ANNUAL FINANCIAL REPORT

FOR 2022

(TRANSLATED FROM THE GREEK ORIGINAL)

(1 February 2022 – 31 January 2023)

In compliance with the International Financial Reporting Standards

COSMOS SPORT S.A.

SOCIETE ANONYME Reg. Nr. 34110/70/B/95/57
General Commercial Reg. Nr. 77109427000
MARTYRON Ave. 62, 148, HERAKLION

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I. BOARD OF DIRECTORS REPORT

MANAGEMENT REPORT OF THE BOARD OF DIRECTORS OF
"COSMOS SPORT COMMERCIAL HOTEL AND TOURIST COMPANY S.A."
TO THE ANNUAL REGULAR GENERAL MEETING OF THE SHAREHOLDERS
ON THE FINANCIAL STATEMENTS FOR FY 1/2/2022 – 31/1/2023.

Dear Shareholders,

We have the honor to present to you the Company's financial statements prepared in accordance with International Financial Reporting Standards, as well as the present Report for the year from February 1,2022 to January 31, 2023, in accordance with Article 149 of Law 4548 /2018.

It is noted that according to the decision of the extraordinary General Assembly from 31/01/2022, the end of the fiscal year was moved to 31/01 instead of 31/12 for consolidation purposes with the parent company. Therefore, the financial statements of the year 2022 include the period 01/02/2022 – 31/01/2023 and therefore there are not comparable with those of the previous year 01/01/2022 – 31/01/2022.

The sections of the Report and its content, based on Article 150 of Law 4548/2018, are as follows:

SECTION A. Business model – Objectives – Corporate Social Responsibility

SECTION B. Main risks and uncertainties – Prospects of the segment

SECTION C. Environment

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SECTION A. Business model – Objectives – Corporate Social Responsibility

The societe anonyme "COSMOS SPORT COMMERCIAL HOTEL AND TOURIST COMPANY SA" (hereinafter: Company) operates mainly in the retail trade of sporting goods. The Company is domiciled at 62 Martyron Street, Heraklion, Crete.

The Company was established in 1982, when the first Cosmos Sport store opened in the Heraklion, Crete and since then the network has expanded even further through 73 physical stores in Greece, 6 retail brands (Cosmos Sport, Sneaker10, Sports Factory, Slamdunk, Rundome, JD) and the corresponding online shops (www.cosmossport.gr, www.sneaker10.gr, www.sportsfactory.gr, www.slamdunk.gr, www.jdsports.gr, www.rundome.gr).

The Company's objective is to further develop and expand its network, always taking into account the prevailing conditions both at segment and economic level. For this reason, in April 2021 the Company established the subsidiary company Cosmossport trading (Cyprus) Limited in Cyprus, owning 100% of its share capital as the sole shareholder. The subsidiary already operates 7 physical stores in Cyprus under the brands (Cosmos Sport, Sneaker10, JD), their respective online sites (www.cosmossport.cy, www.sneaker10.cy, www. jdsports.cy) as well as a modern Logistics and distribution center.

In October 2021 the majority of the company's share capital was acquired by JD Sports Fashion PLC, one of the leading Sportwear & Outdoor Retail Groups in the world.

The commitment to high quality goods and services, the climate of trust and reliability with employees and partners as well as respect for the environment, are the values that govern the company. The Board of Directors is the company's managerial body. The company has in place "Work Regulation - Organizational Chart" effective from 24/04/2019.

In particular, the most significant changes in the income statement are as follows:

Significant Changes in Financial sizes	2022	1/2022	Change %
Turnover	102.310.574	5.940.675	1622,20%
Gross Profit	43,78%	36,18%	20,98%
Operating results	9.510.087	-400.153	-2476,61%
Operating Cash flows	4.614.259	-1.554.775	-396,78%
Profit before tax	7.471.881	-561.473	-1430,76%
Net debt	6.042.510	-2.610.501	-331,47%
EBITDA	17.534.954	225.220	7685,70%
Tangible assets	19.947.920	17.360.171	14,91%
Intangible assets	731.155	510.489	43,23%
Right-of-use tangible assets	44.741.759	38.422.815	16,45%
Net Bank Borrowings to Total Capital Employed	0,18	-0,14	-228,57%

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Corporate Social Responsibility - Actions

Cosmos Sport considers Corporate Social Responsibility as an integral part of its strategy, vision and corporate philosophy. Implementing the statement **"Together we make Cosmos a better place",** it systematically invests in Corporate Social Responsibility through the programs highlighting and expanding assistance to society and people in general. The company seeks to be constantly close to the broader social requirements, to the environment and to bring People closer to sports through various actions. Corporate Social Responsibility is in Cosmos Sport's DNA, a fact which is evident from the respect it shows and the support it provides to those in need.

Cosmos Sport & People

- ***Development***

Cosmos Sport's main objective is to maintain an excellent working environment, promoting teamwork and employee development. Indicatively, the company in 2022 employed more than 1000 employees and recorded an increase in its human resources by 16% compared to 2021. In total, in 2022 more than 250 recruitments were made in head offices, retail and warehouses and 10 new stores were opened in Greece. Also, more than 15 students did their internship in various departments of the company (HR, Marketing, IT, E-commerce, etc.).

- ***Employees recruitment & training***

Cosmos Sport prioritizes the development of its employees, investing in their training, ensuring equal opportunities and consistently improving their working conditions. Our company is committed to providing ongoing education and training on a wide range of topics, with a particular focus on sales, communication, teamwork, leadership and skill development. In 2022, more than 900 employees received a total of over 6,000 hours of training. In particular, more than 50 "On Boarding Trainings", more than 20 Inhouse Trainings and more than 20 External Trainings were carried out.

- ***Sports & Wellbeing***

At Cosmos Sport we strongly believe in the unifying power of sports, which is why we consistently organize activities promoting wellness and fostering team spirit. Our activities include weekly group training sessions, trail running exercises, 3on3 basketball tournaments and regular Running sessions, which are available to all employees. As a result of these efforts, we are proud to have built a team of over 500 employees who regularly participate in sports activities. Also, our headquarters have a gym, basketball court and ping pong, always available to all employees. Finally, we practically

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support and stand by the efforts of athletes, clubs and teams regardless of size through sponsorships (Panathinaikos PwD), OFI Academies, Heraklion BC and in general professional athletes in the field of football, athletics, aquatics, etc.) and we support every action related to sports.

- ***Additional Benefits***

All employees - as well as their families - are provided with the "Cosmos People Benefits" program. It has been operating since 2020 with 100+ benefits to cover health, entertainment and training needs. This program comes to cover simple daily needs such as a free check up, discounts on various services and products while at the same time offering important benefits. In 2022 the program was renewed with more than 30 new benefits. In an evaluation survey carried out, over 80% of employees have used at least 1 of the benefits of the program. Especially for working parents, the company offers specialized benefits known as: "Cosmos Parents flexitime & early leaving", recognizing their need to spend quality time with their family.

Cosmos Sport & Inclusivity

On the International Day for the Elimination of Violence against Women, we started our collaboration with the 'Association of Members of Women's Associations of Heraklion' for psychological and practical support for women facing abusive behaviors. We communicate daily to the 500+ Cosmos Women, that with the power of sports and self-confidence they can win every 'race' by setting their own limits and promoting the special email created for this purpose as early as 2021, support_women@cosmossport.gr, to support our employees who may face abusive behaviors of any kind (physical, sexual, psychological violence). The campaign we created in 2021 #StrongTogether emphasizing all the women in our organization, expands in a wider context, with a new message "You are Unstoppable", communicating the power of prominent athletes such as Maria Michalopoulou, Panathinaikos PwD athlete. Finally, a very important action for us took place in October 2022 aiming to raise awareness of Breast Cancer both within the company and in local communities, organizing a free information session by specialized medical staff in Heraklion, Crete, an online seminar to inform all female employees from an Obstetrician-Gynecologist and finally collecting donations for the Association of Members of Women's Associations of Heraklion.

Cosmos Sport & Soles4hope

Along with the significant CSR project carried out together with cooperating bodies, NPOs, organizations, always driven by the requests of its employees, Cosmos sport also ensures

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implementation of its own initiatives. The Company believes that 'A pair of shoes can make a difference'. This is why in 2020 'Soles4Hope', a shoe & clothing donation platform for people in need was created. Since the foundation of the platform, we have already donated 3,000+ pairs of shoes, clothes and accessories, to organizations such as the Dinner of Love, the Social EKAV, DESMO, the Greek children's village in Filiro, Panathinaikos PwD, the NPO "Friends of Child" & juvenile institutions throughout Greece and Cyprus. In 2022 we had a 150% increase in donations (2,000+ pieces in 2022, compared to 800 pieces in 2021). The aforementioned donations were the result of the initiative of our employees to listen to the unique needs of each local community and even donate their personal items.

Cosmos Sport & Environment

Finally, we recognize the responsibility to be constantly close to the environment and to train our people in new, more sustainable solutions. We continued in 2022 by promoting the "Made in Green & The Green Capsule Project" platform in special areas in our stores, in order to promote collections of recycled & reusable materials from selected fashion brands that stand responsibly next to us, and together we organize various actions. We still systematically invest in electronic systems, trying to make the most of electronic communication, both inside and outside the company, with the aim of limiting the use of paper to the minimum possible. Wastepaper is collected both at the head office and in the stores for recycling. At the same time, we have replaced plastic bags with 100% recyclable paper bags, the lamps with special LED type & air condition inverters and photocells have been installed in the central offices, warehouses and shops.

Vision and Values

The vision of the Cosmos Sport people is to be recognized as the best sports & athleisure shopping experience at every point of contact with the customer. We are driven by customer enthusiasm, innovative action and a passion to make a difference as a team!

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SECTION B. Main risks and uncertainties – Prospects of the segment

Credit risk: The Company has no significant credit risk concentration. Sales and trade receivables have a significant range of dispersion while the most significant part of sales is generated by retail and are settled in cash. The maximum exposure to credit risk at the Balance Sheet date is the fair value of every category of financial assets, as presented below:

Current assets	**2022**	**1/2022**
Advances for inventories	9.876.785	8.534.233
Trade receivables	1.763.492	3.792.729
Cash and cash equivalents	5.453.765	10.618.993
Other current assets	2.364.201	2.061.547
Total	***19.458.243***	***25.007.501***

- The account "Advances for acquisition of inventory" is largely reflected in checks payable.
- The account "Trade receivables" is characterized by high dispersion of receivables on 31.01.2023 except for the subsidiary's receivable.
- Cash and cash equivalents bear a partial physical risk offset, as loan contracts are maintained with the same banks.

