, then the deferred profit or loss of the transaction is directly recognized in profit or loss. Otherwise, the deferred profit or loss on the day of the transaction is recognized gradually over the lifetime of the financial instrument.

The Company's financial assets may be measured later depending on the Company's business model for the management of individual financial assets and on the characteristics of their cash flows.

The Company uses the following two measurement categories based on the financial assets it holds:

(a) Financial assets measured at amortized cost: Financial assets are measured at amortized cost if held within a business model for the purpose of keeping them and collecting the contractual cash flows that meet the SPPI standard. Financial assets within this business model give rise to cash flows on specific dates and the cash flows which represent exclusively principal and interest payments on the each outstanding loan (Solely Payments of Principal and Interest - SPPI). Interest income from such assets is included in financial income and recognized using the effective interest rate. Any profit or loss arising from the write-off is recognized directly in the profit and loss statement. The financial assets classified in this category are included in the items "Trade receivables", "Other receivables and financial assets", "Cash and cash equivalents" and "Time deposits" presented in the statement of financial position (Notes 2.9, 2.10 and 2.11). They are included in current assets, save those with a maturity over 12 months from the balance sheet date.

(b) Financial assets measured at fair value through profit or loss: Under this category are placed financial assets not measured at amortized cost or fair value through other comprehensive income. Incurred and non-incurred profit or loss resulting from changes in the fair value of financial assets measured at their fair value with changes in the profit or loss, are recognised in the profit or loss of the period in which they arise. Derivatives are classified at fair value through profit or loss, unless they are classified as hedges (Note 2.8). Assets under this category are classified in current assets if held for trading or are anticipated to be sold within 12 months from the reporting date.

2.6.4. Impairment of financial assets

The Company recognizes impairment provisions for anticipated credit loss for all financial assets, with the exception of financial assets measured at fair value through profit or loss. Anticipated credit loss is based on the difference between contractual cash flows and all the cash flows the Company expects to obtain. The difference is paid in advance based on an estimate of the initial effective rate for the financial asset. As regards contractual assets and receivables from customers, the Company follows the simplified approach under the standard and, therefore, calculates anticipated credit loss based on the anticipated credit loss for the entire lifetime of such assets. Determining expected default is based on historic information on inability to liquidate receivables and on qualitative information about possible future defaults. The probability of default of the counterparty, considering the insolvency rates received from external sources, is used to calculate the expected credit loss from inability to liquidate receivables in regard to financial assets.

The Company has opted to also follow the simplified approach under the standard for contractual assets and receivables from customers involving significant funding items. The Company receives either letters of guarantee or down payments as guarantee against its receivables from its aviation and non-aviation activity, hence greatly reducing the anticipated impairment loss from inability to liquidate receivables.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of loss is recognised in the statement of profit and loss and of comprehensive income. When a trade receivable cannot be collected, it is set off with the amount in the provision for trade receivables. Subsequently recoverable amounts that have been previously deleted, are credited in the statement of profit and loss and of comprehensive income and are allocated accordingly to the assets that recovered their lost carrying amount (in whole or in part).

2.7. Offsetting of financial assets

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position when, and only when, an entity has a legally enforceable right to set off the recognised amounts and at the same time the entity intends either to settle on a net basis, or the asset's acquisition and liability's settlement can be made simultaneously.

2.8. Derivative financial assets and hedging instruments

The Company concludes financial derivative agreements aiming at hedging exposure to the risk of rate change associated with long-term loan agreements.
When a transaction starts being effected, the Company documents the financial relationship between hedges and hedged items, including the extent to which changes in the cash flows of hedges are expected to be hedge changes in the cash flows of the items hedged. The Company also documents the risk management goals and strategy for risk hedging transactions. Further, at the beginning of the hedging and constantly, the extent to which derivatives used in hedging transactions are particularly efficient in neutralizing changes in the current values or the cash flows of hedged items is assessed.

IFRS 9 includes three requirements on hedging efficiency: (i) there is a financial relationship between the hedge and the hedged item; (ii) the effect of credit risk does not dominate value changes which come about as a result of the financial relationship; and (iii) the hedging ratio accurately reflects the quantity of the hedged item and the quantity of the hedge used in the actual financial hedging. If a hedging relationship ceases to meet the efficiency requirements in terms of the degree of hedging, while the risk management goal remains unchanged, the degree of hedging is adjusted (adjusting the quantities specified of either the hedged item or the hedge) so that the hedging relationship meets the quality criteria. The fair values of the derivative financial instruments that are used for hedging purposes are disclosed in Note 3.3. The changes in the cash flow hedging reserve are entered in other comprehensive income and are disclosed in Notes 7 and 13. The overall fair value of hedging derivatives is classified to current assets or long-term liabilities when the remaining hedged item has a term over 12 months, or to current assets or short-term liabilities when the remaining term of the hedged item is under 12 months.

Cash Flow Hedging

Derivatives are initially recognized at their fair value as at the date on which the respective agreement is signed (Note 2.6).

The part of the change in the derivative fair value which is considered efficient and meets the cash flow hedging criteria, is recognized in Other comprehensive income. Profit or loss that relates to the inefficient part of the change is recognized in the statement of profit and loss and of comprehensive income, under the item "Financial income" or "Financial expenses".

The cumulative amount entered in Equity is transferred to the statement of profit and loss and of comprehensive income for the periods in which the hedged item affects the profit or loss of the period. The profit or loss that relates to the efficient part of the hedging of floating borrowing rate exchange agreements is recognized in the statement of profit and loss and of comprehensive income under the item "Financial income" or "Financial expenses" simultaneously with recognition of interest from hedged loans.

When a hedging instrument matures or is sold or when a hedging relation stops meeting the hedge accounting criteria, the cumulative profit or loss entered by that time in Equity will remain in Equity and will be recognized when finally the anticipated transaction passes through the statement of profit and loss and of comprehensive income. When it is not estimated any more that an anticipated transaction will take place, the cumulative profit or loss entered in Equity will be transferred immediately to the statement of profit and loss and of comprehensive income.

2.9. Trade receivables

Trade receivables are the sums owed by customers for services provided to them during the Company's ordinary activities/operations. If the receivables are expected to be collected within 12 months after the period's end, they are entered in current assets, otherwise they are entered in non-current assets.

Receivables from customers are first carried at their fair value and are subsequently valued at amortised cost by using the effective interest method, less any impairment losses (Note 2.6).

2.10. Cash and cash equivalents

The Company considers as cash and cash equivalents the cash, the sight deposits, and the high liquidity and low risk short-term investments up to 3 months.

2.11. Time deposits

Time deposits are deposits in bank accounts which are not immediately available for use. The Company cannot use these deposits until after a specific future point in time or event. Where it is anticipated that time deposits will be used within a year from the date of the statement of financial position, they are classified as short-term assets. However, if it is not anticipated that they will be used within a year from the reporting date, they are classified as long-term assets.

2.12. Share capital

Share capital includes the Company's registered shares. Direct expenses for the issuance of shares appear free of any relevant tax as subtracted from equity.

2.13. Trade liabilities

The trade liabilities include the liabilities for payment of products and services that were acquired/received from suppliers during the Company's ordinary activities. Trade liabilities are entered into the short-term liabilities when their payment must be effected within the next year. If their payment can be made beyond the 12-month period, then they are entered into the long-term liabilities.

Trade liabilities are recognised in line with the amortised cost method by using the effective interest rate.

2.14. Loans

Loans are initially entered at fair value into the proceeds/collected sums less any direct expenses incurred for their acquisition. Loans are subsequently stated at amortised cost, discounted at effective interest rate. Any difference between the proceeds (net of relevant transaction costs) and the redemption value is recognised in the statement of profit and loss and of comprehensive income based on the borrowing's duration, using the effective interest rate method.

Loan expenses arising at the time new credits are signed, are recognized as loan expenses insofar as it is possible that part or all of the credit line will be withdrawn. In this event they are entered as future loan expenses until the withdrawal. If new loans remain totally or partly unused, such expenses are included in the prepaid expenses and are recognized in profit or loss during the term of the relevant credit line.
Loans are classified as short-term liabilities, unless the Company holds the unreserved right to postpone payment of the liability for at least 12 months after the reporting date.

Borrowing Costs

Borrowing costs incurred during the acquisition or construction of an asset which meets the conditions and requires a significant amount of time to become ready for use, are capitalized at the cost of the assets in line with IAS 23 "Borrowing costs". The remaining borrowing costs are entered in the statement of profit and loss and of comprehensive income when incurred. Borrowing costs are made up of interest and other costs incurred by a Company in connection with borrowing.

2.15. Income and Deferred Tax

The tax for the period is made up by current and deferred tax. Tax is recognized in the statement of profit and loss and of comprehensive income, unless it is connected with amounts recognized in other comprehensive income or directly in equity. In this case, tax is also recognized in other comprehensive income or in equity, respectively.

Income tax

Income tax on profit is calculated in accordance with the Income Taxation Code effective in Greece. The expenditure for current income tax includes the income tax arising from the Company's profits as stated in its tax clearance statements, and any provisions for additional tax and surcharges for unaudited fiscal periods, and it is estimated in line with the statutory or substantially statutory rates of taxation.

Deferred income tax

Deferred income tax is recognised, using the liability method, arising from temporary differences between the carrying amount and the tax basis of assets and liabilities in the financial statements. Deferred income tax is not accounted for if it results from the initial recognition of an asset or liability in a transaction, with the exception of business consolidation/combination, which, when the transaction was carried out, did not affect the accounting or tax profit or loss. Deferred tax is determined in line with the tax rates and laws in force on the reporting date and are expected to be in force when the deferred tax assets are realized or the deferred tax liabilities are paid.

Deferred tax liabilities are recognized insofar as there may be a future taxable profit from the use of the temporary difference generated by the deferred tax liability.

Deferred tax assets and liabilities are offset only if allowed under the law and the deferred tax assets and liabilities relate to the same tax authority and there is intention to settle them by offsetting.

2.16. Employee benefits

a) Retirement benefits

Staff retirement benefits include both defined contribution plans and defined benefits plans. The defined contribution plan is a pension plan under which the Company pays specific contributions to a separate legal entity. The Company has no legal or other implied obligation to pay additional contributions if there is lack of adequate assets in hand to pay to all employees the benefits corresponding to them in the current and previous time periods.

In respect of the defined contribution plans, the Company must pay contributions to public insurance funds. After having paid its contributions, the Company has no other obligation. Contributions are recognized as personnel expenses when there is a debt.

A defined benefit plan is a pension plan which establishes a specific compensation amount which an employee will receive upon retirement and usually depends on one or more factors such as age, years of past service and remuneration.
The liability is entered in the statement of financial position for the defined benefit plans is the present value of the defined benefit liability on the reporting date. The defined benefit liability is calculated annually by an independent actuarial using the Projected Unit Credit Method. The present value of the defined benefit liability is calculated by discounting future cash outflows based on a discount factor equal to the rate for long-term -high credit quality- European corporate bonds.

The cost of the current service of the defined benefit plan recognized in the statement of profit and loss and of comprehensive income as "Staff costs" reflects the increase in the defined benefit liability tied to an employee's service in the current period, changes in the benefit, cuts and settlements. The recognized cost of past service is recognised directly in profit or loss.

Actuarial profit or loss from empirical adjustments and changes in actuarial assumptions is charged or credited to other comprehensive income in the period in which it arises.

During the year that ended on 31 December 2021, the Company implemented the Decision of International Financial Reporting Interpretations Committee (IFRIC) on the attribution of defined employee benefits to periods of service, in line with IAS 19, which resulted in the attribution of retirement periods to the last 16 years before retirement. The implementation of the decision was entered in the financial statements as a change in the Company's accounting period, as detailed in Note 2.21.

b) Employment termination benefits

Termination benefits are payable when employment is terminated before normal retirement date. The company recognizes such benefits when it is demonstrably committed to either terminate the employment of an employee based on a detailed plan from which there is no withdrawal possibility, or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. Benefits falling due more than 12 months after the reporting date are discounted to present value.

In case of employment termination where it is not possible to establish the employees who make use of such benefits, such benefits are not recognized but notified as contingent liability.

c) Bonuses

The Company recognizes expenses and liabilities for bonuses paid when defined financial and business goals are reached. The Company recognizes a provision for bonuses when there is a contractual obligation or past practice generating an incremental liability.

2.17. Provisions

Provisions are recognised when the Company has a current legal or deemed obligation arising from past events and cash outflow will be possibly required to pay the liability and the required amount may be reliably estimated. Provisions are not recognised with respect to future operating losses.

Where various similar liabilities exist, the possibility that an outflow will be required during liquidation is determined by examining the liabilities category in its entirety. A provision is recognised even when the outflow possibility with respect to any asset included in the same category of liabilities, is small.

