FINANCIAL REPORT

FOR 01/2022

(TRANSLATED FROM THE GREEK ORIGINAL)

(1 JANUARY – 31 JANUARY 2022)

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

TABLE OF CONTENT

** 2021 Fiscal Year reflects the period January 2021 – December 2021 in accordance to published Financial Statements, thus figures are not comparable.*

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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 1/1/2022 – 31/1/2022.

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 January 1 to January 31, 2022, in accordance with Article 149 of Law 4548 /2018.

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

SECTION D. Working environment

SECTION E. Entity's Development and Performance

SECTION F. Other issues

SECTION G. Proposal for distribution of profits

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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 64 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) while the online store www.jdsports.gr will soon be launched.

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 6 physical stores in Cyprus under the brands (Cosmos Sport, Sneaker10), their respective online sites (www.cosmossport.gr, www.sneaker10.gr) 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 of 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.

The Company records positive financial performance in its key financial sizes compared to the previous year. In particular, the most significant changes in the income statement are as follows:

Significant Changes in Financial sizes	1/2022	2021	Change %
Turnover	5.940.675	81.896.825	-92,75%
Gross Profit	36,18%	42,94%	-15,73%
Operating results	-400.153	9.155.486	-104,37%
Operating Cash flows	-1.554.775	7.435.672	-120,91%
Profit before tax	-561.473	8.591.052	-106,54%
Net debt	-2.610.501	-4.671.450	-44,12%
EBITDA	225.220	14.849.275	-98,31%
Tangible assets	17.360.171	17.226.155	0,78%
Intangible assets	510.489	517.802	-1,41%
Right-of-use fixed assets	38.422.815	38.853.423	-1,11%
Net Bank Borrowings to Total Capital Employed	-0,14	-0,27	-48,15%

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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 the 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.

- ***Employees recruitment & training***

Cosmos Sport ensures the development of its employees through investment in education and training, providing equal opportunities and ongoing improvement of the working environment. The Company constantly ensures education and training of employees, concerning a variety of subjects, with a special emphasis on sales, communication, teamwork, leadership, soft & hard skills development.

- ***Sports & Wellbeing***

Sports constitute an integral part of the Company and can unite people of different regions, groups, hierarchical levels. For this reason, the Company constantly organizes activities based on well-being in order to strengthen teamwork. On a constant & weekly basis, it offers Group Personal Trainings, open to all employees, organizes Kangoo Jumps, Yoga sessions, 3on3 Basketball tournaments and special Running Events. As a result, it has created a team of more than 300 employees who participate in various sports events every year. Also, its headquarters have a gym, basketball court and ping pong, always available to all the employees. Finally, it practically supports and stands by the efforts of athletes, clubs and teams through sponsorships (Panathinaikos AMEA, OFI Academies, Heraklion BC, etc.) and strengthens every action related to sports.

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- ***Additional Benefits***

Cosmos Sport provides all the employees, as well as their families, with the "Cosmos People Benefits" program. It has been operating since 2020 with 100+ benefits to cover health, entertainment and training needs. Regarding working to cover simple daily needs such as a free health checkup, discounts on various services and products while at the same time offering significant benefits. In 2021, the program was renewed and over 30 new benefits were added. In an evaluation survey carried out, over 80% of employees have used at least 1 of the benefits of the program. Regarding working parents, in particular, the Company offers specialized benefits such 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 and the adverse climate arising from the latest events and increase in incidents of abuse, Cosmos Sport started its collaboration with the 'Association of Members of Women's Associations of Heraklion' for psychological and practical support to women facing abusive behaviors. On a daily basis, the Company communicates to the 500+ Cosmos Women that with the power of sports and self-confidence they can win every 'race' setting their own limits. In addition, it created a special email, support_women@cosmossport.gr, to support its employees who may face abusive behavior of any kind (physical, sexual, psychological violence). The email refers directly to HR and specialist consultants / psychologists. The next occasion for creative dialogue was the International Breast Cancer Prevention Day during which its employees were informed about prevention, they were given printed material and asked to exchange daily habits that make them strong. That's how the #StrongTogether campaign was born, starring our working women sharing wellness and prevention tips via video. For every video created, a €10 donation was given to the KEFI Association.

Cosmos Sport & Soles4hope

Along with the significant CSR project carried out together with cooperating bodies, NGOs, organizations, always driven by the requests of its employees, Cosmos sport also ensures implementation of its own initiatives. The Company believes that 'A pair of shoes can make a difference'. This is why in 2020 the 'Soles4Hope', a shoe & clothing donation platform for people in need was created.

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Cosmos Sport & Environment

Cosmos Sport recognizes the value of protecting the environment and has the responsibility to be constantly close to the environment by training its people in new, more sustainable solutions. Thus, in 2021, it created the "Made in Green & The Green Capsule Project" platform in special areas in its stores, in order to promote the collections made from recycled, vegan & reusable materials from selected fashion brands that stand responsibly by its side, organizing together various responsible actions for the environment . It also systematically invests in electronic systems, trying to make the most of electronic communication, both inside and outside the company, with the aim of limiting the paper file to the minimum possible. Waste paper is collected both in the headquarters and in the stores for recycling. At the same time, it has replaced plastic bags with 100% recyclable paper, the light bulbs with special LED type & installs air condition inverters and photocells in the central offices, warehouses and shops.