Liquidity risk: The Company implements policies and procedures in order to keep liquidity risk at low levels. Stabilization of the economic climate combined with the increase in the Company's financial sizes ensure the increase in availability of the necessary credit limits, contributing to the reduction of this risk. The Company's liabilities are settled on the specified dates without deviations. The maturity of financial liabilities on January 31, 2023 and January 31, 2022 is analyzed as follows:

	31/01/2023	**up to 1 year**	**2 to 5 years**	**more than 5 years**
Long-term borrowings	3.000.000	0	3.000.000	0
Lease Liabilities	43.623.361	0	25.581.796	18.041.566
Other long-term liabilities	2.000	0	2.000	0
Suppliers	39.357.556	39.357.556	0	0
Income tax liabilities	1.984.545	1.984.545	0	0
Short-term borrowings	8.496.274	8.496.274	0	0
Short-term lease Liabilities	5.800.169	5.800.169	0	0
Other short-term liabilities	5.046.325	5.043.851	0	0
Total	***107.310.230***	***60.615.082***	***28.583.796***	***18.041.566***

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	31/01/2022	up to 1 year	2 to 5 years	more than 5 years
Long-term borrowings	5.000.000	0	5.000.000	0
Lease liabilities	38.028.260	0	20.663.510	17.364.750
Other long-term liabilities	2.000	0	2.000	0
Suppliers	26.492.677	26.492.677	0	0
Liabilities from taxes and duties	1.847.159	1.847.159	0	0
Short-term borrowings	3.008.492	3.008.492	0	0
Short-term lease Liabilities	4.317.245	4.317.245	0	0
Other short-term liabilities	4.859.438	4.859.438	0	0
Total	***83.555.270***	***40.525.010***	***25.665.510***	***17.364.750***

Interest rate risk: The Company's loan liabilities are linked to the Euribor rate, therefore the company is exposed to interest rate risk. A change in the interest rate base or the spread by 0.50 points in Euribor in the existing bank debt affects the increase in debit interest by approximately € 57.000 p.a. (sensitivity analysis). In general, the Company's exposure to interest rate risk is limited.

Currency risk: The Company maintains limited contracts in foreign currency and its transactions are mainly settled in Euro. Therefore, forex risk is constrained. Currency risk is indirectly limited to inventory acquisition costs and stores' fixed equipment when the central distributor's initial settlement is translated in another currency (mainly USD & GBP).

Other operational risks

Supply Chain: Due to the nature of the market, the Company is dependent on a small number of suppliers, i.e. the central distributors of branded sports products in Greece or Europe. The rules of cooperation with suppliers ensure the Company competitive prices, alternative options, flexibility and quality of goods. The Company signs cooperation agreements in writing, especially with significant suppliers.

Risk of inventory obsolescence: The Company takes all the necessary measures to minimize the risk of inventory obsolescence either for commercial reasons or for reasons related to the physical storage of the inventory. In particular, in order to address the risk of obsolescence due to commercialism, the Management ensures that the collections are sold out in the same season, while also having outlet stores for the clearance of off-season stock. Finally, the Company's Management regularly reviews the net realizable value of the inventories and makes appropriate provisions so that inventories are stated at the lower of cost and net realizable value.

Risk of inventory insurance: The Company takes all the necessary measures in order to minimize the risk and potential loss due to damaged inventory inflicted by natural disasters or similar causes and insures the entire value of its inventory. The insured value of the stock is regularly updated.

Business Risk: There are no specific business risks other than those effective for the Market as an aggregate.

Lease risk: This risk is considered limited both due to the written validation of the relevant agreements and due to their long-term duration.

Macroeconomic environment in Greece:

Following the unprecedented pandemic crisis of the previous two years, 2022 has been another year of increased uncertainty, due to the Russian invasion in Ukraine which led to a sharp rise in inflation. Inflation internationally registered a significant increase in 2022 and proved to be higher and more prolonged compared to initial forecasts, which is to a large extent attributed on the supply side and mainly to the increase in energy costs, while on the demand side, to the dynamic recovery of the economies after pandemic and the extensive fiscal support measures. This event caused the European Central Bank (ECB) to change the direction of its monetary policy through the transmission mechanism that demonstrates its determination to ensure that inflation returns to its medium-term target of 2%. Thus, from July 2022 onwards, the ECB made successive increases in key interest rates, ending an eight-year period of negative interest rates. The global economy, after the strong recovery rates recorded in 2021, slowed down in 2022. However, this slowdown was ultimately milder compared to initial forecasts, despite steadily rising inflation, mainly due to: (a) pent-up demand and accumulated savings from the pandemic period, which supported consumption, (b) the strong labor market, and (c) the adoption of measures worldwide to contain energy costs. In 2022, the Greek economy maintained its growth momentum, recording a GDP growth rate of 5.9% (significantly higher than the European average), despite intense inflationary pressures and the deterioration of the international environment. In 2021-22, foreign direct investment inflows significantly increased and contributed to the financing of development, the promotion of productivity and employment. The improvement in the labor market is now evident, with the unemployment rate having decreased in 2022 to 12.4%, below the level of 2010. In conclusion, we believe that the macroeconomic conditions in Greece can only positively affect the course of the company. The management of the company closely monitors Business activities and continuously takes measures against the corresponding risks whenever possible.

Prospects of the segment

Sportswear trade in Greece mainly includes importing companies and much fewer – manufacturing. The conditions in the economic environment are expected to be favorable in the long term for companies prioritizing financial health and extroversion, while multinational companies confirm their confidence in Greek companies, as a result of good performance of the latter. In many ways, the sportswear industry is in a privileged position. Compared to many other industries, the last two years have been characterized by steady growth surpassing pre-pandemic levels. Looking ahead, in the medium term, there are reasons for optimism driven in particular by the growing awareness of health, fitness and sports.

SECTION C. Environment

Environment: The Company consistently complies with the national and European regulations and provisions concerning the protection of the Environment and had its energy facilities reviewed by a certified energy controller based on the current legislation

Prevention and control of pollution: The Company implements all necessary controls and maintenance of its equipment on predetermined dates and focuses on efficient and rational management of energy.

Green products: The Company does not produce green products.

SECTION D. Working environment

Employment: The Company consistently complies with the provisions of labor and insurance legislation. It employed approximately 776 FTEs on a continuous basis for 2022 (1/2022 : 703 FTEs).

Diversity policy: Promotion of equal opportunities and protection of diversity are key principles of the Company. The Company Management does not discriminate in recruitment/selection, remuneration, training, assignment of work duties or any other work activities. The factors exclusively taken into account are the individual's experience, personality, theoretical training, qualifications, efficiency and abilities.

Respect for rights: The rights of employees are fully respected and there is a peaceful labor environment. There is no workers' union in the Company.

Health, safety and training: The Company employs an occupational doctor, a safety technician and trains its staff in new skills with seminars in the field of work, depending on the priorities set annually by

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the Management. The staff is constantly evaluated by the relevant managers and the relevant reports are evaluated by the Management for possible promotions, salary increases and employee transfers.

SECTION E. Entity's Development and Performance

1. *The Company's Financial Position*

The sums of the Company's Statement of Financial Position are as follows:

Statement of Financial Position	2022	1/2022
ASSETS		
Non-Current Assets	69.929.944	57.599.703
Current Assets	65.903.242	48.553.993
TOTAL ASSETS	**135.833.185**	**106.153.696**
EQUITY AND LIABILITIES		
Equity	**27.492.159**	**21.667.467**
Long-Term Liabilities	47.656.158	43.961.219
Short- Term Liabilities	60.684.868	40.525.010
Total Liabilities	**108.341.026**	**84.486.229**
TOTAL EQUITY AND LIABILITIES	**135.833.185**	**106.153.696**

2. Development of operations

Sales in the fiscal year 2022 amounted to € 102.310.574 and gross results (profits) amounted to € 44.789.296. After deducting operating expenses, financial and investment results, the company showed profits before taxes amounting to €7.471.881. Operating earnings before taxes, interest and depreciation (EBITDA) amounted to €17.534.954. The EBITDA ratio is calculated as the net profit before taxes, interest, depreciation and extraordinary provisions.

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3. Key Financial Ratios

The key financial ratios for evaluating the Company's financial position and results are the following:

Key Ratios	2022	1/2022
Turnover	102.310.574	5.940.675
EBITDA	17.534.954	225.220
Profit before tax	7.471.881	-561.473
EBITDA / Revenue from Sales	17,14%	3,79%
Profit or Loss before tax / Revenue from Sales	7,30%	-9,45%
Working Capital	5.218.373	8.028.983
Current Assets/ Short-term Liabilities	1,09	1,20
Current Assets/ Total Assets	0,49	0,46
Cash and cash equivalents / Total Assets	4,02%	10,00%
Total Liabilities / Total Equity and Liabilities	0,80	0,80
Debt / Revenue from Sales	0,11	1,35
Total Liabilities / Total Equity	3,94	3,90

The Company does not monitor Non-Financial Performance Indicators.

SECTION F. Other Issues

Company-Segment prospects

Strategically, the Company's objective is to offer a seamless "navigation" environment to the consumer, either visiting a physical or an online store. The omnichannel experience of the consumer and its level already plays a significant role in the development of companies in the sector. Short-term objectives include increasing sales and expanding market share with the ultimate goal of improving the Company's profitability and liquidity.

Research - Development: In the closing year the Company did not allocate funds for research and development.

Treasury shares: The Company holds no treasury shares.

Branches: The Company's headquarters are located in Heraklion, 148, 62 Martyron Str..As of 31/1/2023, the company had 65 physical stores, 22 in the prefecture of Attica, 6 in the prefecture of Thessaloniki, 5 in the prefecture of Heraklion, 3 in the prefectures of Chania, Dodecanese, Lasithi and Corfu, 2 in the prefectures of Achaia, Larissa, Messinia , Evia and 1 branch in the Prefectures of Xanthi, Boiotia, Trikala, Chios, Evros, Fthiotida, Drama, Aitoloakarnania, Ilia, Magnesia, Karditsa and Ioannina. The company also operates 6 E-Shops.

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Financial instruments: The Company does not use financial instruments.

Subsequent events: There are no events subsequent to the financial statements, required to be reported by the International Financial Reporting Standards (IFRS).

The Company has no direct relationship or transactions with third parties in Russia and Ukraine, therefore there is no direct risk from these developments.

The Company Management closely monitors Business activities and constantly takes measures to contain energy costs and, in general, address the corresponding risks whenever possible.

SECTION G. Profit Distribution Proposal

The proposed distribution of profit is as follows:

Earnings to be distributed	**13.920.581**
Tax exempted income - Other reserves	24.997
Retained earnings	13.895.584
Total	**13.920.581**

The non-distribution of dividends is subject to the approval of the Annual Regular General Meeting of the company's shareholders, which is obtained based on article 130 of Law 4548/2018.

The accompanying Financial Statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and approved by the Company's Board of Directors on August 31, 2023.

Heraklion, August 31, 2023

The Board of Directors

The Chief Executive Officer

Michail Tsiknakis

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II. Independent Auditor's Report

To the Shareholders of the Company **"COSMOS SPORT COMMERCIAL HOTEL AND TOURIST COMPANY S.A."**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of COSMOS SPORT COMMERCIAL HOTEL AND TOURIST COMPANY S.A. ("the Company"), which comprise the Statement of Financial Position as of January 31, 2023, the Statements of Comprehensive Income, Changes in Equity and Cash Flows for the year then ended as well as a summary of significant accounting policies and methods and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company COSMOS SPORT COMMERCIAL HOTEL AND TOURIST COMPANY S.A. as of January 31, 2023, its financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) incorporated into the Greek Legislation. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company within our entire appointment as auditors in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) incorporated into the Greek Legislation and ethical requirements relevant to the audit of financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with the requirements of the effective legislation and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS as adopted by the European Union and for such internal control as management 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the management's intention is to proceed with liquidating the Company or discontinuing its operations or unless the management has no other realistic option but to proceed with those actions.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as an aggregate, 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, incorporated into the Greek Legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to affect the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, incorporated into the Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the 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 that 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 management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's 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 disclose to the management, 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

Taking into consideration the fact that under the provisions of Par. 5, Article 2 (part B), Law 4336/2015, management has the responsibility for the preparation of the Board of Directors' Report, the following is to be noted:

a) In our opinion, the Management Report of the Board of Directors has been prepared in accordance with the legal requirements of article 150 of the Codified Law 4548/2018 and the content of the report is consistent with the accompanying financial statements for the year ended January 31, 2023.

b) Based on the knowledge we obtained during our audit of the Company COSMOS SPORT COMMERCIAL HOTEL AND TOURIST COMPANY S.A. and its environment, we have not identified any material misstatements in the Management Report of the Board of Directors.