Provisions are determined at present value of the anticipated expenses required to cover the present liability. The discount rate used to determine the present value is before taxes and reflects the current market estimates for the time value of money and the increases related to the specific liability. The increase of the provision due to lapse of time is recognised as financial expenditure.

2.18. Revenue recognition

The Company recognizes revenue in a way that reflects the transfer of goods or services to customers at the amount that it anticipates as a consideration for such goods or services, excluding amounts collected on the behalf of third parties (e.g. value-added tax). Revenue is recognized when the customer takes control of the goods or services, placing the time of the transfer of control either in a given moment in time or over time. Variable amounts are included in the consideration and computed using either the "expected value" or the "most probable amount" method, depending on which method is expected to forecast more accurately the amount, to which the Company is entitled, on condition that a downwards revision of the recognized revenue is highly improbable. Revenue from the provision of services is recognized in the accounting period in which the services are rendered and measured according to the nature of the services provided. Receivables from customers are recognized when there is an unconditional entitlement of the Company to receive the consideration for the contractual obligations it has performed to the customer.

Income from services rendered

Income from services rendered derives from "air" and "non-air" activities.

"Air activities" are the provision of facilities, services and equipment for aircraft landing and parking, aircraft service, passenger, luggage, cargo and mail transportation to all airports' facilities, as well as the transportation of passengers, luggage, cargo and mail to and from aircraft.

"Non-air activities" concern income from concession agreements and building rents.

Air activity charges

Income from the provision of air services are recognized in the statement of profit and loss and of comprehensive income in the period in which they were rendered. The departure of the aircraft concerned is the criterion used to recognize income from air activities. Each arrival and the subsequent departure of an aircraft constitute a movement/flight cycle during which all necessary services are provided.

Regulatory rules have been included in the Concession Agreement to establish charges to airport users for the facilities and services provided at the airport.

In addition, under the Concession Agreement and Article 228 of the Ratification Law, for the period between the Concession Commencement Date and October 31st in the immediately following year, as well as for all periods between November 1st and October 31st each year after that the Company must demonstrate to the Hellenic Civil Aviation Authority (HCAA) that the Maximum Average Yield per Departing Passenger is not exceeded in the respective period. Where the Maximum Average Yield per Departing Passenger is exceeded above 3% in any calendar year, the Company must pay to the Greek State the excess of the Maximum Average Yield per Departing Passenger multiplied by the actual number of departing Passengers. In addition, a penalty of 25% of the relevant amount shall be paid to the State. Where the Maximum Average Yield per Departing Passenger is exceeded by a percentage less than or equal to 3% in any calendar year, the Company must count the amount exceeding the Maximum Average Yield per Departing Passenger multiplied by the actual number of departing Passengers in next year's Regulated Aeronautical Revenues calculation of the actual yield per departing Passenger.

The Company bills Air Services every fifteen days (with the exception of the Airport Modernization and Development Fees, which are collected by HCAA and paid to the Company daily). Airlines can pay either cash (before the airport departs) or get a credit period ranging between 5 and 20 days. Because this credit is short-term, it does not involve significant financial items. Where credit is granted, the Company receives collaterals in the form of either letters of guarantees or bank deposits.

Concession Agreements

The Company has entered into concession agreements under which the right is conceded to the beneficiary to exercise commercial activity inside the airports in a space specified by the

Company. Concession royalties are calculated based on the agreed schedule as a percentage of the sales generated by the concession beneficiary activity and are subject to an annual minimum guaranteed charge. Each concession agreement provides in a separate part for the rental of cargo storage spaces for a fixed monthly rent.

Building rents

The Company rents buildings it holds under the Concession Agreement and are located on the airport campus. Income from such rentals are recognized in the statement of comprehensive income on a fixed basis throughout the rental.

Both income from concession agreements and building rents are considered leasing revenue and accounted for in line with the provisions of IFRS 15 "Revenue from Contracts with Customers".

Interest income

Interest income is recognised on time proportion basis by using the effective interest rate.

Income from construction activity

Based on Interpretation 12 of IFRIC, the costs incurred in the period for the construction and upgrading of the airports are recognized as income on an annual basis in line with IFRS 15 "Revenue from Contracts with Customers".

2.19. Leases

The Company as Lessee
An agreement contains a lease if there is transfer of the right to control a specific asset, even if the asset is expressly defined, for a time period for a consideration. A reassessment is required only in case of change in the terms and conditions of the contract. The Company leases various assets such as properties, means of transport, and other professional equipment.

In the context of the first application of IFRS 16 the Company proceeded to the impact assessment of the new standard. Due to lack of quality and quantity importance and following careful cost-benefit analysis, the Company concluded that current leasing contracts of property, means of transport and of other business and professional equipment are not included to the acknowledgement of rights of use and obligations arising from financing leases as per IFRS 16. Therefore, for all leases, which the Company enters into as lessee, the Company will recognize lease payments in the statement of profit and loss and of comprehensive income, using the fixed method, over the term of the lease.

The Company as Lessor

Operating leases: Revenues from operating leases are recognized in profit or loss using the straight-line method throughout the lease. When the Company grants incentives to its clients, the cost of such incentives is recognized over the entire term of the lease, using the straight-line method, decreasing the lease income.

Financial Leases For the time being, the Company is not lessor in real estate financial leases.

2.20. Dividend distribution

Dividend distributed to shareholders is recognized as a liability in the financial statements for the period in which such distribution is approved by the general meeting of the Company's shareholders.

2.21. Changes in accounting policies and estimates and error correction

Under the Decision of the International Financial Reporting Interpretations Committee (IFRIC) regarding the method of recognizing compensation due to retirement under a defined benefit scheme (International Accounting Standard (IAS) 19 Employee benefits), economic entities which draft Financial Statements under the International Financial Reporting Standards (IFRSs) must change the way in which they calculate retirement benefits paid to retiring employees.

The IFRIC decision entitled Attributing Benefit to Periods of Service (IAS 19), which was published in May 2021, includes explanatory material as to how to attribute benefits to periods of service under a specific defined benefit scheme equivalent to that envisaged in Article 8 of Law 3198/1955 on retirement benefits (Defined Benefit Scheme under Labor Law).

This decision changes the way in which IAS 19 is implemented in Greece. Until recently, companies would calculate benefits under Article 8 of Law 3198/1955, Law 2112/1920, as amended by Law 4093/2012, in the period between hiring (and until the completion of 16 years of service using the brackets in Law N.4093/2012) or (and the date of retirement).
Now, benefits are attributed to the last 16 years until the date of retirement of employees, using the brackets in Law 4093/2012.

The implementation of the above final decision has been treated as change in accounting policy implemented retroactively since the start of the first comparative period, in line with paragraphs 19 - 22 of IAS 8.

In respect of all items in the financial statements, the implementation of the above decision has affected:

- the Statement of Financial Position for the period between 31/12/2019 and 31/12/2020
- the Statement of Profit and Loss and of Comprehensive Income for 2020.

FINANCIAL STATEMENTS AS OF 31 DECEMBER 2021 (AMOUNTS IN EURO)

The effect of the change in accounting policy on the Company's financial statements listed above is as follows:

Statement of Financial Position as at 31/12/2019:

Amounts in euros (€)	**Disclosed**	***Change in accounting policy***	**Revised**
	31/12/2019	***Impact of the implementation of changes in the IAS 19***	**31/12/2019**
Assets			
Non-current assets			
Tangible assets	71.469	-	71.469
Intangible assets	988.018.641	-	988.018.641
Deferred tax assets	10.555.594	(33.214)	10.522.379
Other receivables and financial assets	1.938.606	-	1.938.606
Total non-current assets	**1.000.584.310**	**(33.214)**	**1.000.551.096**
Current assets			
Receivables from associate companies	241.670.19	-	241.670.19
Trade receivables	9.443.710	-	9.443.710
Other receivables and financial assets	5.034.232	-	5.034.232
Current tax assets	198.042	-	198.042
Time deposits	41.005.028	-	41.005.028
Cash and cash equivalents	45.423.619	-	45.423.619
Total current assets	**101.346.301**	**-**	**101.346.301**
Total assets	**1.101.930.611**	**(33.214)**	**1.101.897.397**
Equity and liabilities			
Equity			
Share capital	75.000.000	-	75.000.000
Statutory and other reserves	(761.757)	(24.900)	(786.657)
Profit or loss carried forward	40.257.949	142.660	40.400.609
Total equity	**114.496.192**	**117.760**	**114.613.952**
Liabilities			
Long-term liabilities			
Loans from banks	435.899.818	-	435.899.818
Bond loans from associated/related parties	205.901.473	-	205.901.473
Provisions for personnel compensation due to retirement or dismissal	211.883	(150.974)	60.909
Derivative financial instruments	5.160.609	-	5.160.609
Liabilities under the Concession Agreement	250.254.802	-	250.254.802
Suppliers and other liabilities	25.849.731	-	25.849.731
Total non-current liabilities	**923.278.316**	**(150.974)**	**923.127.342**
Short-term/current liabilities			
Loans	9.828.781	-	9.828.781
Suppliers and other liabilities	39.771.703	-	39.771.703
Liabilities under the Concession Agreement	11.628.251	-	11.628.251
Liabilities to associate/related companies	2.927.369	-	2.927.369
Total current liabilities	**64.156.103**	**-**	**64.156.103**
Total liabilities	**987.434.419**	**(150.974)**	**987.283.444**
Total equity and liabilities	**1.101.930.611**	**(33.214)**	**1.101.897.397**

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Statement of Financial Position as at 31/12/2020:

Amounts in euros (€)	**Disclosed**	***Change in accounting policy***	**Revised**
	31/12/2020	***Impact of the implementation of changes in the IAS 19***	**31/12/2020**
Assets			
Non-current assets			
Tangible assets	63.807	-	63.807
Intangible assets	1.015.106.378	-	1.015.106.378
Deferred tax assets	27.695.457	(38.650)	27.656.807
Other receivables and financial assets	118.085	-	118.085
Total non-current assets	**1.042.983.727**	**(38.650)**	**1.042.945.077**
Current assets			
Receivables from associate companies	139.271.86	-	139.271.86
Trade receivables	6.691.292	-	6.691.292
Other receivables and financial assets	5.132.800	-	5.132.800
Time deposits	30.831.398	-	30.831.398
Cash and cash equivalents	59.465.334	-	59.465.334
Total current assets	**102.260.096**	**-**	**102.260.096**
Total assets	**1.145.243.823**	**(38.650)**	**1.145.205.173**
Equity and liabilities			
Equity			
Share capital	75.000.000	-	75.000.000
Statutory and other reserves	(1.880.128)	(25.862)	(1.905.990)
Profit or loss carried forward	(11.996.218)	162.893	(11.833.326)
Total equity	**61.123.654**	**137.031**	**61.260.684**
Liabilities			
Long-term liabilities			
Loans from banks	513.830.696	-	513.830.696
Bond loans from associated/related parties	218.439.582	-	218.439.582
Provisions for personnel compensation due to retirement or dismissal	247.690	(175.680)	72.010
Derivative financial instruments	7.033.752	-	7.033.752
Liabilities under the Concession Agreement	251.528.332	-	251.528.332
Suppliers and other liabilities	19.749.438	-	19.749.438
Total non-current liabilities	**1.010.829.490**	**(175.680)**	**1.010.653.810**
Short-term/current liabilities			
Loans	10.276.685	-	10.276.685
Suppliers and other liabilities	34.349.023	-	34.349.023
Liabilities under the Concession Agreement	23.347.410	-	23.347.410
Liabilities to associate/related companies	5.317.561	-	5.317.561
Total current liabilities	**73.290.679**	**-**	**73.290.679**
Total liabilities	**1.084.120.169**	**(175.680)**	**1.083.944.489**
Total equity and liabilities	**1.145.243.823**	**(38.650)**	**1.145.205.173**

FINANCIAL STATEMENTS AS OF 31 DECEMBER 2021 (AMOUNTS IN EURO)

Statement of Profit and Loss and of Comprehensive Income for the period that ended on 31/12/2020:

Amounts in euros (€)	**Disclosed**	***Change in accounting policy***	**Revised**
	01/01/2020 - 31/12/2020	***Impact of the implementation of changes in the IAS 19***	**01/01/2020 - 31/12/2020**
Income	104.181.566	-	104.181.566
	104.181.566	**-**	**104.181.566**
Operating expenses			
Cost of consumables and services rendered	(82.748.942)		(82.748.942)
Staff costs	(6.963.747)	24.443	(6.939.304)
Other operating expenses	(7.821.002)		(7.821.002)
Total operating expenses before depreciation	**(97.533.691)**	**24.443**	**(97.509.248)**
Profit before taxes and depreciation	**6.647.875**	**24.443**	**6.672.318**
Depreciation	(26.133.864)		(26.133.864)
Operating (loss) / profit	**(19.485.989)**	**24.443**	**(19.461.546)**
Interest income	190.773		190.773
Interest expenses	(49.140.794)		(49.140.794)
Other financial expenses	(888.959)	1.496	(887.462)
Net financial expenses	**(49.838.980)**	**1.496**	**(49.837.484)**
(Loss) / Profit before taxes	**(69.324.969)**	**25.940**	**(69.299.030)**
Income tax	17.070.802	(5.707)	17.065.095
(Loss) / Profit after taxes	**(52.254.167)**	**20.233**	**(52.233.934)**
Other comprehensive income:			
Items that are not subsequently reclassified in the profit or loss			
Actuarial (loss) / profit	(376)	(962)	(1.338)
Items that may subsequently be reclassified in the profit or loss			
Losses from derivatives used as cash flow hedges	(1.117.995)		(1.117.995)
Other comprehensive income:	**(1.118.371)**	**(962)**	**(1.119.333)**
Aggregate comprehensive income / (loss) after taxes	**(53.372.538)**	**19.271**	**(53.353.267)**

3. Financial risk management

3.1. Financial risk factors

Due to its operations, the Company is exposed to financial risks, such as market risks (market prices), credit risk and liquidity risk. The Company's general risk management plan seeks to minimise the potential negative impact of the financial markets' volatility on the Company's financial performance. The Company is in the position of using Financial derivatives in order to hedge its exposure to specific risks.