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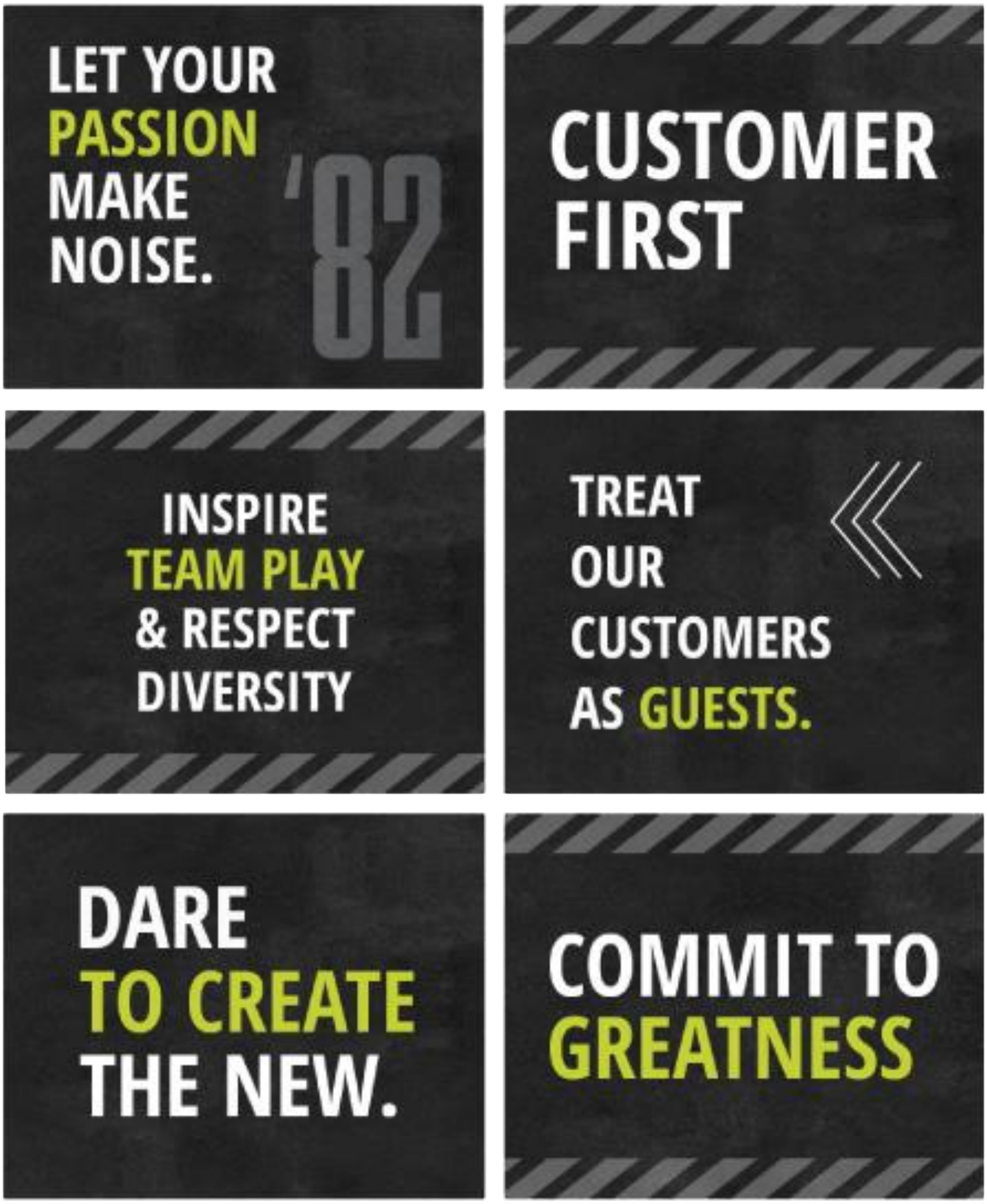
Vision and Values

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 concertation. 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	1/2022	2021
Advances for inventories	8.534.233	5.481.946
Trade receivables	3.792.729	3.497.640
Cash and cash equivalents	10.618.993	13.430.544
Other current assets	2.061.547	2.072.552
Total	**25.007.501**	**24.482.682**

- The account "Advances for acquisition of inventory" is reflected in checks payable.
- The account "Trade receivables" is characterized by high dispersion of receivables on 31.01.2022 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.

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, 2022 and December 31, 2021 is analyzed as follows**:**

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

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	31/12/2021	up to 1 year	2 to 5 years	more than 5 years
Long-term borrowings	5.750.000	-	5.750.000	-
Lease liabilities	38.041.186	-	25.521.108	12.520.078
Other long-term liabilities	2.000	-	2.000	-
Suppliers	23.698.757	23.698.757	-	-
Liabilities from taxes and duties	1.847.159	1.847.159	-	-
Short-term borrowings	3.009.094	3.009.094	-	-
Short-term lease Liabilities	4.695.108	4.695.108	-	-
Other short-term liabilities	4.348.344	2.200.247	-	-
Total	***81.391.648***	***35.450.366***	***31.273.108***	***12.520.078***

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 € 40.000 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, there is no significant currency risk. Currency risk is indirectly limited to inventory acquisition costs when the central distributor's initial settlement is translated in another currency (mainly USD).