Heraklion, September 11, 2023

The Certified Public Accountant – Auditor

Konstantinos E. Kanakarakis

Registry Number SOEL 30 371

Grant Thornton
Chartered Accountants Management Consultants
58, Katehaki Av., 115 25 Athens, Greece
Registry Number SOEL 127

III. FINANCIAL STATEMENTS

1. Statement of Financial Position

ASSETS	31.01.2023	31.01.2022	Note
Non-Current Assets			
Tangible assets			
Owner occupied property, plant and equipment	19.947.920	17.360.171	7
Total	19.947.920	*17.360.171*	
Intangible assets			
Other intangible assets	731.155	510.489	8
Right of use tangible assets	44.741.759	38.422.815	9
Total	*45.472.914*	*38.933.304*	
Other non-current assets	1.058.110	905.228	11
Financial Assets			
Investments in subsidiaries, associates and joint ventures	3.451.000	401.000	10
Total	*3.451.000*	*401.000*	
Total non-current Assets	***69.929.944***	***57.599.703***	
Current Assets			
Inventories	46.444.999	23.546.492	12
Advances for Inventories	9.876.785	8.534.233	12
Trade and other receivables	1.763.492	3.792.729	13
Cash and cash equivalents	5.453.765	10.618.993	14
Other current Assets	2.364.201	2.061.547	13
Total current Assets	***65.903.242***	***48.553.993***	
Total Assets	**135.833.185**	**106.153.696**	

The accompanying Notes on pp. 25 to 67 constitute an integral part of the Financial Statements.

**Fiscal Year 1/2022 reflects the period 1st January 2022 – 31st January 2022, in accordance with published Financial Statements, while 2022 Fiscal Year reflects the period 1st February 2022 – 31st January 2023 and thus figures are not comparable.*

EQUITY AND LIABILITIES			
Equity			
	31.01.2023	**31.01.2022**	**Note**
Share capital	367.430	367.430	15
Share premium	11.889.711	11.889.711	15
Reserves	1.314.436	1.292.928	16
Retained earnings	13.920.581	8.117.398	
Total Equity	***27.492.159***	***21.667.467***	
Liabilites			
Long-term Liabilities			
Long-term borrowings	3.000.000	5.000.000	17
Lease liabilities	43.623.361	38.028.260	18
Provisions for benefits for the employees	27.147	19.184	19
Other long-term provisions	655.000	595.000	21
Deferred income tax	348.651	316.775	22
Other long-term liabilities	2.000	2.000	23
Total	*47.656.158*	*43.961.219*	
Short-term Liabilities			
Short-term borrowings	8.496.274	3.008.492	17
Trade payables	39.357.556	26.492.677	24
Income Tax Liabilities	1.984.545	1.847.159	22
Short-term Lease liabilities	5.800.169	4.317.245	18
Other sort-term liabilities	5.046.325	4.859.438	24
Total Liabilities	*60.684.868*	*40.525.010*	
Total Equity , Provisions , Liabilities	***108.341.027***	***84.486.229***	
EQUITY AND LIABILITIES	**135.833.185**	**106.153.696**	

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2. Statement of Comprehensive Income

	01.02.2022 - 31.01.2023	01.01.2022 - 31.01.2022	Note
Sales(net)	102.310.574	5.940.675	6
Cost of Sales	-57.521.279	-3.791.043	25
Gross trading results:	**44.789.296**	**2.149.632**	
Administrative expenses	-2.756.689	-169.105	26
Distribution expenses	-32.522.520	-2.380.680	26
Other income/expense (net)	203.551	2.206	27
Earnings before interest and taxes	**9.713.638**	**-397.946**	
Financial income	38.736	0	28
Financial Expenses	-2.280.494	-163.526	28
Result before taxes	**7.471.881**	**-561.473**	
Income tax	-1.608.066	121.956	22
Income tax previous fiscal years	-40.000	-20.000	22
Result after tax	**5.823.815**	**-459.517**	
Net profit/loss (a)	**5.823.815**	**-459.517**	
Other comprehensive income after tax (b)	877	0	
Total comprehensive income for the period after tax (a)+ (b)	**5.824.691**	**-459.517**	

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3. Statement of Changes in Equity

	Share Capital	Share Premium	Statutory Reserves	Special purpose reserves	Tax exempted - Other reserves	Retained Earnings	Total Equity
Balance as at 01.01.2022	**367.430**	**11.889.711**	**340.965**	**577.250**	**374.713**	**8.576.915**	**22.126.984**
Total Comprehensive Income						-459.517	**-459.517**
Equity Balance as at 31.01.2022	**367.430**	**11.889.711**	**340.965**	**577.250**	**374.713**	**8.117.398**	**21.667.467**
Balance as at 01.02.2022	**367.430**	**11.889.711**	**340.965**	**577.250**	**374.713**	**8.117.398**	**21.667.467**
Total Comprehensive Income						5.824.691	**5.824.691**
Other changes in equity					21.509	-21.509	**0**
Equity Balance as at 31.01.2023	**367.430**	**11.889.711**	**340.965**	**577.250**	**396.221**	**13.920.581**	**27.492.159**

The accompanying Notes on pp. 25 to 67 constitute an integral part of the Financial Statements.

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4. Statement of Cash Flows

	31.01.2023	31.01.2022
Operating Activities		
Period Income/loss	7.471.881	-561.473
Adjustments		
Depreciation/Amortization	8.168.931	628.496
Provision	391.072	0
Profit/loss from disposal of fixed assets	72.057	0
Debit interest and related expenses (less credit interest)	2.241.758	163.526
Foreign Exchange translation differences	- 2.968	65,17
Other non-cash expenses/(income)	20.337	0
Operating cash flow before changes in working capital	***18.363.067***	***230.615***
Decrease / (Increase) in inventory	- 24.575.910	-5.050.502
Decrease / (Increase) in receivables	1.491.718	123.689
Increase / (decrease) in current liabilities (except banks)	13.619.903	3.137.053
Operating activities	***8.898.778***	***-1.559.145***
Less: Debit interest and related expenses paid	- 2.280.494	-163.526
Tax paid	- 2.004.025	167.896
Total inflows / (outflows) from operating activities (a)	***4.614.259***	***-1.554.775***
Investing Activities		
Acquisition of subsidiaries, associates and joint ventures and other investments	- 3.050.000	0
Acquisition of tangible and intangible assets	- 5.223.296	-112.074
Interest collected	38.736	0
Other inflows (outflows) not included in working capital	- 158.139	-3.310
Total inflows (outflows) from investing activities (b)	**- 8.392.698**	**-115.384**
Financing Activities		
Repayments for lease liabilities	- 4.874.571	-390.789
Loan received /paid	3.487.783	-750.603
Total inflows / (outflows) from financing activities (c)	**- 1.386.788**	**-1.141.392**
Increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	**- 5.165.228**	**-2.811.551**
Opening cash and cash equivalents	10.618.993	13.430.544
Closing Cash and Cash equivalents	**5.453.765**	**10.618.993**

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IV. NOTES TO FINANCIAL STATEMENTS

1. General Information

The Company COSMOS SPORT COMMERCIAL HOTEL AND TOURIST SA operates in the retail trade of branded sporting goods. The Company is registered in the Societe Anonyme Registry under number 34110/70/B/95/57 and General commercial registry Nr. 77109427000 and its term is fifty (50) years from its legal establishment.

The Company's main objective is import, export, trade, purchase and resale of sporting goods.

The Company is an 80% subsidiary of JD Sports Fashion PLC (the "Parent Company") of Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR, UK. The Company does not prepare Consolidated Financial Statements because the financial statements of the Company and its subsidiary are included in the consolidated financial statements of the parent company under the full consolidation method.

The Company is domiciled in Heraklion, Martron Ave. 148.

The financial statements for the period were approved by the Company's Board of Directors on 31st August 2023.

2. Summary of significant accounting policies

The key accounting policies adopted in the preparation of the financial statements are analytically presented below.

2.1. Framework for the preparation of financial statements

The financial statements for the FY 1.2.2022 - 31.01.2023 have been prepared: a) in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union under EU Regulation 1606/2002 as of July 19th 2002 and b) based on the historical cost principle. The key accounting principles followed by the Company are the same as those used under the preparation of the annual financial statements as of 31.01.2023, are consistent with those described in the published financial statements for the year ended 31.01.2022. There are no Standards implemented prior to their effective date.

The Company changed its fiscal year with a new Reporting period from February 1 to January 31 of the following year. For 2022 we refer to the twelve-month period February 1, 2022 – January 31, 2023, while for 01/2022 we refer to January 1, 2022 – January, 31 2022 based on the published Financial Statements, so the amounts are not comparable.

The preparation of Financial Statements, in accordance with IFRS, requires making estimates and adopting assumptions, which may affect the accounting balances of assets and liabilities, the required disclosures of contingent receivables and liabilities at the date of preparation of the Financial Statements, as well as the amounts of income and expenses recognized during the accounting period. Use of available information and application of subjective judgment are integral elements in making estimates.

Actual future results may differ from the above estimates, while any deviations may have a significant impact on the Financial Statements, as presented in Note 3.

2.2. Going-concern assumption

The financial statements have been prepared based on the going concern principle, i.e. on the assumption that the company will have at its disposal the necessary resources to cover its short-term obligations so that it could go on operating without interruption for at least the following 12 months.

The company's management estimates that the going concern assumption is the appropriate basis for the preparation of the financial statements.

2.3. New Standards, Interpretations, Revisions and Amendments to existing Standards

The company has adopted all the new standards and interpretations, mandatory for the years starting from January 1, 2022 onwards. Paragraph a. presents the standards adopted since January 1, 2022. Paragraph b. presents the standards, amendments and interpretations which are either not yet effective or have not been adopted by the EU. Paragraph c. the effect of the new standards on the Company's financial statements is presented.

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

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01.01.2022.

• Amendments to IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment", IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and "Annual Improvements 2018-2020" (effective for annual periods starting on or after 01.01.2022)

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

- **Amendments to IFRS 3 Business Combinations** update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

- **Amendments to IAS 16 Property, Plant and Equipment** prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss. This amendment did not have a significant impact on the Company's financial position and/or financial performance.

- **Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets** specify which costs a company includes when assessing whether a contract will be loss-making. This amendment did not have a significant impact on the Company's financial position and/or financial performance.

- **Annual Improvements 2018-2020** make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases. This amendment did not have a significant impact on the Company's financial position and/or financial performance.

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

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

• IFRS 17 "Insurance Contracts" (effective for annual periods starting on or after 01/01/2023)

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. Furthermore, in June 2020, the IASB issued amendments, which do not affect the fundamental principles introduced when IFRS 17 has first been issued. The amendments are designed to reduce costs by simplifying some requirements in the Standard, make financial performance easier to explain, as well as ease transition by deferring the effective date of the Standard to 2023 and by providing additional relief to reduce the effort required when applying the Standard for the first time. The Company will consider the impact of all of the above on its financial statements, although they are not expected to have any. The above has been adopted by the European Union with an effective date of 01/01/2023.

• Amendments to IAS 1 "Presentation of Financial Statements" (effective for annual periods starting on or after 01.01.2023)

In February 2021, the IASB issued narrow-scope amendments that pertain to accounting policy disclosures. The objective of these amendments is to improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. More specifically, companies are required to disclose their material accounting policy information rather than their significant accounting policies.. The Company will consider the impact of all of the above on its financial statements, although they are not expected to have any. The above has been adopted by the European Union with an effective date of 01/01/2023.