The risk management is implemented by the Company's financial department, which operates under specific rules. The Board of Directors gives instructions, provides guidance and rules about interest rate risk, credit risk and non-derivative financial instruments as well as short-term cash investments.

a) Market risk

Market risk is the risk of changes in market prices as well as in exchange and interest rates affecting the fluctuations of the value held by the Company. Market risk management is the Company's effort to manage and maintain acceptable levels of exposure.

The individual risks making up the market risk and the Company's policies intended to manage them are detailed next:

i. Price risk

The Company is not exposed to the changes in the prices of equity instruments because it does not have investments, which have been recognised in the statement of financial position, either as debit financial instruments at fair value through other total revenues or as debit financial instruments at fair value through profit or loss.

ii. Currency risk

There is currency risk due to the Company's transactions in foreign currency. The Company is not exposed to currency risk as all its revenues and costs, financial assets and liabilities arise/are in euros, the Company's operating and presentation currency.

iii. Risk of cash flows and risk of changes in fair value due to change in the interest rates

The Company is exposed to interest rate risks from primary and derivative financial assets and liabilities.

As regards assets and liabilities, funding is pursued based on maturity match. The interest rate risk for the twelve months from the balance sheet date is a check item. To this end, it is checked on a quarterly basis and reported to the Financial Risk Committee. This risk is assessed based on sensitivity analyses. They show the impact of changes on market rates, interest payments, interest income and expenses and other items in the statement of comprehensive income and equity. Changes in interest rates mean the maximum fluctuation of the base rate in the past for the respective currency and time period and/or the maximum fluctuation of the ten-year swap in the past. The deviation is considered in absolute terms.

To limit interest risk, the Company uses derivative financial instruments such as interest rate swap agreements.

Sensitivity analyses are based on the following assumptions:

Financial instruments valued at the amortized cost of acquisition at a fixed rate do not affect the Company's results for the period or equity.

Changes in the market rates for interest rate derivatives which are not part of a hedging relationship under IFRS 9 affect the financial result and are therefore included in the sensitivity analysis for the Company's results.

Maximum volatility is a parallel shift of the rate curve by 50 base units in a twelve-month period. In particular, considering the Company's portfolio, the structure of the financial position statement as at 31 December 2020 and the above assumptions regarding interest derivatives, the effect of an increase in market rates by 50 base units on the loan amount hedged would be equivalent to a net decrease in the profit or loss for the year by € 0.40 million. This change results once account has been taken of the effect of the interest rate swap agreement (increase of the financial expense and simultaneous increase in the financial income due to the effect of the interest rate swap agreement). This change is due to a change in the primary net financial positions of the Company's floating interest rate.

b) Credit risk

The Company is exposed to credit risk and for this reason it has established and has been applying credit control procedures.

The credit risk arises from cash and cash equivalents and deposits in banks and financial institutions, including derivative financial instruments, as well as from open credit of clients, including the outstanding claims and binding transactions. As regards the credit risk arising from investments made, it is pointed out that the Company collaborates only with financial organisations of acceptable credit rating. If a credit assessment is available for clients, then the said assessment is used. If there is no credit assessment, then client's credit rating is checked by taking into account its financial condition, previous experience and other factors. The individual credit limits are determined on the basis of internal or external assessments. The application of credit limits is monitored on a constant basis.

The Company's key client is the Hellenic Civil Aviation Authority (HCAA), which in the Company's opinion is creditworthy and prestigious, as it is public agency under the Ministry for Infrastructure, Transport and Networks. Receivables from the HCAA represent 40% of the Company's total receivables. In addition, the Company can offset part or all of its receivables from the HCAA with overdue debts it has to the HCAA or other Company debts to the Greek State under the Concession Agreement.

The credit risk the Company's other clients represent as at 31 December 2021 is considered limited as the Company has secured its receivables by way of letters of guarantee which more than cover the balance of trade receivables (after deducting its receivables from the HCAA) listed in the statement of financial position.

For the year that ended on 31 December 2021, an impairment provision for €12,928 was reversed (no impairment provision was made in 2020).

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Deposits in banks and credit institutions include sight and time deposits. Next follows the long-term credit rating as at 31 December 2021 and 2020 (by Moody's):

	31/12/2021	31/12/2020
Caa1	-	90.296.136
B2	108.481.946	-
Total	**108.481.946**	**90.296.136**

The difference between the amounts shown in the above table and the above shown as cash and cash equivalents and time deposits in the statement of financial position concerns the Company's cash in hand.

c) Liquidity risk

The Company ensures the required liquidity mainly through its business activity and external funding. Funds are used mostly to fund capital expenses to acquire the concession right (realised in 2017) and invest in the airports.

Operating cash flows, available cash (including cash and other financial instruments) as well as current and short-term credits and borrowing offer adequate flexibility to ensure the Company's liquidity.

As at 31 December 2021, the Company's had unused credit funds in the amount of €1,000,000 compared to €1,000,000 as at 31 December 2020, as well as available funds from the bond loan with its shareholders.

The Company's liquidity is monitored by the Management at regular intervals.

The viability table of financial liabilities is as follows:

As at 31 December 2021	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Bank loan liabilities	15.475.797	19.223.552	72.307.503	418.351.642	525.358.494
Shareholder loan liabilities	-	-	-	227.077.732	227.077.732
Liabilities under the Concession Agreement			38.360.830	570.474.209	608.835.039
Suppliers and other liabilities	38.262.833	2.950.570	-	-	41.213.403
Liabilities to associate/related companies	6,019,923	-	-	-	6.019.923
Total	**59.758.553**	**22.174.122**	**110.668.333**	**1.215.903.583**	**1.408.504.591**

As at 31 December 2020	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Bank loan liabilities	11.375.002	15.475.797	64.327.202	445.555.495	536.733.496
Shareholder loan liabilities	-	-	-	214.042.532	214.042.532
Liabilities under the Concession Agreement	11,628,250	11.817.791	62.687.539	570.474.209	656.607.789
Suppliers and other liabilities	22.593.797	2.159.439	-	-	24.753.236
Liabilities to associate/related companies	5,317,561	-	-	-	5.317.561
Total	**50.914.610**	**29.453.027**	**127.014.741**	**1.230.072.236**	**1.437.454.614**

The above amounts appear in the contractual, non-prepaid cash flows and therefore do not agree with the respective sums that are shown in the financial statements in respect of "Loans" and Liabilities under the Concession Agreement".

The breakdown for suppliers and other liabilities does not include amounts for customer down payments and insurance organizations and other taxes/duties.

3.2. Non-financial risk factors

The company is also exposed to non financial risks, such as cyberattack risks.

All significant business and operational procedures of Fraport A are supported by advanced IT systems. A serious systemic error or a loss of data could lead to serious disorder of business operations, as well as to security risks. Apart from that, cybervirus and hackers' attacks might lead to systemic issues and finally to the loss of critical and/or confidential data for the company. In order to address such risks, all IT systems of critical importance for the company are properly configured and located at various sites and not at the same spot. The remaining risk arising from architecture and operation of IT systems cannot be fully eliminated due to the nature of the risk.

The continuing development of new technologies and constantly increasing global threat of cyber attacks pose increased risks for the IT systems of the company, which takes into account the said conditions in its active and preventive security management of its IT systems. Specific policies have been established for the proper observance of IT systems security of Fraport A, to which all employees of the company must adhere.

IT systems are of particular importance for all business and operational procedures of Fraport Greece A. Despite the implementation of preventive and proactive measures, the possible implications following such attacks are estimated as of "high risk" and the incidence of such attack is estimated as "probable".

3.3. Determination/measurement of fair values

The Company uses the following hierarchy for the measurement and disclosure of fair value of financial instruments by valuation technique:

Level 1: quoted (non-adjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs significantly influencing the recorded fair value, are observable either directly or indirectly.

Level 3: techniques using inputs with significant impact on the recorded fair value and not being based on observable market data.
Valuation techniques used to determine fair values:

- the fair value of interest rate swap agreements is calculated as the present value of estimated future cash flows based on the observed yield curves (Tier 2)
- the fair value of the remaining financial instruments is determined using the analysis of discounted cash flows (Tier 3), unless their maturity is under one year, in which case the carrying amount is taken to approach the fair value.

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The fair values and carrying amounts for the Company's financial assets for 2021 and 2020 are given below:

Classification under IFRS 9	**Valued at amortized cost**		**Valued at fair value**	**31/12/2021**
			Hedging instruments	
Financial assets	**Carrying amount**	**Fair value**	**Fair value**	**Total Fair Value**
Cash and cash equivalents	76.903.914	76.903.914	-	76.903.914
Time deposits	31.578.325	31.578.325	-	31.578.325
Trade receivables	14.535.510	14.535.510	-	14.535.510
Other receivables and financial assets	4.870.190	4.870.190	-	4.870.190
Total	**127.887.938**	**127.887.938**	**-**	**127.887.938**

Other financial liabilities			
Financial liabilities	**Carrying amount**	**Fair value**	**Total Fair Value**
Trade liabilities	12.175.277	12.175.277	12.175.277
Other financial liabilities	33.733.353	33.733.353	33.733.353
Liabilities to related parties	6.019.923	6.019.923	6.019.923
Bond loans from shareholders	231.742.546	233.759.584	233.759.584
Bond loans from banks	514.030.811	497.348.474	497.348.474
Liabilities under the Concession Agreement	241.262.242	241.262.242	241.262.242
Derivative financial assets			
Hedging derivatives	2.842.535	6.007.707	6.007.707
Total	**1.041.806.687**	**1.030.306.560**	**1.030.306.560**

Classification under IFRS 9	**Valued at amortized cost**		**Valued at fair value**	**31/12/2020**
			Hedging instruments	
Financial assets	**Carrying amount**	**Fair value**	**Fair value**	**Total Fair Value**
Cash and cash equivalents	59.465.334	59.465.334	-	59.465.334
Time deposits	30.831.398	30.831.398	-	30.831.398
Trade receivables	6.691.292	6.691.292	-	6.691.292
Other receivables and financial assets	4.833.865	4.833.865	-	4.833.865
Total	**101.821.889**	**101.821.889**	**-**	**101.821.889**

Other financial liabilities			
Financial liabilities	**Carrying amount**	**Fair value**	**Total Fair Value**
Trade liabilities	10.640.043	10.640.043	10.640.043
Other financial liabilities	17.209.561	17.209.561	17.209.561
Liabilities to related parties	5.317.561	5.317.561	5.317.561
Bond loans from shareholders	218.439.582	220.456.620	220.456.620
Bond loans from banks	524.107.381	527.745.054	527.745.054
Liabilities under the Concession Agreement	274.875.742	274.875.742	274.875.742
Derivative financial assets			
Hedging derivatives	7.033.752	9.725.983	9.725.983
Total	**1.057.623.622**	**1.065.970.565**	**1.065.970.565**

The above breakdown only includes financial assets.

The difference between the carrying amount and the fair value of risk hedges regards the balance of the unamortized carrying amount of the loss that resulted from the initial recognition and is integrated in their carrying amount. (Note.7).

3.4. Capital risk management

The Company's purpose as far as capital management is concerned, is to ensure the unhindered continuation of its activities in order to secure returns for its shareholders and benefits for the other parties related to the Company, and maintain an optimum capital structure achieving reduction of the cost of capital.