- **Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates" (effective for annual periods starting on or after 01.01.2023)**

In February 2021, the IASB issued narrow-scope amendments that they clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. The Company will consider the impact of all of the above on its financial statements, although they are not expected to have any. The above has been adopted by the European Union with an effective date of 01/01/2023.

- **Amendments to IAS 12 "Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction" (effective for annual periods starting on or after 01.01.2023)**

n May 2021, the IASB issued targeted amendments to IAS 12 to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations – transactions for which companies recognise both an asset and a liability. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions. The Company will consider the impact of all of the above on its financial statements, although they are not expected to have any. The above has been adopted by the European Union with an effective date of 01/01/2023.

- **Amendments to IFRS 17 “Insurance contracts: Initial Application of IFRS 17 and IFRS 9 –Comparative Information” (effective for annual periods starting on or after 01/01/2023)**

In December 2021, the IASB issued a narrow-scope amendment to the transition requirements in IFRS 17to address an important issue related to temporary accounting mismatches between insurance contractliabilities and financial assets in the comparative information presented when applying IFRS17 “Insurance Contracts” and IFRS 9 “Financial Instruments” for the first time.The amendment aims toimprove the usefulness of comparative information for the users of the financial statements.. The Company will consider the impact of all of the above on its financial statements, although they are not expected to have any. The above has been adopted by the European Union with an effective date of 01/01/2023.

- **Amendments to IAS 1 “Classification of Liabilities as Current or Non-current” (effective for annual periods starting on or after 01.01.2024)**

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity’s right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management’s intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. Furthermore, in July 2020, the IASB issued an amendment to defer by one year the effective date of the initially issued amendment to IAS 1, in response to the Covid-19 pandemic. However, in October 2022, the IASB issued an additional amendment that aims to improve the information companies provide about long-term debt with covenants. IAS 1 requires a company to classify debt as non-current only if the company can avoid settling the debt in the 12 months after the reporting date. However, a company’s ability to do so is often subject to complying with covenants. The amendments to IAS 1 specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with early adoption permitted. The Company will consider the impact of all of the above on its financial statements, although they are not expected to have any. The above have not been adopted by the European Union.

- **Amendments to IFRS 16 "Leases: Lease Liability in a Sale and Leaseback" (effective for annual periods starting on or after 01.01.2024)**

In September 2022, the IASB issued narrow-scope amendments to IFRS 16 "Leases" which add to requirements explaining how a company accounts for a sale and leaseback after the date of the transaction. A sale and leaseback is a transaction for which a company sells an asset and leases that same asset back for a period of time from the new owner. IFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place. However, IFRS 16 had not specified how to measure the transaction when reporting after that date. The issued amendments add to the sale and leaseback requirements in IFRS 16, thereby supporting the consistent application of the Accounting Standard. These amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction. The Company will consider the impact of all of the above on its financial statements, although they are not expected to have any. The above have not been adopted by the European Union.

2.4. Segment reporting

Under IFRS 8, operating segments are specified as those which are addressed internally by the Management as significant in assessing segment performance and risk and allocation of available resources.

The company is not listed on a stock market and is therefore not required to present segment reporting.

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2.5. Foreign currency translation

(a) Functional and Presentation Currency

The items in the company's financial statements are measured in Euro.

(b) Transactions and balances

Transactions in foreign currencies, if any, are converted into the functional currency (Euro) using the exchange rates effective on the date of the transactions. Gains and losses from translation differences arising from the settlement of such transactions during the period and from the translation of monetary items expressed in foreign currency at the exchange rates effective on the balance sheet date, are recorded in the Income Statement. Exchange differences from non-monetary items that are carried at their fair value are considered as part of fair value and are therefore recorded where the fair value differences are recorded.

2.6. Property, plant and equipment

Items of property, plant and equipment are carried at acquisition cost less accumulated depreciation and impairment. The acquisition cost includes all directly attributable costs for the items' acquisition.

Subsequent expenses are recorded as an increase in the book value of property, plant and equipment or as a separate asset only if it is probable that future economic benefits will flow to the company and their cost can be measured reliably. The cost of repairs and maintenance is recognized in the income statement when incurred.

Land plots are not depreciated.

Depreciation of other tangible assets is calculated using the straight-line method over their useful life as follows:

Tangible assets	Rate	Useful life
Buildings and constructions	4%	25 years
Third parties Real Estate	8-16%	leasing period
Mechanical equipment	10%	10 years
Vehicles trucks	12%	8,3years
Passenger vehicles	16%	6 ,3 years
Hardware	20%	5 years
Other equipment	10%	10 years

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Residual values and useful lives of tangible assets are reviewed at every balance sheet date. When the accounting values of tangible assets exceed their recoverable value, the difference (impairment) is directly recorded as an expense in the income statement.
Under the disposal of tangible assets, the balance between the consideration received and their book value is recorded as gains or losses in the income statement.
When property, plant and equipment are carried at their fair values, any revaluation reserve that exists in equity at the time of sale is transferred to retained earnings.
Financial expenses during the construction period are capitalized and at the end of this period – recorded in the income statement.

2.7. Intangible assets

Software

Software licenses are measured at acquisition cost less depreciation. Depreciation is performed using the straight-line method during the useful life of these items, which is estimated at approximately 5 years.

Costs incurred for development and maintenance of software are recognized as expenses when incurred.

2.8. Non-current assets held for sale and discontinued operations

Non-current assets (or groups of assets held for sale) are classified as assets held for sale and recognized at the lower of book value and net selling price, if the book value is recovered primarily through sale and not through continued use.

2.9. Investments in Subsidiaries

Subsidiaries are all the entities (including special purpose entities) over which the Company exercises control. The Company exercises control over an entity when it is exposed to or has rights to variable returns from its interest in the entity and has the ability to affect those returns through its power over the enterprise.

The accounting principles applied by the subsidiaries have been adjusted where deemed necessary in order to comply with those adopted by the Company.

The Company records investments in subsidiaries in the separate financial statements at acquisition cost less potential impairment. Furthermore, acquisition cost is adjusted to reflect changes in the consideration, arising from any amendments to the contingent consideration.

2.10. Borrowing costs

Underwriting costs, legal and other direct costs incurred, related to the issuance of loans, affect the amount of the loans and are recorded in the income statement based on the effective interest method during the term of the loan agreement. Borrowing costs are recorded in the income statement when incurred. The component of borrowing costs related to the construction period of the tangible assets is recognized as an increase in their value.

2.11. Impairment of assets

Assets with indefinite useful life are not depreciated but are subject to an annual impairment test. Depreciable assets are subject to an impairment test when there are indications that their carrying amount will not be recovered. The recoverable amount is the higher amount between the fair value less costs to sell and value in use of the asset. Value in use is determined by discounting future cash flows at the appropriate discount rate. If the recoverable amount is less than the depreciable value, then the depreciable value is reduced to the amount of the recoverable amount. Impairment losses are recognized as expenses in the year when they are incurred, unless the asset has been revalued, in which case the impairment loss reduces the corresponding revaluation reserve. When in subsequent year the impairment loss must be reversed, the asset's carrying amount is increased to the amount of the revised estimate of recoverable amount, to the extent the new carrying amount does not exceed the carrying amount that would have been determined had the impairment not been recorded in previous years. Reversal of the impairment loss is recorded in revenue, unless the asset has been revalued, in which case the reversal of the impairment loss increases the corresponding revaluation reserve. In order to assess impairment losses, assets are included in the smallest possible cash flow generating units.

2.12. Inventory

Inventory items are measured at the lower value between acquisition cost and net realizable value. The cost is determined using the average annual weighted cost method. Financial costs are not included in the cost of inventory acquisition. Net realizable value is estimated based on the current selling prices of the inventory in the ordinary course of business less any selling expenses where applicable.

2.13. Cash and cash equivalent

Cash and cash equivalents include cash, sight deposits, short-term (up to 3 months) highly liquid and low-risk investments and bank overdrafts.

2.14. Financial instruments

a) Initial recognition and subsequent measurement of financial assets

The Company classifies its financial assets in the following categories:

- Financial assets subsequently measured at fair value (either in other comprehensive income or in the income statement) and

- Financial assets measured at amortized cost.

Classification of financial assets at initial recognition is based on the contractual cash flows of the financial assets and the business model within which the financial asset is held.

With the exception of trade receivables, the company initially measures a financial asset at its fair value plus transaction costs, if a financial asset is not measured at fair value through profit or loss. Transaction costs of financial assets measured at fair value through profit or loss are expensed. Trade receivables are initially valued at transaction value as defined in IFRS 15.

In accordance with the provisions of IFRS 9, securities are then measured at amortized cost, or at fair value through other comprehensive income, or at fair value through profit or loss. When a financial asset is to be classified and measured at amortized cost or fair value through other comprehensive income, cash flows that are "solely payments of principal and interest" on the outstanding principal balance must be generated. This assessment is known as the SPPI ("solely

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payments of principal and interest") criterion and is performed at the level of a separate financial instrument.

b) Impairment of financial assets

At every financial statements' date, the Company assesses the data regarding whether the value of a financial asset or a group of financial assets has been impaired as follows:

The Company recognizes an allowance against expected credit losses for all financial assets not measured at fair value through profit or loss. Expected credit losses are based on the balance between all the contractual cash flows that are due under the contract and all the cash flows the Company expects to collect, discounted at an approximate initial effective interest rate.

Expected credit losses are recognized in two stages. If the credit risk of a financial instrument has not significantly increased since the initial recognition, the entity measures the loss allowance for that financial instrument at an amount equal to the expected credit losses of the next 12 months. If the credit risk of the financial instrument has significantly increased since the initial recognition, the entity measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses, regardless of when the default occurred.

Regarding trade receivables and contractual assets, the company applies the simplified approach in order to calculate expected credit losses. Therefore, at every reporting date, the company measures the loss allowance for a financial instrument at an amount equaling the expected credit losses throughout the lifetime without monitoring changes in credit risk.

c) Determination of the fair value of financial instruments

Fair value is defined as the price at which an asset (financial or non-financial) would be sold or the price paid to transfer a liability (financial or non-financial) in an ordinary transaction between market participants at the measurement date. In fair value measurement we assume that the transaction to sell the asset or transfer the liability takes place either: (i) in the principal market for the asset or liability or (ii) in the absence of a principal market, in the most advantageous market for the asset or liability. A financial instrument is considered to be traded in a principal market if the prices are negotiated directly and regularly available from an exchange, broker, industry group, a pricing service company or regulatory body and those prices represent current and regular market transactions carried out at arm's length basis. An entity need not undertake exhaustive search of all possible markets to identify the principal market or, in the absence of a principal market, the most advantageous market, but takes into account all reasonably available information. When such evidence to the contrary is absent, the market in which an entity would normally undertake a transaction to sell the asset or transfer the liability is considered to be the principal market or in absence of the principal market, the most advantageous market. If there is a principal market for the asset or liability, the fair value measurement represents the price on that market (whether that price is directly observable or estimated using another valuation technique), even if the price in a different market is potentially more advantageous at the measurement date. IFRS 13 establishes the hierarchy of valuation models on the objectivity of the data used in these models (observable or non- observable data). The observable data are based on observable market data and derived from independent sources, unobservable inputs are referred to management assumptions. The Company calculates the fair value of financial instruments based on the relevant framework which classifies financial assets into a three-level hierarchy based on the data used for their valuation, as described below:

Level 1: Investments that are valued at fair value based on quoted (unadjusted) prices in active markets for comparable assets or liabilities.

Level 2: Investments that are valued at fair value, using valuation techniques for which all inputs that significantly affect the fair value, are based (either directly or indirectly) on observable market data.

Level 3: Investments that are valued at fair value, using valuation techniques, in which the data that significantly affects the fair value, is not based on observable market data.

2.15. Share capital

Common shares are included in equity.

Direct expenses for the issue of shares are presented after the benefit resulting from the deduction of the relevant income tax, as a reduction of the product of the issue. Direct costs related to the issue of shares for the acquisition of entities are included in the acquisition cost of the acquired entities.

The cost of acquiring treasury shares is presented as a deduction from the company's equity, until the treasury shares are disposed or cancelled. Gains and losses from the disposal of treasury shares, net of other costs and taxes directly related to the transaction, are recorded in equity as reserves.

2.16. Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event and it is probable that there will be an outflow of resources to settle the obligation and the amount can be reliably estimated. If the impact of the time value of money is significant, provisions are recognized on a discounted basis, using a pre-tax interest rate that reflects the current market assessments of the time value of money and the risks associated with the liability. When provisions are discounted, the increase in the provision due to the passage of time is recognized as borrowing costs. Provisions are reviewed at every Balance Sheet date and if it is no longer probable that there will be an outflow of resources to settle the commitment, the provisions are reversed. Provisions are used only for the purpose for which they were originally generated. Contingent receivables and contingent liabilities are not recognised.

2.17. Employee benefits

(a) Short-term benefits

Short-term employee benefits in cash and in kind are recorded as an expense when accrued.

(b) Post-employment benefits

IAS 19 distinguishes the post-employment benefits into defined benefits and defined contribution plans. The defined contribution plan is recorded as expense in each period and is equal to the amount paid by the employer. The accounting treatment of defined benefit plans involves an actuarial valuation, because the standard requires the cost to be allocated to each employee work period. The provisions of Law 2112/1920, as amended by Law 4093/2012, are classified as defined benefit for the purposes of IAS 19. The actuarial method used is the Projected Unit Credit Method.

The amended IAS 19 also requires as follows:

- direct recognition of actuarial gains/losses in other comprehensive income and their final exemption from the income statement,
- non-recognition of the expected returns on investment program in profit or loss but recognition of such interest in the net liability/(asset) of the provision calculated based on the discount rate used to measure the defined benefit obligation,
- recognition of past service cost in profit or loss at the earlier of the date of modification of the program or when the related restructuring is recognized or the terminal payment occurs and
- other changes including the new disclosures such as quantitative sensitivity analysis.

2.18. Leases

Leases of property, plant and equipment where the company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease inception, at the lower value between the fair value of the leased tangible assets and the present value of the minimum lease payments. Every lease is allocated to the liability and finance expense so that a fixed interest rate is achieved on the outstanding liability.

The liability for payable rentals, net of financial costs, is included in other long-term liabilities. Interest is charged to the income statement over the term of the lease so that there is a fixed periodic interest rate on the balance of the liability at every balance sheet date. If the lease agreement states that the lessor retains substantially all the rewards and risks of ownership of the asset, then the lease is classified as an operating lease. Lease payments for operating leases are recognized as an expense in the income statement on a systematic basis over the term of the lease. The substance of the transaction and not the type of the lease agreement is the criterion for classifying a lease as finance or operating.

2.19. Revenue recognition

The Company recognizes revenue to reflect the transfer of ownership of promised goods or services to customers at an amount that reflects the consideration it estimates that it is entitled to, for those goods or services. Revenue from contracts with customers is recognized when all of the following criteria are met:

a) The contractual parties have approved the contract and are committed to perform their respective obligations.

b) The Company can specify the rights of each party with respect to the goods or services to be transferred.

c) The Company can specify the terms of payment for the goods or services to be transferred.

d) The contract has a commercial nature.

e) It is possible for the Company to collect the consideration it is entitled to against the goods or services to be transferred to the customer.

Revenue is recognized at the amount by which an entity expects to have in exchange for the transfer of the goods or services to a counterparty. When awarding a contract, account shall be taken of the additional costs and the direct costs required to complete the contract.

Income is defined as the amount that an entity expects to be entitled to in exchange for the goods or services it has transferred to a customer. If the promised consideration in a contract includes a variable amount, the entity estimates the consideration amount that would be entitled to the transfer of the promised goods or services to customer. The consideration amount may vary due to discounts, price subsidies, refunds, credits, price reductions, incentives, additional performance benefits, penalties or other similar items. Promising consideration may also change if the entity's entitlement to the consideration depends on the occurrence or nonoccurrence of a future event. For example, a consideration amount will be variable if the product has been sold with a refund or if a fixed amount promise has been given as an additional performance benefit to achieve a specific milestone.

The volatility associated with the consideration promised by a customer may be expressly stated in the contract. An entity shall measure the amount of the variable consideration using one of the following methods, whichever method it considers best suited to the amount of consideration to which it will be entitled to:

(a) Estimated value - the estimated value is equal to the sum of the probability-weighted amounts in a range of possible consideration amounts. Estimated value is an appropriate estimate of the variable amount if the entity has a large number of contracts with similar characteristics.

(b) Potential amount - the most probable amount is the only most probable amount in a range of possible consideration amounts (i.e., the only likely outcome of the contract). The most probable amount is an appropriate estimate of the variable amount if the contract has only two possible outcomes (for example, the entity provides additional performance or not).

The Company recognizes revenue when it satisfies the performance of the contractual obligation by transferring the goods or services based on that obligation. The customers acquire control when they are in position to direct the use of and derive substantially all of the economic benefits from that good or service. Control is transferred over a period or at a specific point in time. Revenue from the sale of goods is recognized when control of the goods is transferred to the customer, usually on delivery of goods to the customer, and there is no obligation that could affect the customer's acceptance of the goods.

The company recognizes revenue for a performance commitment fulfilled over time only if it can reasonably measure its progress toward full settlement of that commitment. The company cannot reasonably measure progress towards the full settlement of the commitment when it does not have the reliable information necessary to apply the appropriate method of measuring progress. In some cases (e.g. at the initial stages of a contract), the entity may not be able to measure the outcome of a performance obligation reasonably, but it expects to at least recover the costs incurred in settling it. In such cases, the entity should recognize revenue only to the extent of the costs incurred, until it is able to reasonably measure the outcome of the performance commitment.

Revenue from rendering services is recognized in the accounting period when such services are provided and is measured according to the nature of the services to be provided. A trade receivable is recognized when there is an unconditional right for the entity to receive the consideration for the performed contractual obligations to the customer.

A contractual asset is recognized when the Company has settled its obligations to the counterparty, before the counterparty pays or before payment becomes due, for example when the goods or services are transferred to the customer before the Company is entitled to issue an invoice. A contractual obligation is recognized when the Company receives a consideration from the counterparty as an advance or when it retains a right to a consideration which is deferred before the settlement of the contractual obligations and the transfer of the goods or services. The contractual obligation is derecognized when the contractual obligations are settled and the revenue is recorded in the income statement.

The following specific recognition criteria should also be met when recognizing revenue:

(a) Sale of goods

Sales of goods are recognized when an entity delivers the goods to customers, i.e. when the material risks and benefits associated with their ownership and the goods are transferred and are accepted by them, as well as when collectability of receivables is reasonably assured. Accordingly, revenue from sale of goods will continue to be recognized upon delivery to the buyer as long as there is no outstanding obligation that could affect the buyer's acceptance of the goods and be measured at the consideration set out in the contract with the customer. The company separates possible other obligations that may be included in the contract and constitute a separate performance obligation and determines the component of the revenue attributed to them (customer loyalty program). Revenue from sale of goods arises from the sale of athletic goods.

(b) Rendering services

Revenue from rendering services is accounted for in the period in which the services are provided, based on the stage of completion of the service provided in relation to total services provided.

(c) Interest income

Interest income is recognized on a time proportion basis using the effective interest rate. When receivables are impaired, their book value is reduced to their recoverable amount, which is the present value of expected future cash flows discounted at the initially effective interest rate. Thereafter, interest is calculated at the same rate on the reduced (new accounting) value.

(d) Dividends

Dividend income is recognized when the right to receive payment is established.

2.20. Deferred income tax

Income taxes for the year comprise current taxes and deferred taxes, i.e. taxes arising from the temporary differences between the carrying amount and the tax base of assets and liabilities. Income tax is recognized in the Income Statement, except for tax that relates to transactions that have been recognized directly in Equity, while the tax, in this case, is recognized directly in Equity. Current income tax relates to tax on the company's taxable profits as adjusted in accordance with tax legislation requirements and is calculated on the basis of the applicable tax rate. Deferred income tax pertains to temporary differences between tax recognition of Assets and Liabilities and their recognition for the purposes of the preparation of the Financial Statements and are calculated using tax rates, effective for the years when assets are expected to be recovered and liabilities settled. Deferred tax is calculated using the liability method in respect of all temporary tax differences, as at the balance sheet date, between the tax base and the carrying amount of the assets and liabilities. The expected tax impact of the temporary tax differences is determined and presented either as future (deferred) tax liabilities or as deferred tax assets. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, to the extent that it is probable that there will be sufficient future taxable income against which unused tax losses and credit can be taxed. The value of deferred tax assets is reviewed at every balance sheet date and is reduced to the extent that it is not expected to have sufficient taxable income to meet the deferred tax asset. The Company offsets deferred tax assets and deferred tax liabilities if and only if:

o The company has a legally enforceable right to offset current tax assets against current tax obligations, and o Deferred tax assets and deferred tax obligations relate to income tax imposed by the same tax authority either:

- on the same taxable entity, or

- on different taxable entities that intend to offset current tax obligations and assets or to collect receivables and settle liabilities at the same time, in any future period, in which significant amounts of deferred tax obligations or deferred tax assets are recovered.

2.21. Earnings per share

Basic and diluted earnings per share are accounted for through dividing net earnings after taxes by the weighted average number of shares every year.

2.22. Distribution of dividends

Distribution of dividends to shareholders is recognized as a liability in the financial statements when approved by the General Meeting of shareholders.

2.23. Rounding

The amounts included in the financial statements have been rounded to Euro.

3. Significant accounting estimates and judgements of the management

Estimates and judgments of the Management are constantly reviewed and are based on historical data and expectations for future events, deemed reasonable in accordance with the effective legislation.

3.1. Realizable value of inventory

Inventories are measured at the lower of historical cost and net realizable value. To estimate the net realizable value, the Management reviews the most reliable evidence available at the time the estimate is made.

3.2. Provision for income tax

Judgment of the company's management is required in determining the provision for income tax. There are many transactions and calculations regarding which the final tax determination is uncertain. If the final tax is different from that initially recognized, the balance will affect the income tax and the provision for deferred tax for the period.

3.3. Provisions for bad Debt

Doubtful accounts are recorded with the amounts likely to be recovered. Estimates of the amounts expected to be recovered arise from the analysis, as well as the company's experience regarding the possibility of customer defaults. Once it is known that a particular account is subject to a higher risk than normal credit risk (e.g. low creditworthiness of the customer, dispute about the existence or amount of the receivables, etc.), the account is analyzed and recorded as a doubtful account.

4. Financial risk management

Credit risk: The Company has no significant credit risk concentration. Sales and trade receivables have a significant range of dispersion while the most significant part of sales is generated by retail and are settled in cash. The maximum exposure to credit risk at the Balance Sheet date is the fair value of every category of financial assets, as presented below:

Current Assets	**2022**	**1/2022**
Advance payments for inventory	9.876.785	8.534.233
Trade receivables	1.763.492	3.792.729
Cash and cash equivalents	5.453.765	10.618.993
Other current assets	2.364.201	2.061.547
Total	***19.458.243***	***25.007.501***

- The account "Advances for acquisition of inventory" is largely reflected in checks payable.
- The account "Trade receivables" is characterized by high dispersion of receivables on 31.01.2023 with the exception of the subsidiary's receivable.
- Cash and cash equivalents bear a partial physical risk offset, as loan contracts are maintained with the same banks.