Just like other companies in the industry, the Company monitors its capital based on the leverage ratio. This ratio is calculated as the ratio of net borrowing/debt to total capital employed. Net borrowing is obtained by subtracting the Company's cash and cash equivalents from borrowings (short- and long-term borrowings appearing in the statement of financial position). Total capital is obtained as the sum of equity in the statement of financial position and net debt. For more information about the leverage ratio see Note 23.

4. Significant accounting estimates and judgements of the Management

The Management's estimates and judgements are constantly reviewed and are based on historical facts and on expectations for future events that are deemed reasonable in line with the prevailing conditions.

4.1. Critical accounting estimates and judgements

The Company proceeds to estimates and assumptions regarding evolution of future events. The estimates and assumptions that involve an important risk to lead to future material adjustments to the carrying amounts of assets and liabilities in the next 12 months pertain to the following:

Income tax

General tax risks for the Company concern the timely filing of correct tax returns, the payment of taxes and compliance with all tax laws and regulations as well as rules of reference, in particular those related to income tax.

The Company is subject to income tax, VAT and other taxes in Greece. The Company recognizes liabilities for issues that may arise following a tax audit, based on estimates that additional taxes may arise or tax losses may be reduced. Where the end tax result of those issues differs from the amounts initially recognized, differences are charged to the current tax, deferred tax and other tax assets and liabilities in the period when such differences will be determined.

Deferred tax assets

Deferred tax assets and liabilities are recognized in cases of temporary differences between the tax base for assets and liabilities using the tax rates established and are expected to apply in the periods when such differences are expected to be eliminated. Deferred tax assets are recognized for all deductible temporary differences and tax losses carried over insofar as it is likely to have tax income available to be used against deductible temporary differences and tax losses carried over. The Company considers the existence of future tax income and applies an ongoing conservative tax planning strategy when estimating the deferred tax assets to be recovered. Accounting estimates related to deferred tax assets require that the Management make assumptions about determining the time of future events, such as the likelihood of an expected future tax income and available tax planning possibilities.

Fair value of financial instruments

The fair value of financial instruments not traded on an active market (such as derivatives used by the Company to hedge interest rate risk) is determined using valuation methods which require the use of assumptions and subjective judgment.

Impairment of tangible and intangible assets

The Company's tangible and intangible assets are initially entered at cost and then depreciated based on their useful life. At each reporting date the Company checks for indications of impairment of its tangible and intangible assets. The impairment audit is conducted based on market information and Management estimates of future operating and financial conditions. Whenever there are indications of impairment, an impairment audit is carried out comparing the carrying amount of each cash-generating unit against the respective recoverable amount.

The Company's management determines the recoverable amount through estimates which include basic assumptions about the period of the estimated cash flows, cash flows, the growth rate of flows and the discount interest rate. The assumptions are disclosed in the Company's financial statements in line with relevant provisions of IAS 36. As at 31 December 2021 and 2020 there were indications of impairment for the Company's tangible and intangible assets due to COVID-19 pandemic. As a result of the above signs, the Company's Management conducted an impairment test for tangible and other assets which showed that the value resulting from their use is higher than the unamortized value and, therefore, must be recognized in the impairment losses for such assets.

Liability for personnel compensation due to retirement or dismissal

The present value of retirement/pension benefits of the Company's defined personnel benefit plan is based on a number of factors determined with the use of actuarial methods and assumptions. Such actuarial assumption is also the discount interest rate used to estimate the benefit's cost and the payroll increase percentage. Any changes in these assumptions will affect the balance of pension liabilities. The Company determines the appropriate discount rate at the end of each year. This is defined as the interest rate which should be used to determine the present value of future cash flows, which are expected to be required to cover the liabilities of pension/retirement plans. Other significant assumptions of the liabilities of pension benefits are partially based on current market conditions. Further information is provided in Note 15.

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5. Tangible assets

Acquisition value	Mechanical equipment	Furniture and other equipment	Total
Balance as at 01 January 2020	**100.464**	**55.843**	**156.307**
Additions during the period	-	6.298	6.298
Balance as at 31 December 2020	**100.464**	**62.141**	**162.605**
Balance as at 01 January 2021	**100.464**	**62.141**	**162.605**
Additions during the period	-	-	-
Balance as at 31 December 2021	**100.464**	**62.141**	**162.605**
Depreciation			
Balance as at 01 January 2020	**69.574**	**15.263**	**84.837**
Amortisations for the period	9.694	4.266	13.960
Balance as at 31 December 2020	**79.269**	**19.529**	**98.798**
Balance as at 01 January 2021	**79.269**	**19.529**	**98.798**
Amortisations for the period	6.908	4.378	11.286
Balance as at 31 December 2021	**86.176**	**23.907**	**110.083**
Net carrying amount			
Balance as at 31 December 2020	**21.195**	**42.612**	**63.807**
Balance as at 31 December 2021	**14.288**	**38.234**	**52.522**

6. Intangible assets

	Concession Agreement Assets	Licenses, software and other intangible assets	Designs - Technical projects/works and other expenses	Advance payments for construction projects	Total
Acquisition cost					
Balance as at 01 January 2020	**856.224.298**	5.110	**186.843.097**	**6.616.152**	**1.049.688.657**
Additions during the period	-	-	43.179.732	10.027.909	53.207.641
Consolidation of advance payments for construction projects (a)	-	-	5.572.317	(5.572.317)	-
Balance as at 31 December 2020	**856.224.298**	**5.110**	**235.595.146**	**11.071.744**	**1.102.896.298**
Balance as at 01 January 2021	**856.224.298**	**5.110**	**235.595.146**	**11.071.744**	**1.102.896.298**
Additions during the period	-	-	18.170.490		18.170.490
Consolidation of advance payments for construction projects (a)	-	-	243.428	(243.428)	-
Other transfers	-	-	-	(10.027.910)	(10.027.910)
Balance as at 31 December 2021	**856.224.298**	**5.110**	**254.009.064**	**800.406**	**1.111.038.878**
Depreciation					
Balance as at 01 January 2020	**58.352.271**	**5.110**	**3.312.635**	**-**	**61.670.016**
Amortisations for the period	21.405.607	-	4.714.297	**-**	26.119.905
Balance as at 31 December 2020	**79.757.878**	**5.110**	**8.026.932**	**-**	**87.789.920**
Balance as at 01 January 2021	**79.757.878**	**5.110**	**8.026.932**	**-**	**87.789.920**
Amortisations for the period	21.405.607	-	9.286.591	-	30.692.198
Balance as at 31 December 2021	**101.163.485**	**5.110**	**17.313.523**	**-**	**118.482.118**
Net carrying amount					
Balance as at 31 December 2020	**776.466.420**	**-**	**227.568.214**	**11.071.744**	**1.015.106.378**
Balance as at 31 December 2021	**755.060.813**	**-**	**236.695.541**	**800.406**	**992.556.760**

(a) The advance payments for construction projects concern payments made to the construction company ("Intrakat") which has undertaken the maintenance, improvement and development works at the airports conceded under the Concession Agreement, related to the project construction. The initial advance payment was in the amount of €28,664,167 and is being decreased by offsetting 15% of the value of the invoices issued by the construction company. For the year that ended on 31 December 2021, the amount offset was €243.429 (2020: €5.572.317) and has been recognized as an addition to intangible assets.

On 23/01/2020 a supplementary contract was concluded between the Company and the construction company ("Intrakat") regarding completion of airports. Under this contract, the Company effected an advance payment to the construction company for the amount of €9.850.000. This amount was not included in intangible assets and was set off in the closing year against the open balance for the liability to the construction company.

In addition, the Company advanced €177,909 to its vendor, Albert Ziegler GMBH, and the advance payment was recognized as an addition to intangible assets. Accordingly, this amount was not included in intangible assets and was set off in the closing year against the open balance for the liability to the supplier.

(b) The Concession Agreement assets represent the right that the Greek State gave the Company to use the airports (Note 1).

The Concession Agreement includes the upfront concession fee of €609.000.000, which was paid on the concession commencement date and such payment was one of the prerequisites for commencement of the concession period. Upon commencement of the concession period, the above upfront concession fee was recognised in the intangible asset, as well as the present value of the well identified/determined future liabilities arising from the Concession Agreement in the amount of €247,224,298.

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The intangible assets concern designs, technical projects, borrowing and other costs connected with the design, improvement and development of the infrastructure of the regional airports, as well as consultation services connected with the fulfilment of the Company's obligations under the Concession Agreement.

7. Derivative financial instruments

In line with Note 14, in 2017 and 2018, the Company issued Acquisition Bonds for a total €410,300,000 to cover part of the Upfront Concession Fee. The Acquisition Bonds comprise 2 series, one is series (2), having a floating rate and a carrying amount as of 31/12/2021 of € **203,847,105**

To hedge part of the risk deriving from changes in the interest rates of the Acquisition Term Loan Facility, which is on a floating (Euribor) rate, on 10 April 2017, the Company entered into a entered into an interest rate swap agreement with IFC (International Finance Corporation) for €85,302,941.

The total fair value of the hedges falls under long-term liabilities as the hedged loan matures on 2034.

Long-term liability	**31/12/2021**	**31/12/2020**
Interest rate swap agreements for cash flow hedging	2.842.535	7.033.752
Total	**2.842.535**	**7.033.752**

Details about the interest rate swap agreements	**31/12/2021**	**31/12/2020**
Interest rate swap nominal value as at 31 December	85.302.941	85.302.941
Fixed rate	1,6005%	1,6005%
Floating rate	Half-yearly Euribor	Half-yearly Euribor
Maturity	31-Dec-34	31-Dec-34

(i) Derivative classification

Between 11/4/2017 and 30/9/2017, the Company applied cash flow hedge accounting and recognized the efficient portion of the change in the fair value of the derivative in other comprehensive income.

For the period between 01/10/2017 and 31/12/2017, the hedging relation proved inefficient and the change in the fair value of the derivative in that quarter was recognized directly in profit or loss.

The amount recognized by that time in equity as "Reserve following change in the fair value of derivative financial instruments" for €1,056,939 is recognized in profit or loss based on the derivative contract term, that is 17 years, or €61,173 per year under "Other Financial Costs" in the profit and loss statement.

(ii) Fair value determination

The initial recognition of interest rate swap agreements resulted in a deferred loss on the day of the transaction because the fixed rate under the agreement was higher than the market rate at the time of the transaction.
The deferred loss on the day of the transaction in the amount of €4,317,176 is gradually recognized in the profit and loss statement over the life of the derivative (until 2034) decreasing its fair value. The fair value of the above derivatives is disclosed in Note 3.3 and the value of the derivatives in the financial position statement is broken down as follows:

31 December 2021	**Deferred loss**	**Fair value**	**Balance as at 31/12/2020**
Hedging derivatives	3.165.173	(6.007.707)	(2.842.534)

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31 December 2020	Deferred loss	Fair value	Balance as at 31/12/2019
Hedging derivatives	2.692.232	(9.725.983)	(7.033.751)

The following table shows the annual change in the deferred loss on the transaction day:

	01/01/2021 - 31/12/2021	01/01/2020-31/12/2020
Starting balance of loss on the transaction commencement date	2.692.233	3.156.503
Recalculation / (Recognition of deferred loss	472.941	(464.270)
Ending balance of loss on the transaction date	**3.165.174**	**2.692.233**

Based on a review of the recognition period for deferred loss on the date of the transaction carried out during the year that ended, the Company recalculated loss depreciation.

(iii) Cash flow hedging reserve

Changes in the cash flow hedging reserve recognized in other comprehensive income during the current year and the comparison year are:

	Cash flow hedging reserve		
	Ongoing relationship	**Interrupted relationship**	**Total**
As at 1 January 2021	**(4.695.100)**	**662.460**	**(4.032.640)**
Profit/(Loss) due to change in the fair value of interest rate swap contracts to hedge cash flows	3.718.276	-	3.718.276
Deferred tax (expense)/income in other comprehensive income	(818.021)	-	(818.021)
Effect of the change of tax rate from 24% to 22%	(145.241)		(145.241)
Recycling in the profit and loss statement of part of the initial profit recognized in other comprehensive income due to inefficient hedging in 2017	-	(62.173)	(62.173)
Deferred tax income in other comprehensive income	-	13.678	13.678
	2.755.014	**(48.495)**	**2.706.519**
As at 31 December 2021	**(1.940.086)**	**613.965**	**(1.326.121)**

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	Cash flow hedging reserve		
	Ongoing relationship	Interrupted relationship	Total
As at 1 January 2020	**(3.624.356)**	**709.711**	**(2.914.645)**
Profit/(Loss) due to change in the fair value of interest rate swap contracts to hedge cash flows	(1.408.873)	-	(1.408.873)
Deferred tax (expense)/income in other comprehensive income	338,129	-	338.129
Recycling in the profit and loss statement of part of the initial profit recognized in other comprehensive income due to inefficient hedging in 2017	-	(62.173)	(62.173)
Deferred tax income in other comprehensive income	-	14.921	14.921
	(1.070.744)	**(47.251)**	**(1.117.995)**
As at 31 December 2020	**(4.695.100)**	**662.460**	**(4.032.640)**

The portion of the Cash flow hedging reserve that refers to the *Interrupted relationship* regards the remaining amount that was recognized in total comprehensive income on 31/12/2017, when the hedging relationship proved inefficient. This amount concerns the inefficient portion of the change in the fair value of the derivative in total comprehensive income between 11/4/2017 and 30/9/2017, when the criteria for an inefficient hedging relationship were met. The balance is recognized in profit or loss based on the term of the derivative agreement.

(iv) Amounts recognized in the profit and loss statement

The total amounts recognized in the profit and loss statement during this and the comparison year are:

	01/01/2021 - 31/12/2021	01/01/2020- 31/12/2020
Profit/(Loss) from recycling in the profit and loss statement of the initial valuation of the interest rate swap agreement	472.944	(464.270)
Profit from recycling in the profit and loss statement of part of the initial profit recognized in other comprehensive income due to inefficient hedging in 2017	62.173	62.173
Deferred tax (expense)/income in the profit and loss statement (Note: 8)	(191.483)	201.535
Interest on interest rate swap agreements (Note: 23)	(1.303.172)	(1.343.186)

8. Income tax and deferred tax

Income tax is calculated by the 22% tax rate (2020: 24%) on the taxable income. The total income tax charged in the statement of comprehensive income and in other comprehensive income is broken down as follows:

	01/01/2021 - 31/12/2021	01/01/2020- 31/12/2020 - (Revised)
Current income tax	386.580	(284.109)
Deferred tax	5.412.027	(16.780.986)
Total income tax	**5.798.607**	**(17.065.095)**

Deferred tax assets are the result of temporary differences between the carrying amount and the tax base of assets and liabilities and are calculated using the tax rates established and are expected to apply in the periods when such differences are expected to be eliminated. Under Law 4799/2021 ratified in May 2021, the income tax rate for legal persons was set to 22%.

Deferred tax assets and liabilities are set off when a legally enforceable right of setting off current tax receivables against current tax receivables is existent, and when deferred income tax pertains to the same tax authority.

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Deferred tax assets and liabilities	31/12/2021	31/12/2020 - (Revised)
Deferred tax assets expected to be recovered after 12 months	22.952.679	28.282.218
Deferred tax liabilities expected to be settled after 12 months	(1.656.211)	(625.411)
Deferred tax assets (net)	**21.296.469**	**27.656.807**

The overall change in the deferred income tax account is as follows:

	31/12/2021	31/12/2020 - (Revised)
Balance as at January 1st	**27.656.807**	**10.522.380**
Credit in the profit and loss statement	(5.412.027)	16.780.986
Credit to other comprehensive income	(948.311)	353.441
Balance as at December 31st	**21.296.469**	**27.656.807**

The breakdown in the deferred income tax account is as follows:

Deferred tax assets	Concession Fee	Thin capitalisation	Liability for personnel compensation due to retirement or dismissal	Derivative financial instruments	Tax losses	Total
Balance as at 01 January 2020 - Revised	**4.837.869**	**4.540.215**	**17.638**	**1.259.612**	**-**	**10.655.334**
(Debit)/ credit to profit or loss and to the statement of comprehensive income	1.898.538	7.809.189	3.158	554.587	7.361.412	17.626.884
Balance as at 31 December 2020 - Revised	**6,736,407**	**12.349.404**	**20.796**	**1.814.199**	**7.361.412**	**28.282.218**
Credit to profit or loss and to the statement of comprehensive income	(1.585.269)	4.614.443	(1.475)	(995.825)	(7.361.412)	(5.329.538)
As at 31 December 2021	**5.151.138**	**16.963.847**	**19.321**	**818.374**	**-**	**22.952.680**

Deferred tax liabilities	Tangible and intangible assets	Total
As at 01 January 2020	**(132.954)**	**(132.954)**
Debit/charge to profit or loss and to the statement of comprehensive income	(492.457)	(492.457)
As at 31 December 2020	**(625.411)**	**(625.411)**
Debit/charge to profit or loss and to the statement of comprehensive income	(1.030.800)	(1.030.800)
As at 31 December 2021	**(1.656.211)**	**(1.656.211)**

Income tax as listed in the statement of comprehensive income agrees with the tax arising from application of applicable tax rates.

	01/01/2021 - 31/12/2021	01/01/2020- 31/12/2020 - (Revised)
Profit/(Loss) before taxes	**18.532.497**	**(69.299.030)**
Corporate profits tax rate	22%	24%
Income tax	4.077.149	(16.631.767)
Expenses not deducted for taxation purposes	6.139.568	6.643.974
Previous year tax correction	5.380.206	284.109
Income not subject to tax	(745.623)	-
Use of previous years' deferred tax	(7.361.412)	
Deferred taxation in tax losses		(7.361.412)
Effect of the tax rate change	(1.691.282)	-
Total income tax	**5.798.607**	**(17.065.096)**

The tax compliance audit for issuance of the tax clearance certificate for 2021 period is carried out by PwC S.A. which carries out the mandatory audit the financial statements, and no additional substantial tax liabilities are expected to arise other than those reflected in these financial statements.

In application of the relevant tax provisions: (a) Article 84(1) of Law 2238/1994 (unaudited income tax cases), (b) Article 57(1) of Law 2589/2000 (unaudited VAT cases) and (c) Article 9(5) of Law 2523/1997 (fines for income tax cases), as regards the State's right to impose tax for the years up to and including 2016 this was time-barred for years up to 31 December 2021, notwithstanding special or exceptional provisions that may establish a longer time-barring time limit, under the conditions established there. In addition, under established case law of the Council of State and administrative courts, given that the Code Stamp Duty legislation contains no provisions on limitation, the Greek State's claim to impose stamp duty is subject to the 20-year limitation period envisaged in Article 249 of the Civil Code.

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The unaudited tax years by the competent tax authorities, taking into account the statute of limitations of the State's right to audit mentioned in the previous paragraph, are years 2017, 2018, 2019 and 2020, with the consequence that there is the possibility of imposing additional taxes and surcharges at the time when the liabilities of these years will be examined and finalized. As a result, tax profit or loss for these years are not final. For these years, the Company underwent tax audit by the Certified Auditors – Chartered Accountants referred to in Article 82(5) of Law 2238/1994 and Article 65bis of Law 4174/2013 and has obtained unqualified tax compliance certificates. Therefore, the Management estimates that a possible future audit by tax authorities will not lead to additional tax liabilities and has not made a provision in that respect.

9. Trade receivables

	31/12/2021	**31/12/2020**
Trade receivables	12.879.918	6.830.821
Less: Provisions for impairment	(166.601)	(179.529)
Net receivables from customers	**12.713.318**	**6.651.292**
Income earned	1.822.192	40.000
Total trade receivables	**14.535.510**	**6.691.292**

Age analysis of balances of business customers

	31/12/2021	**31/12/2020**
Not delayed and impaired	7.052.724	2.001.965
Delayed for 30 - 180 days but not impaired	2.896.731	2.550.835
Delayed for > 180 days but not impaired	2.930.463	2.278.021
Total	**12.879.918**	**6.830.821**

The change in the provision for bad debt is broken down as follows:

	31/12/2021	**31/12/2020**
Balance as at January 1st	**179.529**	**179.529**
Unused reversed provisions	(12.928)	-
Balance as at December 31st	**166.601**	**179.529**

All trade receivables are initially recognized at their fair value, which coincides with their nominal value, given that the Company offers its customers short-term credits.

The Company's key client is the Hellenic Civil Aviation Authority (HCAA), which in the Company's opinion is creditworthy and prestigious, as it is public agency under the Ministry for Infrastructure, Transport and Networks. Receivables from the HCAA represent 40% of the Company's total receivables. In addition, the Company can offset part or all of its receivables from the HCAA with overdue debts it has to the HCAA or other Company debts to the Greek State under the Concession Agreement.
The bulk of non-delayed and non-impaired trade balances comes mostly from HCAA and is usually settled in Q1 of the following year.
The Companies trade receivables as on 31 December 2021 and 2020 are broken down as follows:

	31/12/2021	**31/12/2020**
Trade receivables	14.702.110	6.870.822
Provision for impairment of receivables	(166.601)	(179.529)
Balance as at December 31st	**14.535.510**	**6.691.292**

10. Other receivables and financial assets

	31/12/2021	31/12/2020
Guarantees granted	132.082	118.085
Other receivables and financial information in the long run	**132.082**	**118.085**
Greek State: taxes withheld and prepaid	23.325	28.616
Receivables from the Greek State (VAT)	4.479.467	4.707.938
Prepaid expenses for the next period	335.153	388.404
Other debtors	258.641	7.842
Other receivables and financial assets in the short run	**5.096.587**	**5.132.800**
Total other receivables and financial assets	**5.228.669**	**5.250.885**

	31/12/2021	31/12/2020
Non-current assets	132.082	118.085
Current assets	5.096.587	5.132.800
Total	**5.228.669**	**5.250.885**

The fair value of other receivables and financial assets is given in Note 3.3.

11. Cash and cash equivalents

	31/12/2021	31/12/2020
Cash at hand	291	595
Sight deposits	76.903.621	59.464.739
Total	**76.903.914**	**59.465.334**

Sight deposits are denominated in euros.

12. Time deposits

	31/12/2021	31/12/2020
Reserve Account for State Payments	10.555.832	11.529.619
Reserve Account for the Loan	20.619.590	19.301.779
Reserve Account for Capital Expenses	402.902	
Total	**31.578.325**	**30.831.398**

Time deposits concern amounts deposited by the Company into pledged accounts in line with the terms of the Concession Agreement and the bond loan taken out.

Time deposits are denominated in euros.

The following table shows the credit rating by Moody's of sight and time deposits.

	31/12/2021	31/12/2020
Caa1	-	90.296.136
B2	108.481.946	-
Total	**108.481.946**	**90.296.136**

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13. Equity

	31/12/2021	31/12/2020 (Revised)
Share capital	75.000.000	75.000.000
Statutory and other reserves	800.057	(1.905.990)
Retained Earnings	900.565	(11.833.325)
Total	**76.700.622**	**61.260.685**

Share capital

The Company's share capital amounts in total to € 75,000,000.00, divided into 75,000,000 ordinary registered shares of € 1.00 par value each. The share capital is fully paid in. Any proposed change in the ownership regime should be disclosed to the Hellenic Republic Asset Development Fund (HRADF) and the Greek State.

	Number of shares	Par Value	Share Capital
As at 1 January 2020	**75.000.000**	**1**	**75.000.000**
As at 31 December 2020	**75.000.000**	**1**	**75.000.000**
As at 1 January 2021	**75.000.000**	**1**	**75.000.000**
As at 31 December 2021	**75.000.000**	**1**	**75.000.000**

As regards composition of the Company's Share Capital s. Note 1.

Statutory and other reserves

	Statutory reserve	Actuarial profit/(loss) reserve	Reserve following change in the fair value of derivative financial instruments	Total
As at 31 January 2019	**2.118.839**	**34.049**	**(2.914.645)**	**(761.757)**
Impact of changes in accounting policy (adoption of the IAS 19 interpretation)	-	(24.900)	-	(24.900)
Balance as at 01 January 2020 - Revised	**2.118.839**	**9.149**	**(2.914.645)**	**(786.657)**
Increases in the year	-	(1.338)	-	(1.338)
Loss due to change in the fair value of interest rate swap contracts to hedge cash flows	-	-	(1.408.873)	(1.408.873)
Deferred tax income in other comprehensive income	-	-	338.129	338.129
Profit from recycling in the profit and loss statement of part of the initial profit recognized in other comprehensive income due to inefficient hedging in 2017	-	-	(62.173)	(62.173)
Deferred tax income in other comprehensive income	-	-	14.921	14.921
	-	**(1.338)**	**(1.117.995)**	**(1.119.333)**
As at 31 December 2020 - Revised	**2.118.839**	**7.811**	**(4.032.640)**	**(1.905.990)**
As at 1 January 2021	**2.118.839**	**7.811**	**(4.032.640)**	**(1.905.990)**
Reductions during the period	-	(472)	-	(472)
Loss due to change in the fair value of interest rate swap contracts to hedge cash flows	-	-	3.718.276	3.718.276
Deferred tax income in other comprehensive income	-	-	(818.021)	(818.021)
Effect of the change of tax rate from 24% to 22%			(145.241)	(145.241)
Profit from recycling in the profit and loss statement of part of the initial profit recognized in other comprehensive income due to inefficient hedging in 2017	-	-	(62.173)	(62.173)
Deferred tax income in other comprehensive income	-	-	13.678	13.678
	-	**(472)**	**2.706.519**	**2.706.047**
As at 31 December 2021	**2.118.839**	**7.339**	**(1.326.121)**	**800.057**

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14. Loans

Borrowing as at 31 December 2021 and 2020 is broken down as follows:

	31/12/2021	31/12/2020
Acquisition Bonds from banks	377.475.994	387.733.496
European Investment Bank (EIB) Bonds	147.882.500	149.000.000
Unamortized deferred borrowing cost	(11.327.683)	(12.626.115)
Bond loans from associated/related parties	231.742.546	218.439.582
Total	**745.773.357**	**742.546.963**

	31/12/2021	31/12/2020
Long-term financial liabilities	731.400.258	732.270.278
Short-term financial liabilities	14.373.099	10.276.685
Total	**745.773.357**	**742.546.963**

Bank Bond Loan

On 24 March 2017, the Company entered into an agreement for an ordinary secured bond loan with a consortium of financial institutions (the "Bondholders") to fund a) the Upfront Concession Fee, and b) the Imminent Refurbishment and Expansion Works as well as the Imminent New Works at the regional airports of Thessaloniki, Kerkira, Aktio, Kavala, Kefalonia, Zakynthos and Chania.