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Liquidity risk: The Company implements policies and procedures in order to keep liquidity risk at low levels. Stabilization of the economic climate combined with the increase in the Company's financial sizes ensure the increase in availability of the necessary credit limits, contributing to the reduction of this risk.

The Company's liabilities are settled on the specified dates without deviations. The maturity of financial liabilities on January 31, 2023 and January 31, 2022 is analyzed as follows:

	31/01/2023	<1 year	from 2 to 5 years	>5 years
Long-term loan liabilities	3.000.000	0	3.000.000	0
Lease liabilities	43.623.361	0	25.581.796	18.041.566
Other long term liabilities	2.000	0	2.000	0
Suppliers	39.357.556	39.357.556	0	0
Income Tax liabilities	1.984.545	1.984.545	0	0
Short-term loan liabilities	8.496.274	8.496.274	0	0
Short term lease liabilities	5.800.169	5.800.169	0	0
Other short term liabilities	5.046.325	5.046.325	0	0
Total	***107.310.230***	***60.684.868***	***28.583.796***	***18.041.566***

	31/01/2022	<1 year	from 2 to 5 years	>5 years
Long-term loan liabilities	5.000.000	0	5.000.000	0
Lease liabilities	38.028.260	0	20.663.510	17.364.750
Other long term liabilities	2.000	0	2.000	0
Suppliers	26.492.677	26.492.677	0	0
Income Tax liabilities	1.847.159	1.847.159	0	0
Short-term loan liabilities	3.008.492	3.008.492	0	0
Short term lease liabilities	4.317.245	4.317.245	0	0
Other short term liabilities	4.859.438	4.859.438	0	0
Σύνολο	***83.555.270***	***40.525.010***	***25.665.510***	***17.364.750***

Interest rate risk: The Company's loan liabilities are linked to the Euribor rate, therefore such a risk is effective. A change in the interest rate base or the spread by 0.50 points in Euribor in the existing bank debt affects the increase in debit interest by approximately € 57.000 (sensitivity analysis). In general, the Company's exposure to interest rate risk is limited.

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Currency risk: The Company maintains limited contracts in foreign currency and its transactions are mainly settled in Euro. Therefore, forex risk is constrained. Currency risk is indirectly limited to inventory acquisition costs and stores' fixed equipment when the central distributor's initial settlement is translated in another currency (mainly USD & GBP).

Other operational risks

Supply Chain: Due to the nature of the market, the Company is dependent on a small number of suppliers, i.e. the central distributors of branded sports products in Greece or Europe. The rules of cooperation with suppliers ensure the Company competitive prices, alternative options, flexibility and quality of goods. The Company signs cooperation agreements in writing, especially with significant suppliers.

Risk of inventory obsolescence: The Company takes all the necessary measures to minimize the risk of inventory obsolescence either for commercial reasons or for reasons related to the physical storage of the inventory. In particular, in order to address the risk of obsolescence due to commercialism, the Management ensures that the collections are sold out in the same season, while also having outlet stores for the clearance of off-season stock. Finally, the Company's Management regularly reviews the net realizable value of the inventories and makes appropriate provisions so that the financial statements reflect their actual value.

Risk of inventory insurance: The Company takes all the necessary measures in order to minimize the risk and potential loss due to damaged inventory inflicted by natural disasters or similar causes and insures the entire value of its inventory. The insured value of the stock is regularly updated.

Business Risk: There are no specific business risks other than those effective for the Market as an aggregate.

Lease risk: This risk is considered limited both due to the written validation of the relevant agreements and due to their long-term duration.

Macroeconomic environment in Greece:

Following the unprecedented pandemic crisis of the previous two years, 2022 has been another year of increased uncertainty, due to the Russian invasion in Ukraine which led to a sharp rise in inflation. Inflation internationally registered a significant increase in 2022 and proved to be higher and more prolonged compared to initial forecasts, which is to a large extent attributed on the supply side and mainly to the increase in energy costs, while on the demand side, to the dynamic

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recovery of the economies after pandemic and the extensive fiscal support measures. This event caused the European Central Bank (ECB) to change the direction of its monetary policy through the transmission mechanism that demonstrates its determination to ensure that inflation returns to its medium-term target of 2%. Thus, from July 2022 onwards, the ECB made successive increases in key interest rates, ending an eight-year period of negative interest rates. The global economy, after the strong recovery rates recorded in 2021, slowed down in 2022. However, this slowdown was ultimately milder compared to initial forecasts, despite steadily rising inflation, mainly due to: (a) pent-up demand and accumulated savings from the pandemic period, which supported consumption, (b) the strong labor market, and (c) the adoption of measures worldwide to contain energy costs. In 2022, the Greek economy maintained its growth momentum, recording a GDP growth rate of 5.9% (significantly higher than the European average), despite intense inflationary pressures and the deterioration of the international environment. In 2021-22, foreign direct investment inflows significantly increased and contributed to the financing of development, the promotion of productivity and employment. The improvement in the labor market is now evident, with the unemployment rate having decreased in 2022 to 12.4%, below the level of 2010. In conclusion, we believe that the macroeconomic conditions in Greece can only positively affect the course of the company. The management of the company closely monitors the developments and continuously takes measures against the corresponding risks whenever possible.

5. Capital management policies and procedures

a) The company's policy is to maintain a strong capital base to ensure confidence on the part of creditors and support its future growth.

The objectives of the company's capital management are:

• to ensure its ability to continue as a going concern

• to ensure a satisfactory return to shareholders by pricing products and services commensurate with the level of risk

• to fulfill its contractual obligations regarding certain loan agreements

The company determines the amount of capital in proportion to the risk related to its operations, monitors the developments in the economic environment and their impact on risk factors and manages the capital structure (debt-to-equity ratio), adjusting the amount and maturity of borrowings, issuing new shares or returning capital to shareholders, adjusting the amount of dividend or disposing separate assets or groups of assets.

The company finances its investments through equity and bank borrowing. For this purpose, the company monitors the ratio of Net Bank Borrowings to Total Capital Employed.

Total Capital Employed Is defined as total equity and bank borrowings reduced by the amount of cash available not bound for any reason.

At the end of fiscal year 2022 and 1/2022, the ratio is as follows:

	2022	**1/2022**
Total Equity	27.492.159	21.667.467
Bank borrowing	11.496.274	8.008.492
Less: cash in hand & deposits	5.453.765	10.618.993
Total Capital Employed	33.534.668	19.056.966
Net bank borrowing / Total Capital Employed	0,18	-0,14

The Management aims to reduce this ratio so that it does not exceed one point.

b) The following restrictions are imposed on equity capital by the provisions on the legislation of Societe Amonyme, Law 4548/2018 :

i. Without prejudice to the principle of equal treatment of shareholders being in the same position, the Company itself or a person acting under his/her name but on behalf of the Company may acquire shares, only upon approval by the General Meeting of Shareholders, which determines the terms and the conditions of acquiring shares and particularly, the maximum number of shares that may be acquired, the duration of the approval, which can't exceed 24 months and, in case of non-gratuitous acquisition, the minimum and maximum price of acquisition with the exception of the provisions stated in par. 4, article 49, Law 4548/2018.

ii. If the company's total equity is lower than half (1/2) of the capital, the Board of Directors is under obligation to convene the general meeting, within a period of six (6) months from the

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end of the financial year, on the subject of liquidating the company or adopting some other measures.

iii. Every year at least one twentieth (1/20) of the net profits is deducted to form statutory reserves. Such deductions are no longer mandatory as soon as statutory reserves reach at least one third (1/3) of the capital. The statutory reserves are used exclusively prior to dividend distribution to equalize any debit balance of the income statement.

iv. Minimum dividend is set at thirty-five percent (35%) of the net profits after deducting the statutory reserves amounts and other credit items of the income statement, not related to realized profits, and is paid in cash. Following a decision of the General Meeting made with an increased quorum and majority, the above percentage can be reduced, but not below ten percent (10%). Non-distribution of the minimum dividend is permitted only by decision of the General Meeting, taken with the increased quorum in compliance with paragraphs 3 and 4, article 130, Law 4548/2018 and a majority of eighty percent (80%) of the capital represented at the meeting.

The company fully complies with the relevant equity related legal provisions.

6. Segment reporting

According to IFRS 8 "Operating Segments", operating segments are defined as those that are examined internally by the Management as significant in the context of evaluating segments returns and risks. A segment is defined as a group of assets and operations that provide products and services, which are subject to different risks and returns other than those of other business segments.

99% of the company's sales arise from the sale of athletic goods, while only 1% - from other services. The company operates through a multitude of physical stores in Greece and through its electronic branches (e-shop) - throughout the country, as well as abroad within and outside the EU.

7. Owned occupied tangible fixed assets

2022	Buildings and Installations	Mechanical Equipment	Vehicles	Other equipment	Assets under construction	TOTAL
Gross Book Value as at 01.02.2022	**10.924.316**	**5.334**	**35.437**	**14.844.350**	**422.977**	**26.232.414**
Additions	1.954.034	0	0	2.898.323	0	**4.852.357**
Decreases	-185.988	0	0	-176.953	0	**-362.940**
Adjustments	0	0	0	0	212.792	**212.792**
Gross book value 31.01.2023	**12.692.362**	**5.334**	**35.437**	**17.565.720**	**635.768**	**30.934.622**
Accumulated depreciation and decreases 01.02.2022	**3.677.684**	**1.200**	**35.157**	**5.158.196**	**0**	**8.872.236**
Depreciation	1.035.616	533	160	1.369.032	0	2.405.341
Decrease in depreciation	-170.959	0	0	-119.917	0	-290.876
Accumulated depreciation and decreases 31.01.2023	**4.542.340**	**1.734**	**35.317**	**6.407.311**	**0**	**10.986.701**
Net book value as at 31.01.2023	**8.150.022**	**3.601**	**120**	**11.158.410**	**635.768**	**19.947.920**

01/2022	Buildings and Installations	Mechanical Equipment	Vehicles	Other equipment	Assets under construction	TOTAL
Gross Book Value as at 01.01.2022	**10.919.032**	**5.334**	**35.437**	**14.742.928**	**210.459**	**25.913.190**
Additions	5.284	0	0	101.422	0	**106.707**
Adjustments	0	0	0	0	212.518	**212.518**
Gross book value 31.01.2022	**10.924.316**	**5.334**	**35.437**	**14.844.350**	**422.977**	**26.232.414**
Accumulated depreciation and decreases 01.01.2022	**3.595.861**	**1.156**	**35.143**	**5.054.874**	**0**	**8.687.035**
Depreciation	81.822	44	13	103.329	0	**185.209**
Accumulated depreciation and decreases 31.01.2022	**3.677.684**	**1.200**	**35.157**	**5.158.196**	**0**	**8.872.243**
Net book value as at 31.01.2022	**7.246.633**	**4.134**	**280**	**9.686.147**	**422.977**	**17.360.171**

Buildings on third-party land plots refer to investments made in leased properties, measured at acquisition value, which is increased by the value of additions and improvements and reduced by the corresponding depreciation. These depreciations are calculated based on the contractual term of the lease.

The net book value of the tangible fixed assets acquired through financial leasing agreements, on 31/01/2023 amounts to 1.210.537 euros.