Under the above agreement an ordinary secured bond loan in the total amount of €560,300,000 was issued pursuant to Law 3156/2003. The bond loan comprises two lines of credit:

a) Acquisition Bonds for a maximum total amount of €410,300,000. The Acquisition Bonds for the total committed amount were issued in 2017 to cover part of the Upfront Concession Fee. The Acquisition Bonds include 2 series as follows:

Series 1:

	31/12/2021		31/12/2020	
	% on the total	**Amount**	**% on the total**	**Amount**
1. Acquisition Fixed Rate Bonds	46,00%	173.628.889	46,00%	178.347.067

Series 2:

	31/12/2021		31/12/2020	
	% on the total	**Amount**	**% on the total**	**Amount**
2α. Acquisition Hedged Floating Rate Bonds	38,50%	78.478.706	38,50%	80.611.278
2β. Acquisition Unhedged Floating Rate Bonds	61,50%	125.368.399	61,50%	128.775.151
Total	**100%**	**203.847.105**	**100%**	**209.386.429**

b) European Investment Bank Bonds for a maximum total amount of €150,000,000 intended to fund capital expenses linked to the Concession Agreement, including project management and other fees, and development expenses incurred during the period of the imminent works (linked to imminent refurbishment works and imminent new or expansion works), and other expenses approved by the European Investment Bank and incurred in connection with the project. This line of credit is made up of two series as follows:

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	31/12/2021		31/12/2020	
	% on the total	**Amount**	**% on the total**	**Amount**
a. EIB Fixed Rate Bonds	66,78%	98.753.749	66,78%	99.500.000
b. EIB Floating Rate Bonds	33,22%	49.128.751	33,22%	49.500.000
Total	**100%**	**147.882.500**	**100%**	**149.000.000**

No additional European Investment Bank (EIB) Bonds were issued in 2021 (2020: €90,000,000). All loan facilities undisbursed as at 31 December 2021 were in the amount of €1,000,000 (2020: €1,000,000).

The Company must ensure that at least 65% of the bond loan will be issued by way of fixed rate bonds and hedged floating rate bonds.
The Acquisition Term Loan Facility matures on 31 December 2034. The EIB Term Loan Facility matures on 31 December 2041.

The bond loans include, among other things, financial commitments which the Company must comply with, the main ones being linked to the following ratios:

a) Debt to Equity

b) Historic Debt Coverage Ratio

c) Projected for Debt Coverage Ratio

d) Loan Life Coverage Ratio

In addition, collateral has been given the main ones being:

(i) Pledge on 100% of the Company's shares
(ii) Pledge on the shares of FRAPORT REGIONAL AIRPORTS OF GREECE MANAGEMENT COMPANY S.A.
(iii) Pledge on the Company's insurance contracts

(iv) Pledge on the Company's bank accounts except for the operations account

(v) Pledge on Project Contracts, including, among others, the good performance bond, the contract with the constructor, the contract with "Hellenic Duty Free Shops SA", the contract with the Independent Engineer, the Company's commercial contracts

(vi) Maintaining the pledge on bank guarantee accounts:

a) Reserve Account for State Payments
b) Reserve Account for Capital Expenses
c) Repayment Reserve Account

(vii) Keeping funds committed by shareholders to cover any cash shortage during the imminent works.

The funding documents provide for cases and conditions of mandatory prepayment, which are the usual and include mandatory prepayment through a Cash Sweep mechanism.

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Bond loan from the Company's shareholders

On 24 March 2017, the Company and its initial shareholders, Fraport AG Frankfurt Airport Services Worldwide and Slentel Limited entered into an agreement for an ordinary non-secured bond loan pursuant to Law 3156/2003 and the conditions of the respective plan with a view to applying the loan proceeds exclusively towards the needs of the Project. The initial agreement was amended on 20 December 2017 as Marguerite Airport Greece S.A.R.L. acquired a holding in the Company. The bond loan series are:

a) Initial Funding Bonds for a total amount of: €174,800,000

b) Additional Bonds for a total amount of €7,500,000.

c) "Standby Bonds" of a total amount of up to €90,000,000 – This is the maximum amount the Company can receive as the amount is determined based on any Standby Bonds that Fraport Regional Airports of Greece "B" S.A. may have issued under the Sponsor Support Agreement.
d) PIK Bonds. These bonds are issued at the time when the Company ought to pay interest and bondholders acquire them instead of interest
up to the amount of €58,183,000. Therefore, this series will be used to capitalize unpaid accrued interest to result from the bond loan. Until 31/12/2021 the amount of PIK bonds issued is € 52,277,732.
On the reference date, the balance of the Bond Loan with the Shareholders is in the amount of € 231,742,546 and is broken down in the following bonds:

	31/12/2021	**31/12/2020**
Initial Funding Bonds	174.800.000	174,800,000
Additional Bonds	-	-
Standby Bonds	-	-
PIK Bonds	52.277.732	39,242,532
Total	**227.077.732**	**214,042,532**
Accrued interest	4.664.814	4,397,050
Total bond loans from associated/related parties	**231,742,546**	**218.439.582**

The Bond Loans with the Shareholders have a fixed rate (6%) and a six-month interest period and mature (no later than) 31 December 2042.

The loans (net of deferred borrowing cost) are broken down based on interest rate exposure as follows:

31/12/2021	**Fixed rate**	**Floating rate up to 6 months**	**Total**
Total loans	498.375.699	170.731.959	669.107.658
Hedged Floating-Rate Acquisition Bonds	76.665.699	-	76.665.699
Total	**575.041.398**	**170.731.959**	**745.773.357**

31/12/2020	**Fixed rate**	**Floating rate up to 6 months**	**Total**
Total loans	489.894.770	174.077.778	663.972.546
Hedged Floating-Rate Acquisition Bonds	78.574.415	-	78.574.415
Total	**568.469.185**	**174.077.778**	**742.546.963**

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Next follow the maturity dates or long-term borrowing liabilities during the year:

	31/12/2021	31/12/2020
Up to 1 year	15.475.797	11.375.002
Between 1 and 2 years	19.223.552	15.475.797
Between 2 and 5 years	72.307.503	64.327.202
Over 5 years	645.429.380	659.598.043
Total	**752.436.232**	**750.776.044**

The difference between the total annual principal payments listed above and the relevant amounts shown in the statement of financial position are the result of accrued loan interest for the period between the end of the interest period and the end of the year.

Bank borrowing includes unamortized deferred borrowing costs in the amount of €11,327,683.

	31/12/2021	31/12/2020
Balance as at January 1st	**12.626.115**	**12.081.621**
Prepaid borrowing costs	-	1.821.901
Funding cost depreciation	(1.298.432)	(1.277.407)
Balance as at December 31st	**11.327.683**	**12.626.115**

	31/12/2021	31/12/2020
Long-term funding cost	1.102.694	1.098.313
Short-term funding cost	10.224.989	11.527.802
Total	**11.327.683**	**12.626.115**

Movements regarding loans during the year are listed below:

	31/12/2021	31/12/2020
Balance as at January 1st	**742.546.963**	**651.630.072**
Loans taken during the year	-	90.000.000
Principal repayment during the year	(11.375.005)	(11.078.103)
Interest on bond loan from shareholders capitalized during the year (issuance of bonds)	13.035.190	12.319.558
Accrued interest incurred on the bond loan from the shareholders	4.664.814	4.397.037
Accrued interest incurred on a bond loan from the shareholders of the previous year capitalized in the year	(4.397.037)	(4.177.107)
Prepaid borrowing costs	-	(1.821.901)
Funding cost depreciation	1.298.432	1.277.407
Balance as at December 31st	**745.773.357**	**742.546.963**

Under the provisions of bond loans, every six months the Company is to submit to the competent bank all necessary documents on the progress of its operations, borrowing liabilities and compliance with everything agreed on the Company's total borrowing. During the year 2021, the Company obtained the following waivers:

A. On 29 June 2021, the Company obtained an additional waiver and consent from Alpha Bank, as its Loan Manager, effective until 31 October 2021, regarding:

- The Company's obligations to file an approved modified Financial Model and other documents envisaged in the loan agreement about the Company's financial figures and data for the period that ended on 31 December 2020.

- The obligation to maintain frozen deposits regarding future capital expenses that are to do with the upgrade of the airports and other loan payables.

- The possibility of a waiver of default for the period before and on the reference date of 30 June 2021 due to failure to comply with financial commitments regarding the documents that the Company is under obligation to file under the loan agreement.

B. On 24 December 2021, the Company obtained an additional waiver and consent from Alpha Bank, as its Loan Manager, effective until 31 May 2022, regarding:

- The Company's obligations to file an approved modified Financial Model and other documents envisaged in the loan agreement about the Company's financial figures and data for the period that ended on 31 December 2021.

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- The obligation to maintain frozen deposits regarding future capital expenses that are to do with the upgrade of the airports and other loan payables.
- The possibility of a waiver of default for the period before and on the reference date of 31 December 2021 due to failure to comply with financial commitments regarding the documents that the Company is under obligation to file under the loan agreement.

In addition, under the waiver of 24 December 2021, the Company received a time extension regarding the filing of its financial statements as at 31 December 2020 and 2021, the Compliance Certificate calculations and of the list of transactions with associated companies. The extension is 20 business days from the date on which the above waiver was signed.

15. Provisions for personnel compensation due to retirement or dismissal

The amounts recognized in the statement of financial position are:

	31/12/2021	31/12/2020 - (Revised)
Pension benefits	87.821	72.010
Total	**87.821**	**72.010**

Next follows the change in the liability in the statement of financial position:

	31/12/2021	31/12/2020 - (Revised)
Balance as at January 1st	**72.010**	**60.908**
Total charge in the profit and loss statement	26.911	19.165
Contribution paid	(12.841)	(9.792)
Total charge in the statement of other comprehensive income	1.741	1.728
Balance as at December 31st	**87.821**	**72.010**

The amounts recognized in the statement of profit and loss are:

	01/01/2021 - 31/12/2021	01/01/2020- 31/12/2020 - (Revised)
Current employment cost	11.585	8.315
Financial cost	738	614
Loss from cuts	12.841	9.792
Transfer of staff	1.747	445
Total included in benefits to employees	**26.911**	**19.165**

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The actuarial profit recognized as empirical adjustments and changes to actuarial assumptions are:

	01/01/2021 - 31/12/2021	01/01/2020- 31/12/2020 - (Revised)
Debits /(Credits) to other comprehensive income		
Actuarial gains for the year	1.741	1.728
Total	**1.741**	**1.728**

The main actuarial assumptions used for accounting purposes are:

	31/12/2021	31/12/2020 - (Revised)
Discount rate	1,00%	1,00%
Annual average long-term inflation	2,00%	2,00%
Future salary increases	2,00%	2,00%
Average weighted duration of retirement benefits	up to 16 years	up to 16 years
Staff turnover rate	3%	3%

Next follows the sensitivity analysis for retirement compensation as a result of changes in the main assumptions:

		Effect on compensation benefits			
31/12/2021	Change in assumption by	Assumption increase		Assumption decrease	
Discount rate	0,50%	-4,0%	84.303	4,2%	91.542
Payroll change rate	0,50%	4,2%	91.486	-4,0%	84.320
Staff turnover rate	0,50%	-4,2%	84.106	4,4%	91.720

		Effect on compensation benefits			
31/12/2020 - (Revised)	Change in assumption by	Assumption increase		Assumption decrease	
Discount rate	0,50%	-4,0%	69.129	4,2%	75.034
Payroll change rate	0,50%	4,2%	75.034	-4,0%	69.129
Staff turnover rate	0,50%	-4,2%	68.985	4,4%	75.178

16. Liabilities under the Concession Agreement

	31/12/2021	31/12/2020
Liabilities under the Concession Agreement - long-term portion	241.262.242	251.528.332
Total	**241.262.242**	**251.528.332**
	31/12/2021	**31/12/2020**
Liabilities under the Concession Agreement - short-term portion	-	23.347.410
Total	**-**	**23.347.410**
Total	**241.262.242**	**274.875.742**

Liabilities under the Concession Agreement include the present value of well identified/determined future liabilities under the Concession Agreement.

As detailed in Note 2.1.1.1, the Company entered into an agreement with the Greek State in fiscal year 2021 to address the effects of the pandemic, as ratified by Law 4810/2021. Under the agreement, the Greek State accepts that Article 30.4 of the Concession Agreement should be applied to compensate the Concessionaire as a result of a State Responsible Event and provides for a setoff of the Concessionaire's compensation with Concession Fees and other arrangements. In particular, it was agreed that no Annual Concession Fee would be paid for 2019-2021 as well as for 2022, however, in the latter case terms and conditions would apply. Under the above agreement and given the course of the pandemic, there was a waiver for the Company to pay the Annual Concession Fee for these 4 years (2019 – 2022). Therefore, with the exception of these payments, the present value of Liabilities under the Concession Agreement was recalculated. This gave rise to a drop in these liabilities by €45,777,061, which represents profit generated by non-payment of the Annual Concession Fee for the above years, which was entered under "Other income" in the Statement of Profit and Loss and of Comprehensive Income for 2021.

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17. Suppliers and other liabilities

The suppliers are broken down as follows based on the year of repayment:

	31/12/2021	31/12/2020
Suppliers, long-term	402.902	321.760
Suppliers, short-term	11.772.376	10.318.283
Total	**12.175.277**	**10.640.043**

Suppliers and other liabilities are broken down as follows:

	31/12/2021	31/12/2020
Suppliers	402.902	321.760
Payable guarantees (b.)	2.547.668	1.837.679
Liabilities related to the Concession Agreement (b)	-	-
Deferred income (a)	16.090.000	17.590.000
Suppliers and other liabilities, long-term	**19.040.570**	**19.749.438**
Suppliers	11.772.376	10.318.283
Payable guarantees (b.)	6.860.834	4.038.460
Liabilities related to the Concession Agreement (b)	-	-
Deferred income (a)	6.065.339	7.460.272
Insurance institutions and other taxes/ duties	282.258	479.556
Withheld taxes on interest	475.483	488.485
Customer, third-party advance payments	474.564	176.284
Deferred income (ADF)	4.753.771	3.150.629
Accrued interest on bank loans	58.543	54.261
Provision for contribution to the State against airport modernization and development fees recovered	4.726.053	2.387.867
Provision for the payment of landing and lighting fees to the Hellenic Air Force	2.353.304	994.957
Provision for fire safety services	9.104.270	3.883.570
Accrued expenses for the period	3.067.059	916.399
Other liabilities	320.394	-
Suppliers and other liabilities, short-term	**50.314.248**	**34.349.024**
Total suppliers and other liabilities	**69.354.818**	**54.098.461**

The Company's contractual obligations under contracts with customers are broken down as follows:

	31/12/2021	31/12/2020
Opening balance of contractual obligation as at 1 January	3.150.629	1.145.960
Amounts recognised in the Statement of Comprehensive Income for the year:	(3.150.629)	(1.145.960)
Deferred income (ADF)	4.753.771	3.150.629
Closing balance of contractual obligation as at 31 December	**4.753.771**	**3.150.629**

a) On 23 March 2017 a contract was entered into with Hellenic Duty Free Shops S.A. member of "DUFRY AG". Under that contract, Hellenic Duty Free Shops S.A. has the exclusive right to open stores selling certain types of duty free and duty paid products. Hellenic Duty Free Shops S.A. pays a monthly variable fee which is a percentage of sales. In addition, Hellenic Duty Free Shops S.A. made an advance payment of €25,000,000 to the Company against the future concession fee. In 2021 an amount of €7,000,000 was offset (2019: €150,000). The amount to be offset during 2022 is €1,500,000 (2021: €7,000,000) and for the remaining six years (the amount to be offset) is €16,090,000. The above amounts, in addition to those of the current year, have been included under *Deferred Income* in the above table.

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b) Payable guarantees represent cash guarantees received by the Company from counterparties to whom the right to use the airport facilities has been granted against the timely payment of their financial liabilities under the concession agreements signed. Cash guarantees are adjusted each year based on latest available estimates of the sales the concession beneficiaries are expected to record in the following year.

Liabilities from taxes-Duties and to social security funds pertain to deducted taxes and social security contribution payments for November and December 2021, which were not rendered overdue on the reporting date.

18. Balances and transactions with related parties

The Company is a subsidiary of the company FRAPORT AG FRANKFURT AIRPORT SERVICES WORLDWIDE, which holds 73.4% in Company's share capital, related to the company SLENTEL LIMITED, which holds 16.6% in the Company's share capital and related to MARGUERITE AIRPORT GREECE SARL, which holds 10% in the Company's share capital.

The Company is related to FRAPORT REGIONAL AIRPORTS OF GREECE MANAGEMENT COMPANY S.A. according to the definition of IAS 24, para. 9, point b, due to the fact that both companies are subsidiaries of FRAPORT AG FRANKFURT AIRPORT SERVICES WORLDWIDE. In addition, the two companies share the same BoD Chairman and 2 BoD members out of the 5 other members. This company provides administrative support services to the Company.

The Company is also associated with REDEX S.A. due to a shared shareholder, that is SLENTEL LTD. REDEX S.A. offers building facility maintenance and repair services to the Company.

The Company's liabilities and receivables from related parties as at 31 December 2021 and 31 December 2020 are the following:

Receivables from associate companies	**31/12/2021**	**31/12/2020**
INTERBUS S.A.	247.332	139.272
Total	**247.332**	**139.272**

Liabilities against related parties- Trade liabilities	**31/12/2021**	**31/12/2020**
FRAPORT REGIONAL AIRPORTS OF GREECE MANAGEMENT COMPANY S.A.	5.589.446	4.869.521
REDEX S.A.	430.477	408.040
FRAPORT AG	-	40.000
Total	**6.019.923**	**5.317.561**

Liabilities to related parties - Loans and accrued interest	**31/12/2021**	**31/12/2020**
FRAPORT AG	170.008.554	160.249.372
SLENTEL	38.532.568	36.320.644
MARGUERITE	23.201.424	21.869.566
Total	**231.742.546**	**218.439.582**

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The Company's transactions with related parties for the years 2021 and 2020 are the following:

	TRANSACTIONS 2021		
	Services received	**Bond loans and interest**	**Total**
FRAPORT REGIONAL AIRPORTS OF GREECE MANAGEMENT COMPANY S.A.	20.665.965	-	20.665.965
FRAPORT AG	114.510	9.759.183	9.873.692
SLENTEL	25.677	2.452.353	2.478.030
MARGUERITE	-	1.445.205	1.445.205
Top Sonic	378.558	-	378.558
A.A.V.	35.496	-	35.496
REDEX S.A.	936.591	-	936.591
INTERBUS S.A.	2.100		2.100
Total	**22.156.797**	**13.656.740**	**35.815.637**

	Provision of services
INTERBUS S.A.	313.640
REDEX S.A.	168
Total	**313.808**

	TRANSACTIONS 2020		
	Services received	**Bond loans and interest**	**Total**
FRAPORT REGIONAL AIRPORTS OF GREECE MANAGEMENT COMPANY S.A.	17.809.748	-	17.809.748
FRAPORT AG	60.761	9.198.730	9.259.491
SLENTEL	25.547	2.311.519	2.337.066
MARGUERITE	-	1.362.210	1.362.210
Top Sonic	35.916	-	35.916
A.A.V.	36.647	-	36.647
REDEX S.A.	712.932	-	712.932
Total	**18.681.551**	**12.872.459**	**31.554.010**

	Provision of services
INTERBUS S.A.	218.428
B2B	30
REDEX S.A.	262
Total	**218.720**

The Company is related to FRAPORT REGIONAL AIRPORTS OF GREECE MANAGEMENT COMPANY S.A. according to the definition of IAS 24, para. 9, point b, due to the fact that both companies are subsidiaries of FRAPORT AG FRANKFURT AIRPORT SERVICES WORLDWIDE. In addition, the two companies share the same BoD Chairman and 2 BoD members out of the 5 other members.

The remuneration of the above members of management are billed by the associated company FRAPORT REGIONAL AIRPORTS OF GREECE MANAGEMENT COMPANY S.A., which has been founded to provide all kinds of management/administration services to the companies FRAPORT REGIONAL AIRPORTS OF GREECE A S.A. and FRAPORT REGIONAL AIRPORTS OF GREECE B S.A. and to implement all kinds of activities related to the design, financing, construction, completion, maintenance, operation and development of the works to be performed by the two above companies.

Transactions with related parties are made based on usual market conditions.

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19. Income

	01/01/2021 - 31/12/2021	01/01/2020- 31/12/2020
Air Services		
Airport modernization and development fees	51.578.701	25.714.799
Other income from air services	48.362.026	19.710.282
Income from air services	**99.940.727**	**45.425.081**
Non-air activities		
Commercial activities	11.159.770	7.306.957
Rent and other associated income	8.468.347	5.401.733
Income from construction services (IFRIC 12) (Note 6)	18.413.918	44.328.515
Other revenues	2.007.945	1.719.281
Income from non-air services	**40.049.979**	**58.756.485**
Total	**139.990.707**	**104.181.566**

Income from air services is next broken down by airport:

	01/01/2021- 31/12/2021	01/01/2020- 31/12/2020
Corfu Airport	21.932.752	9.967.585
Chania Airport	19.232.576	7.387.558
Kefalonia Airport	3.312.563	2.061.065
Kavala Airport	1.797.193	934.695
Preveza Airport	4.002.620	1.822.240
Thessaloniki Airport	38.970.859	18.779.093
Zakinthos Airport	10.692.164	4.472.845
Total	**99.940.727**	**45.425.081**

Income from the provision of air services are recognized in the Statement of Comprehensive Income in the period in which they were rendered. The departure of the aircraft concerned is the criterion used to recognize income from air activities. As the aircraft arrival and departure cycle, during all the necessary services are provided, is considered too short, the revenue is accounted for at a point of time (aircraft departure).

Separation of the company's sales based on the revenue's time of recognition	01/01/2021 - 31/12/2021	01/01/2020- 31/12/2020
Revenue from the provision of services delivered at a certain point of time	99.940.727	45.425.081
Total	**99.940.727**	**45.425.081**

20. Cost of consumables and services

Next, the *Costs of services received* are broken down for 2021 and 2020:

	01/01/2021 - 31/12/2021	01/01/2020- 31/12/2020
Cost of construction services (IFRIC 12) (Note 6)	18.413.918	44.328.515
Maintenance costs	5.154.656	6.151.336
Costs of services received	33.459.600	27.877.862
Variable concession costs (a)	6.922.435	3.441.249
Cost of various consumables	1.326.362	949.980
Total	**65.276.971**	**82.748.942**

Pursuant to the Concession Agreement for each Concession Year ending after (1) the Concession Commencement Date and up to 1 November 2024, an amount corresponding to 8.5% of the airport modernization and development fees received by the Company after such date in any Concession Year and after (2) 1 November 2024, 35% of the airport modernization and development fees received by the Company after such date in any Concession Year will be paid to the State as the Levy to fund in part (i) the HCAA in its role as airport regulator, (ii) the deficit incurred by the operation of the airports retained by the State and (iii) the PSO routes. For the year that ended on 31 December 2021 the relevant cost recognized by the Company was €4,533,042 (2020: €2,387,867).