There are no encumbrances on the aforementioned owned properties.

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8. Intangible assets

Intangible assets mainly include purchased software programs.

2022	Λοιπά Άυλα
Gross Book Value as at 01.02.2022	**899.073**
Additions	370.939
Decreases	-3.761,3
Adjustments	**1.266.250**
Gross book value 31.01.2023	**388.584**
Accumulated depreciation and decreases 01.02.2022	150.273
Depreciation	-3.761
Decrease in depreciation	**535.096**
Accumulated depreciation and decreases 31.01.2023	**731.155**

01/2022	Λοιπά Άυλα
Gross Book Value as at 01.01.2022	**893.705**
Additions	5.368
Adjustments	**899.073**
Gross book value 31.01.2022	**375.904**
Accumulated depreciation and decreases 01.01.2022	12.680
Depreciation	**388.584**
Accumulated depreciation and decreases 31.01.2022	**510.489**

9. Righ-of-use tangible assets

Right-of-use assets	**2022**	**1/2022**
Opening balance 1 February/ 1 January	49.852.747	49.852.747
Additions	12.729.107	0
Decreases	-1.177.752	0
Closing balance 31 January	*61.404.101*	*49.852.747*
Amortization as at 1 January	11.429.932	10.999.324
Amortization	5.613.316	430.608
Decreases	-380.906	0
Amortization as at 31 January	*16.662.342*	*11.429.932*
Book value as at 31 January 2023	***44.741.759***	***38.422.815***

Right-of-use assets were recognized in the context of IFRS 16 application. The incremental borrowing cost for the contracts until 31/01/2023 stood at 3.35%. Changes in the account are analyzed as follows:

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	Buildings in third parties land plots	Vehicles	Total
Cost or estimates			
1.2.2022	49.453.682	399.065	49.852.747
Addition for the period	12.618.964	110.143	12.729.107
Write offs - Transfers for the period	-1.157.439	-20.314	-1.177.752
31.01.2023	**60.915.207**	**488.894**	**61.404.101**
Depreciation			
1.2.2022	11.237.767	192.165	11.429.932
Depreciation for Period	5.518.241	95.075	5.613.316
Write offs - Transfers for the period	-373.456	-7.450	-380.906
31.01.2023	**16.382.552**	**279.790**	**16.662.341**
Book value as at 31.01.2023	***44.532.655***	***209.105***	***44.741.760***

	Buildings in third parties land plots	Vehicles	Total
Cost or estimates			
1.1.2022	49.453.682	399.065	49.852.747
Addition for the period			0
Write offs - Transfers for the period			0
31.01.2022	**49.453.682**	**399.065**	**49.852.747**
Depreciation			
1.1.2022	10.813.520	185.804	10.999.324
Depreciation for Period	424.247	6.360	430.608
Write offs - Transfers for the period			0
31.01.2022	**11.237.767**	**192.165**	**11.429.932**
Book value as at 31.01.2022	***38.215.915***	***206.900***	***38.422.815***

For 2022, the Company's depreciation is recorded in Administrative Expenses at the amount of € 260.017 and in Distribution Expenses at the amount of € 7.908.914. During 2022 the company leased 10 new stores.

From the end of the leases, before the contractual end of them, a difference of € 20.337 in loss arose, which was recorded in the results of the closing year.

10. Investments in subsidiaries, associates and joint ventures

Investments in Subsidiaries associates and joint ventures	2022	1/2022
Cosmossport Trading (Cyprus) Limited (Subsidiary)	3.451.000	401.000
Total	***3.451.000***	***401.000***

On 6/4/2021 the limited liability company COSMOSSPORT TRADING (CYPRUS) LIMITED was established. The company's headquarters are located 1 Arch. Kyprianou & Agiou Andreou

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Corner Loucaides Building, 2nd Floor, Office 21, 3036 Limassol, Cyprus. As at 31/01/2023, the share capital of COSMOSSPORT TRADING (CYPRUS) LIMITED amounted to 1.405 shares, i.e. 1.000 common shares of nominal value of 1 Euro each and 100 redeemable preference shares of nominal value of 1 Euro each and a 3.999,00 share premium and 305 redeemable preference shares of nominal value of 1 Euro each and a 9.999,00 share premium.

The Company holds the total share capital (100%) of Cosmossport Trading (Cyprus) Limited.

11. Other non-current assets

Other non-current assets	2022	1/2022
Guaranties given	1.057.410	905.228
Pancreta Bank Shares	74.210	74.210
Impairment of holdings and securities	-74.210	-74.210
Other long term receivables	700	0
Total	***1.058.110***	***905.228***

Other non-current assets mainly include guarantees provided to third parties that do not have a fixed maturity and are therefore measured at acquisition cost.

12. Inventory

Inventory is analyzed as follows:

Inventory	2022	1/2022
Goods	41.410.407	21.660.808
Provisions for obsolete inventory	-993.202	-658.350
Pending acquisitions	6.027.794	2.544.034
Advances to suppliers	9.876.785	8.534.233
Total	***56.321.784***	***32.080.725***

Cost of inventory recorded as an expense in the cost of sales for the period 01/02/2022-31/01/2023 stands at € 57.521.279 (01/01/2022-31/01/2022: € 3.791.043).

Changes in provisions for impairment are analyzed as follows:

Changes in impairment of inventory	2022	1/2022
Provision open balance 01.01	658.350	658.350
Provisions for the period	334.852	0
Total	***993.202***	***658.350***

13. Receivables

All the receivables are short-term and no discount is required at the balance sheet date. There is no concentration of credit risk in relation to trade receivables due to their sufficient dispersion.

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Trade Receivables	2022	1/2022
Customers	2.257.106	4.259.448
Checks receivable	33.205	32.966
Provisions for impairment	-526.819	-499.685
Total	***1.763.492***	***3.792.729***

Other current assets	2022	1/2022
Other debtors	641.598	428.114
Income tax advance	1.460	92.372
Purchase discount subject to settlement	217.478	790.897
Purchase returns subject to settlement	390.648	422.838
Transitional accounts	923.643	444.550
Rent receivables	8.520	6.126
Royalties Receivable	129.707	0
RoU from customers IFRS15	174.499	0
Provisions for impairment of other assets	-123.350	-123.350
Total	***2.364.201***	***2.061.547***

Transitional accounts are analyzed as follows:

Transitional accounts	2022	1/2022
Consumables	311.786	149.064
Prepaid rental expenses	305.725	149.788
Prepaid insurance expenses	70.802	56.805
Other prepaid expenses	235.330	88.892
Total	***923.643***	***444.550***

Provisions for bad debt are analyzed as follows:

Change in doubtful receivables	2022	1/2022
Doubtful receivables provision balance	623.035	623.035
Expenses burdening the period	27.134	0
Total	***650.169***	***623.035***

The provision mainly concerns trade receivables arising from prior periods. At the end of the closing and previous year, the above receivables do not include balances in foreign currency.

14. Cash and cash equivalents

Cash and cash equivalent	2022	1/2022
Cash in Hand	26.332	21.405
Cash in Bank	5.133.986	10.394.826
Receivables from cards	182.469	109.581
Cash in Transit to Banks	110.978	93.180
Total	***5.453.765***	***10.618.993***

The company has no cash equivalents in foreign currency.

15. Share Capital

The company's share capital amounts to € 367.430 and is divided into 73.486 nominal shares of nominal value €5,00. The company does not hold treasury shares

16. Reserves

Tax legislation reserves were formed based on the provisions of tax laws that either allow to defer deferring the taxation of certain incomes at the time of their distribution to shareholders, or provide tax relief as an incentive to perform investments. The Management does not intend to implement a policy of distribution or capitalization of tax exempted reserves directly and, therefore, no deferred tax obligation has been recognized in the company's financial statements. The analysis of reserves as at 31/01 is as follows:

Legal or statutory reserves	2022	1/2022
Statutory Reserve	340.965	340.965
Special purpose reserves	577.250	577.250
Tax exempted reserves	396.221	374.713
Total	***1.314.436***	***1.292.928***

Tax exempted reserves mainly pertain to reserves under Law 3220/2004.

17. Borrowings

Fair values of loans are approximately the same as their book values. Long-term delinquent installments bank loan are repaid in the following way:

Borrowing	2022	1/2022
Interest bearing Loans	3.000.000	5.000.000
Long Term Loans	***3.000.000***	***5.000.000***
Return advance carried forward	0	8.492
Bank Loans	6.496.130	0
Long-term loans to be paid in the next 12 months	2.000.144	3.000.000
Short-term loans	***8.496.274***	***3.008.492***
Total	***11.496.274***	***8.008.492***

No loan liabilities in foreign currency are effective as at at 31/1/2023.

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Years	Debt payment
2023	2.000.144
2024	2.000.000
2025	1.000.000
Total	***5.000.144***

18. Leases

Liabilities from operating leases	**2022**	**1/2022**
Open Balance	41.049.236	41.428.255
Obligations from leases	12.729.107	0
Write off due to lease termination	-776.510	0
Total	**53.001.833**	**41.428.255**
Interest for the period	1.477.514	108.497
Lease payments	-6.245.991	-487.516
Total	**-4.768.476**	**-379.019**
Closing Balance	***48.233.356***	***41.049.236***

Liabilities from finance leases	**2022**	**1/2022**
Open Balance	1.296.269	1.308.039
Adjustment due to change of lease terms	35.688	0
Total	**1.331.957**	**1.308.039**
Interest for the period	103.352	8.024
Lease payments	-245.135	-19.795
Total	**-141.783**	**-11.770**
Closing Balance	***1.190.174***	***1.296.269***

Lease liabilities are repaid in the following way:

Expected rentals from operating leases	**2022**	**1/2022**
Up to 1 year	5.653.198	4.169.214
From 2 to 5 years	24.730.615	19.515.272
More than 5 years	17.849.544	17.364.750
Total in Euro	***48.233.356***	***41.049.236***

Expected rentals from finance leases	**2022**	**1/2022**
Up to 1 year	146.973	148.031
From 2 to 5 years	851.179	748.494
More than 5 years	192.022	399.744
Total in Euro	***1.190.174***	***1.296.269***

19. End of service employee benefit obligations

Under the Greek labor legislation, employees are entitled to compensation in cases of dismissal or retirement, and the amount they receive is related to the employees' earnings, length of service and the way they leave the company (dismissal or retirement). Employees who resign or are fired for due cause are not entitled to compensation. The compensation due, in case of retirement, is 40% of the amount that would be paid in case of dismissal. The provision for compensation due to leaving the service is presented in the accompanying financial statements, in accordance with IAS 19, based on an independent actuarial study.