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Next, the *Costs of services received* are broken down for 2021 and 2020:

	01/01/2021 - 31/12/2021	01/01/2020- 31/12/2020
Cost of construction services (IFRIC 12) (Note 6)	18.413.918	44.328.515
Maintenance costs	5.154.656	6.151.336
Costs of services received	33.459.600	27.877.862
Variable concession costs (a)	6.922.435	3.441.249
Cost of various consumables	1.326.362	949.980
Total	**65.276.971**	**82.748.942**

21. Staff costs

	01/01/2021 - 31/12/2021	1/1/2020- 31/12/2020 - (Revised)
Salaries and daily wages	5.926.811	5.889.870
Social security costs	294.972	1.030.883
Provision for personnel compensation due to retirement or dismissal	26.174	18.552
Total	**6.247.957**	**6.939.304**

	01/01/2021 - 31/12/2021	01/01/2020- 31/12/2020
Average number of employees	241	232
Total	**241**	**232**

22. Other operating expenses

	01/01/2021 - 31/12/2021	01/01/2020- 31/12/2020
Premiums	2.287.464	1.804.307
Advertising costs	21.215	31.250
Expenses for consultation, technical and audit services	3.162.768	1.322.092
Rental costs	192.274	180.454
Other taxes	47.813	8.904
Power costs	5.582.819	3.076.521
Water supply and sewage costs	192.572	105.208
Waste management cost	252.190	231.859
Staff training costs	7.596	134.025
Flight Management Authority fees	97.389	62.621
Donations	-	350.020
Other operating expenses	510.789	513.741
Total	**12.354.889**	**7.821.002**

Audit service costs are:

	01/01/2021- 31/12/2021	01/01/2020- 31/12/2020
Mandatory audit of the annual financial statements	78.000	69.500
Other assurance services	53.000	31.500
Other associated non-audit services	15.100	17.500
Total	**146.100**	**118.500**

23. Other revenues

	01/01/2021 - 31/12/2021	01/01/2020- 31/12/2020
Other income - Decrease in liabilities under the Concession Agreement due to the compensation	45.777.061	-
Total	**45.777.061**	**-**

The COVID-19 pandemic began affecting the Company starting mid-March 2020, when the government adopted the first measures to respond to the crisis.

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To mitigate the effects of the steps taken in response to the pandemic on its activity, the Company made an agreement with the Greek State, ratified by Law 4810/2021. Under the agreement, the Greek State accepts that Article 30.4 of the Concession Agreement should be applied to compensate the Concessionaire as a result of a State Responsible Event and provides for a setoff of the Concessionaire's compensation with Concession Fees and other arrangements.

In particular, it was agreed that no Annual Concession Fee would be paid for 2019-2021 as well as for 2022, however, in the latter case terms and conditions would apply. Given the course of the pandemic during 2021, it was established that the conditions provided for in the aforementioned agreement with the Greek State for the non-payment of the Annual Concession Fee for the year 2022 also occurred. As a result, there was a decrease in the Company's Liabilities under the Concession Agreement which (decrease) was recorded in the "Other income" account as a profit of €45,777,061 (see also Note 16 and Note 2.1).

24. Financial expenses – net

	01/01/2021 - 31/12/2021	**01/01/2020-31/12/2020 - (Revised)**
Financial income		
Interest income	155.501	190.773
Total	**155.501**	**190.773**
Financial expenses		
Interest on bond loans from Banks	(25.749.374)	(21.833.828)
Interest expenses on bonds - Shareholders	(13.656.740)	(12.872.459)
Interest on interest rate swap agreements	(1.303.172)	(1.343.186)
Reversal of prepaid liability under a Concession Agreement	(12.163.561)	(13.091.321)
Total	**(52.872.848)**	**(49.140.794)**
Other financial income / (expenses)		
Profit/(Loss) from the valuation of an interest rate swap agreement recognized in the statement of comprehensive income	535.117	(402.097)
Other	(469.741)	(485.365)
Total	**65.377**	**(887.462)**
Financial expenses - Net	**(52.651.970)**	**(49.837.484)**

25. Capital management

	31/12/2021	**31/12/2020**
Long-term loans	731.400.258	732.270.278
Short term loans	14.373.099	10.276.685
Less: Cash and cash equivalents	(76.903.914)	(59.465.334)
Time deposits	(31.578.325)	(30.831.398)
Net borrowing	**637.291.118**	**652.250.231**
Total equity	76.700.622	61.260.685
Total capital employed	**713.991.741**	**713.510.917**
Leverage ratio	**89,26%**	**91,41%**

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This part presents a breakdown of net borrowing and the various items for each of the years included here.

	31/12/2021	31/12/2020
Cash and cash equivalents	76.903.914	59.465.334
Time deposits	31.578.325	30.831.398
Borrowing - payable in the following year	(14.373.099)	(10.276.685)
Borrowing - payable after one year	(731.400.258)	(732.270.278)
Net borrowing	**(637.291.118)**	**(652.250.231)**

	Other assets		**Financial leasing liabilities**		
	Cash in hand/bank	**Time deposits**	**Borrowing payable within 1 year**	**Borrowing payable after 1 year**	**Total**
Net borrowing as at 01 January 2021	**59.465.334**	**30.831.398**	**(10.276.685)**	**(732.270.277)**	**(652.250.231)**
Cash flows net of funding costs	17.438.580	746.927	-	-	18.185.506
Principal repayment during the year	-	-	11.375.004	-	11.375.004
Loan interest capitalized during the year (issuance of bonds)	-	-	-	(13.035.190)	(13.035.190)
Accrued interest incurred on the bond loan from the shareholders	-	-	-	(267.775)	(267.775)
Other non-cash transactions - Funding cost depreciation	-	-	-	(1.298.432)	(1.298.432)
Other non-cash transactions			(1.098.313)	1.098.313	-
Other non-cash transactions - Reclassification of short-term part of funding cost	-	-	1.102.694	(1.102.694)	-
Other non-cash transactions - Reclassification of short-term part	-	-	(15.475.797)	15.475.797	-
Net borrowing as at 31 December 2021	**76.903.914**	**31.578.325**	**(14.373.099)**	**(731.400.258)**	**(637.291.118)**

	Other assets		**Financial leasing liabilities**		
	Cash in hand/bank	**Time deposits**	**Borrowing payable within 1 year**	**Borrowing payable after 1 year**	**Total**
Net borrowing as at 01 January 2020	**45.423.618**	**41.005.028**	**(9.828.781)**	**(641.801.291)**	**(565.201.425)**
Cash flows net of funding costs	14.041.715	(10.173.630)	-	(90.000.000)	(86.131.916)
Principal repayment during the year	-	-	11.078.103	-	11.078.103
Loan interest capitalized during the year (issuance of bonds)	-	-	-	(12.319.558)	(12.319.558)
Accrued interest incurred on the bond loan from the shareholders	-	-	-	(219.930)	(219.930)
Loan issuance fees	-	-	-	1.821.901	1.821.901
Other non-cash transactions - Funding cost depreciation	-	-	-	(1.277.407)	(1.277.407)
Other non-cash transactions			(1.249.318)	1.249.318	
Other non-cash transactions - Reclassification of short-term part of funding cost	-	-	1.098.313	(1.098.313)	-
Other non-cash transactions - Reclassification of short-term part	-	-	(11.375.002)	11.375.002	-
Net borrowing as at 31 December 2020	**59.465.334**	**30.831.398**	**(10.276.685)**	**(732.270.277)**	**(652.250.231)**

26. Underwriting liabilities

Fire Truck Supply Agreement

Under the agreement made on 24/01/2019 and its amendment in the same year, with retroactive effect the from 13/12/2018 between the Company and Rosenbauer International AG (Rosenbauer), the Company awarded to Rosenbauer the supply of fire trucks for the regional airports the Company manages.

FINANCIAL STATEMENTS AS OF 31 DECEMBER 2021 (AMOUNTS IN EURO)

As at 31 December 2021 there are no underwriting liabilities under the above contract (2020: €890,000).

Other contracts

On the reporting date, the Company has the following commitments as regards offices and car rents as well as payments for services received by the Greek State:

	Within 1 year	1-5 years	Over 5 years
Car leasing - third parties	130.271	222.379	160
Other services- third parties	626.218	796.689	-
Greek State (Fire Department) - (a)	6.020.717	16.591.621	-
Greek State (Hellenic Air Force General Staff)			
Office rentals - related parties	4.080	11.320	-
Total	**6.781.286**	**17.622.008**	**160**

27. Contingent receivables and liabilities

The company has contingent liabilities in respect of banks, other guarantees and other issues that result from its normal operations from which no substantial charges are expected.

In application of the relevant tax provisions: (a) Article 84(1) of Law 2238/1994 (unaudited income tax cases), (b) Article 57(1) of Law 2589/2000 (unaudited VAT cases) and (c) Article 9(5) of Law 2523/1997 (fines for income tax cases), as regards the State's right to impose tax for the years up to and including 2016 this was time-barred for years up to 31 December 2021, notwithstanding special or exceptional provisions that may establish a longer time-barring time limit, under the conditions established there. In addition, under established case law of the Council of State and administrative courts, given that the Code Stamp Duty legislation contains no provisions on limitation, the Greek State's claim to impose stamp duty is subject to the 20-year limitation period envisaged in Article 249 of the Civil Code.

The unaudited tax years by the competent tax authorities, taking into account the statute of limitations of the State's right to audit mentioned in the previous paragraph, are years 2017, 2018, 2019 and 2020, with the consequence that there is the possibility of imposing additional taxes and surcharges at the time when the liabilities of these years will be examined and finalized. As a result, tax profit or loss for these years are not final. For these years, the Company underwent tax audit by the Certified Auditors – Chartered Accountants referred to in Article 82(5) of Law 2238/1994 and Article 65A of Law 4174/2013 and has obtained unqualified tax compliance certificates. Therefore, the Management estimates that a possible future audit by tax authorities will not lead to additional tax liabilities and has not made a provision in that respect.

The tax compliance audit for issuance of the tax clearance certificate for 2021 period is carried out by PwC S.A. which carries out the mandatory audit the financial statements, and no additional substantial tax liabilities are expected to arise other than those reflected in these financial statements

FINANCIAL STATEMENTS AS OF 31 DECEMBER 2021 (AMOUNTS IN EURO)

28. Events after the reporting date

On 23 February 2022, the Russian forces launched extensive military operations against Ukraine, resulting in the imposition of significant sanctions by the European Union, the United States of America and other countries against officials, individuals, regions and companies in Russia, Ukraine and Belarus.

Among these measures, European airspace has been closed to all Russian airlines and Russia has similarly restricted access to its airspace for European and other airlines. A significant number of flights to and from Russia have also been suspended. In addition, the Russia-Ukraine conflict is causing further price increases in commodity markets, including oil and gas, adding to the inflationary pressures already seen. This may have a direct negative impact on the macroeconomic environment and lead the global economy back into recession.

All of the above factors are likely to have a negative impact on the air travel industry, which will have a corresponding impact on our business. At present, there is considerable uncertainty as to the ultimate impact of these events on the global economy, the markets in which we operate and the Company's operations. The Management continuously monitors the situation and assesses the situation for any action to be taken where necessary.

Apart from those mentioned above, there were no other events after 31 December 2021 and up to the approval of the financial statements that could affect the financial position of the Company

Athens, 30/03/2022

THE CHAIRMAN STEFAN SCHULTE	**THE VICE PRESIDENT** HOLGER SCHAEFERS
German passport No C5HNXCY9C	German passport No C7919C8P1
THE CHIEF FINANCIAL OFFICER	**THE HEAD OF ACCOUNTING DEPARTMENT**
EVANGELOS BALTAS	TAIRIDOU KIRIAKI
Police ID Card No AK096400	Police ID Card No AB573682

FRAPORT REGIONAL AIRPORTS OF GREECE "A" SOCIETE ANONYME

Independent Chartered Auditor - Accountant Audit Report

This is a direct translation from the original text in Greek of the independent auditor's report that we issued on the statutory financial statements of «Fraport Regional Airports of Greece A S.A.» for the year ended 31 December 2021 upon their approval by the Company's Board of Directors.

Independent auditor's report

To the Shareholders of "Fraport Regional Airports of Greece A S.A"

Report on the audit of the financial statements

Our opinion

We have audited the financial statements of «Fraport Regional Airports of Greece A S.A.» (Company) which comprise the statement of financial position as of 31 December 2021, the statements of profit or loss and comprehensive income, changes in equity and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects the financial position of the Company as at 31st December 2021, its financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Law 4548/2018.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

During our audit we remained independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017, that are relevant to the audit of the financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, and the requirements of the IESBA Code.

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information is the Board of Directors Report (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the Other Information and except to the extent otherwise explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Board of Directors Report, we considered whether the Board of Directors Report includes the disclosures required by Law 4548/2018.

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

- The information given in the the Board of Directors' Report for the year ended at 31 December 2021 is consistent with the financial statements,

- The Board of Directors' Report has been prepared in accordance with the legal requirements of article 150 of Law 4548/2018.

In addition, in light of the knowledge and understanding of the Company and the environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors' Report. We have nothing to report in this respect.

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

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Law 4548/2018, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

With respect to the Board of Directors Report, the procedures we performed are described in the “Other Information” section of our report.

Athens, 30 March 2022
The Certified Auditor Accountant

PricewaterhouseCoopers S.A
Certified Auditors Accountants
SOEL Reg. No. 113

Socrates Leptos - Bourgi
SOEL Reg. No.41541