The key estimates of the actuarial study are as follows:

1. Annual salary increase taking into account for the compensation of Law 2112	2023: 6% 2024: 5% 2025: 3,8% 2026+: 2,8%
2.Discount rate	3,63%
3.Remunaration	Implementation of the legislative provisions of Law 2112/20, as amended by Law 4093/2012, taking into account the maximum limit of monthly salaries for employees.
4. Actuarial valuation method	The calculation is done using the Projected Unit Credit Method approved by the IAS

Changes for the period from 01.02.2022 to 31.01.2023 are analyzed as follows:

Change in net obligation	2022	1/2022
Opening Balance	19.184	19.184
Actuarial profit/loss in the obligation	-1.124	0
Benefits paid by Employer	-19.612	0
Change recognized in profit or loss	28.698	0
Net obligation period end	***27.147***	***19.184***

Change in present value of the obligation	2022	1/2022
Present value of the obligation in the beginning of the period	19.184	19.184
Current employment cost	8.897	0
Interest expense	189	0
Actuarial profit/loss	-1.124	0
Present value of the obligation in the ending of the period	***27.147***	***19.184***

20. Headcount and payroll

Number of employees and staff cost	2022	1/2022
Employees number	776	703
Staff cost	14.385.668	994.932

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Payroll cost allocation	2022	1/2022
Administrative expenses	1.724.008	117.627
Distribution expenses	12.661.660	877.305
Total payroll cost	***14.385.668***	***994.932***

21. Long-term provisions

Other long-term provisions	Income Tax Provision	Other Provisions	Total
Provision balance 01.01.2022	100.000	475.000	575.000
Provision burdening the period	20.000	0	20.000
Provision balance 31.01.2022	120.000	475.000	595.000
Provision balance 01.02.2022	120.000	475.000	595.000
Provision burdening the period	40.000	20.000	60.000
Provision balance 31.01.2023	***160.000***	***495.000***	***655.000***

In 2018 fiscal year, the public tax authorities completed the tax inspection for FYs 2014-2016. Regarding FYs 2017 - 2020, the company was subject to the tax audit of the Certified Public Accountants in compliance with the provisions of article 65A, Law 4174/2013. The "Unqualified Conclusion" Tax Compliance Report was issued for FYs 2017 – 2020.

In FY 2022, the company was subject to the tax audit of the Certified Public Accountants in compliance with the provisions of article 65A, Law 4174/2013. This audit is ongoing and the relevant tax certificate is expected to be issued after the publication of the financial statements for FY 2022. If additional tax obligations arise before the completion of the tax audit, we estimate that they will not have a material impact on the financial statements.

The accumulated amount of provision for taxes stands at € 160.000 on 31/01/2023, while for other operational risks to € 495.000.

22. Deferred tax / Income tax

Deferred tax assets and obligation are offset when there is an enforceable legal right to offset current tax assets against current tax obligations and when deferred income taxes relate to the same tax authority. Changes in deferred tax assets and obligations during the year, without taking into account offsetting balances within the same tax authority, are as follows:

	2022	1/2022			
Opening Balance	316.775	438.731			
Debit / (Credit) in the Income Statement	31.628	-121.956			
Debit / (Credit) in other comprehensive income	247	0			
Closing Balance January 31st	***348.651***	***316.775***			
Deferred Tax Obligations					
	Assets balances	**Real estate leases**	**Provisions**	**Other**	**Total**
At 31 January 2022	-1.322.556	0	0	0	-1.322.556
Debit / (Credit) in the Income Statement	-199.806	0	0	0	-199.806
At 31 January 2023	***-1.522.363***	***0***	***0***	***0***	***-1.522.363***
Deferred tax assets					
	Assets balances	**Real estate leases**	**Provisions**	**Other**	**Total**
At 31 January 2022	0	577.813	310.539	117.429	1.005.781
Debit / (Credit) in the Income Statement	0	190.339	94.774	-117.429	167.683
Debit / (Credit) in other comprehensive income	0	0	247	0	247
At 31 January 2023	***0***	***768.151***	***405.561***	***0***	***1.173.712***

Income tax is analyzed as follows:

	2022	1/2022
Income Tax	1.576.438	0
Deferred Tax	31.628	-121.956
Total	***1.608.066***	***-121.956***

In accordance with Law 4799/2021, the tax rate for legal entities from fiscal year 2021 onwards is 22%.

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	2022	1/2022
Profit / (loss) before tax	7.471.881	-561.473
Effective tax rate	**22%**	**22%**
Tax measured according to the effective tax rates 2022: 22% (2021: 22%)	1.643.814	-123.524
Expense Tax non-recognized for tax purposes	63.720	-2.814
Value added tax	-89.776	4.382
Tax exempted income tax	-6.555	0
Provisions for future Tax Audits	40.000	20.000
Other changes	-3.136	0
Tax income / (expense)	***1.648.066***	***-101.956***

23. Other Long-term liabilities

Other long-term Liabilities	2022	1/2022
Guarantees received	2.000	2.000
Total of Other long-term Liabilities	***2.000***	***2.000***

24. Suppliers and other liabilities

Suppliers and Other Liabilities	2022	1/2022
Suppliers	21.062.029	10.361.771
Cheques payable	18.295.527	16.130.906
Obligations to Suppliers	**39.357.556**	**26.492.677**
Social Security	658.627	724.490
Accrued expenses and sales discounts	697.886	610.761
Liabilities from RoR – IFRS 15	267.452	0
Obligations from the program Loyalty GO COSMOS	30.000	76.084
Other Creditors	714.991	468.207
Payroll payable	816.823	563.141
Prepayments from clients	109.528	100.764
Obligations from tax duties	1.751.018	2.315.992
Other Liabilities	**5.046.325**	**4.859.438**
Obligations from Income tax	1.984.545	1.847.159
Obligations from Income tax	**1.984.545**	**1.847.159**
Total Obligations	***46.388.425***	***33.199.274***

At the end of the closing and previous year, the above liabilities include liabilities in foreign currency (GBP).

25. Cost of sales

Cost of sales is analyzed as follows:

Cost of Sales	2022	1/2022
Cost of goods	57.521.279	3.791.043
Total	***57.521.279***	***3.791.043***

26. Operating expenses

The operating expenses per category as at 2022 and 01/2022 are analyzed as follows:

	01.02.2022 -31.01.2023		01.01.2022 -31.01.2022	
Expenses Category	**Administrative**	**Distribution**	**Administrative**	**Distribution**
Employee fees and expenses	1.724.008	12.661.660	117.627	877.305
Third parties fees and expenses	333.355	172.421	24.462	8.928
Utilities	204.083	3.445.825	7.885	268.853
Tax and Duties	29.812	303.890	2.977	21.575
Other expenses	202.613	8.004.102	7.854	583.822
Depreciation/amortization	260.017	7.908.914	8.299	620.197
Provision for end of service employee compensation	2.802	25.707	0	0
Total	***2.756.689***	***32.522.520***	***169.105***	***2.380.680***

27. Other revenue - expenses (net)

Other revenue-expenses are analyzed as follows:

Other net revenue/(expenses)	2022	1/2022
Income from grants	127.334	0
Rental from Buildings	28.289	2.369
Previous years revenue	3.560	24
Revenue from subsidiaries (Management / Licence Fees)	711.124	0
Other revenues	54.839	-403
Other Extraordinary income	17.053	829
Total other revenues	**942.197**	**2.818**
Provisions for bad Debt	-27.134	0
Provision for impairment of inventory	-334.852	0
Other provisions	-20.000	0
Extraordinary loss from IFRS 16 revaluation	-20.337	0
Extraordinary loss	-226.643	0
Previous year expenses	-66.669	0
Other extraordinary expenses	-43.012	-612
Total other expenses	**-738.646**	**-612**
Other net income/(expenses)	***203.551***	***2.207***

28. Financial results

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Financial Results	2022	1/2022
Interest expenses		
- Bank loan interest	201.175	20.584
- Commissions and other bank expenses	498.452	25.185
- Right-of-use interest	1.580.867	117.757
Total	**2.280.494**	**163.526**
Credit interest in cash in Bank	200	0
Income from grand of Warranties	38.536	0
Total	**38.736**	**0**
Financial Results	***2.241.758***	***163.526***

The average loan interest rate stands at approximately 2,06%.

29. Related parties transactions

Related parties transactions	2022	1/2022
Members of the company's board of directors		
BoD members compensation	336.453	20.634,70
Receivables	15	0,00
Liabilities	-21.441	-10.328,90
Shareholders / Directors		
Shareholders / Directors compensation	344.314	24.358,20
Receivables	49	0,00
Liabilities	-12.189	-11.837,68
Subsidiaries		
Income from expenses recharge	484.983	0,00
Income from sales of goods	1.090.437	99.706,44
Expense for purchase of goods	621.839	0,00
Income from sales of assets	27.829	0,00
Income from Warranties	38.536	0,00
Income from Royalties	255.000	0,00
Receivables	685.293	2.999.874,74
Liabilities	-144.806	0,00
Other related parties		
Expenses recharged	154.561	0,00
Expense for purchase of goods	1.371.440	0,00
Expense for purchase of assets	474.131	0,00
Expense for Royalties	48.501	0,00
Income from rentals	100	20,00
Expense for rentals	30.000	0,00
Receivables	7.430	7.190,26
Liabilities	-1.218.895	0,00

Transactions with related parties are made on market terms.

30. Earnings per share

Profit / (loss) per share	2022	1/2022
Profit / loss attributed to shareholders	5.823.815	-459.517
Weighted average of number of shares	73.486	73.486
Basic revenues per share	***79,25***	***-6,25***

Basic Profit / (loss) per share are calculated by dividing the earnings by the weighted average number of common shares outstanding during the period, excluding treasury shares. Profit / (loss) per share amount to losses € 79,25 (1/2022: losses 6,25 € / share).

31. Dividend per share

No dividends were attributed to shareholders for the closing fiscal year.

32. Commitments / Contigencies

The company has various commitments towards the commercial companies it represents: guarantees and renewal clauses of commercial contracts as well as guarantees against lessors for properties it leases (Piraeus Bank letters of guarantee amounting to 252.690 euros, National Bank letters of guarantee amounting to 2.279.798 euros). The company has provided a corporate guarantee to its Subsidiary company to secure bank loans (loans amounting to €2.860.000), letters of guarantee from National Bank amounting to €200.000 against commercial liabilities.

The company has contingent liabilities in relation to banks, other guarantees and other issues that arise in the context of its ordinary operations as well as contingent liabilities that may arise from the early termination of lease contracts. No material charges are expected to arise from the contingent liabilities.

33. Pending legal disputes or arbitrations

There are no pending legal disputes or arbitrations that may have a material effect on the company's financial position.

34. Statutory auditors fees

The total fees charged during the financial year by the auditing firm for the statutory audit of the annual financial statements amounted to € 29.000.

35. Presentation of financial assets and liabilities per category

The company uses the following three-level hierarchy to determine and disclose the fair value of financial instruments using valuation techniques in accordance with the revised IFRS 7 "Financial instruments: disclosures":

<u>Level 1:</u> Investments that are valued at fair value based on quoted (unadjusted) prices in active markets for comparable assets or liabilities.

<u>Level 2:</u> Investments that are valued at fair value, using valuation techniques for which all inputs that significantly affect the fair value, are based (either directly or indirectly) on observable market data.

<u>Level 3:</u> Investments that are valued at fair value, using valuation techniques, in which the data that significantly affects the fair value, is not based on observable market data.

In compliance with the requirements of IAS 39 "Financial Instruments: Recognition and Measurement", at the end of every financial statements' reporting period, the Company performs the required calculations regarding the determination of the fair value of the financial instruments.

The book values of the following financial assets and financial liabilities approximate their fair value due to their short-term nature:

- Trade and other receivables
- Cash and cash equivalents
- Suppliers and other liabilities

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36. Post Balance Sheet date events

There are no events subsequent to the financial statements required to be reported by the International Financial Reporting Standards (IFRS).

Heraklion, 31st August 2023

THE CHAIRMAN OF THE BoD	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL OFFICER
NEIL GREENHALGH PASSPORT Num. 547156699	Michail Tsiknakis ID Num AK 474991	Eftychis Georgilas ID Num. AZ 149452 FIRST CLASS LICENSE Num. 0097742

Website

he Annual Financial Report for FY 2022 is presented on the company's website at (http://www.cosmossport.gr)

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COSMOS SPORT S.A.

SOCIETE ANONYME Reg. Nr. 34110/70/B/95/57

General Commercial Reg. Nr. 77109427000

MARTYRON Ave. 62, 148, HERAKLION

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