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 the items. 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.

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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.

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 conditions in Greece: The covid-19 coronavirus pandemic has fundamentally affected the global economic activity since its outbreak in the beginning of 2020. Gradual return to normality, started in 2021, is expected to continue, provided that no dangerous mutations of the coronavirus occur. Significant monetary and fiscal policy measures as well as financing new investments through the Recovery and Resilience Facility (RRF) will contribute to the improvement of the Greek economy financial parameters. However, Russian-Ukrainian war constitutes an adverse development, expected to affect the global economy. The Management constantly assesses the situation and the potential effects arising from it in order to ensure that all the necessary and possible measures and actions are taken in a timely manner in order to minimize any impact on the Company's operations.

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.

<u>SECTION C. Environment</u>

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 the predetermined dates and focuses on efficient and rational management of energy.

Green products: The Company does not produce green products.

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SECTION D. Working environment

Employment: The Company consistently complies with the provisions of labor and insurance legislation. It employed approximately 703 people on a continuous basis for 01/2022 (2021 : 608 people).

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 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	1/2022	2021
ASSETS		
Non-Current Assets	57.599.703	57.901.607
Current Assets	48.553.993	46.649.939
TOTAL ASSETS	**106.153.696**	**104.551.546**
EQUITY AND LIABILITIES		
Equity	**21.667.467**	**22.126.984**
Long-Term Liabilities	43.961.219	44.826.100
Short- Term Liabilities	40.525.010	37.598.462
Total Liabilities	**84.486.229**	**82.424.562**
TOTAL EQUITY AND LIABILITIES	**106.153.696**	**104.551.546**

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2. Development of operations

In the fiscal year 1/2022, sales amounted to € 5.940.675 and Gross results (profits) amounted to € 2.149.632. After deducting operating expenses, financial and investment results, the Company presented losses before tax at € 561,476.

EBITDA ratio is regarded as net profit before tax, interest, depreciation & amortization and extraordinary provisions, and stood at € 225.220.

3. Key Financial Ratios

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

Key Ratios	1/2022	2021
Turnover	5.940.675	81.896.825
EBITDA	225.220	14.849.275
Income before tax	-561.473	8.591.052
EBITDA / Revenue from Sales	3,79%	18,13%
Profit or Loss before tax / Revenue from Sales	-9,45%	10,49%
Working Capital	8.028.983	9.051.477
Current Assets/ Short-term Liabilities	1,20	1,24
Current Assets/ Total Assets	0,46	0,45
Cash and cash equivalents / Total Assets	10,00%	12,85%
Total Liabilities / Total Equity and Liabilities	0,80	0,79
Debt / Revenue from Sales	1,35	0,11
Total Liabilities / Total Equity	3,90	3,73

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.

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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.
On 31/01/2022, the Company had 56 physical stores, 18 in the prefecture of Attica, 5 in the prefecture of Heraklion, 4 in the prefecture of Thessaloniki, 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 Boeotia, Trikala, Chios, Evros, Fthiotida, Drama, Aitoloakarnania, Ilia and Ioannina. Moreover, the Company has 4 electronic E-Shops.

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) with the exception of : a) the geopolitical developments in Ukraine and the energy crisis which have triggered significant inflationary pressures that will largely determine the course of the world economy in 2022 and - by extension - that of our country, b) The increase of the share capital in the Subsidiary company by an amount of 1.500.000 euros on July 29, 2022.

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 developments 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	**8.117.398**
Retained earnings	8.117.398
Total	**8.117.398**

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 September 30, 2022.

Heraklion, 30 September 2022

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, 2022, 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, 2022, 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

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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 the 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, 2022.

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, 11 October, 2022

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

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III. FINANCIAL STATEMENTS

1. Statement of Financial Position

ASSETS			
	31.01.2022	**31.12.2021**	**Note**
Non-Current Assets			
Tangible assets			
Owner occupied property, plant and equipment	17.360.171	17.226.155	7
Total	17.360.171	17.226.155	
Intangible assets			
Other intangible assets	510.489	517.802	8
Right of use tangible assets	38.422.815	38.853.423	9
Total	*38.933.304*	*39.371.224*	
Other non-current assets	905.228	903.228	11
Financial Assets			
Investments in subsidiaries, associates and joint ventures	401.000	*401.000*	10
Total	*401.000*	*401.000*	
Total non-current Assets	***57.599.703***	***57.901.607***	
Current Assets			
Inventories	23.546.492	22.167.257	12
Advances for Inventories	8.534.233	5.481.946	12
Trade and other receivables	3.792.729	3.497.640	13
Cash and cash equivalents	10.618.993	13.430.544	14
Other current Assets	2.061.547	2.072.552	13
Total current Assets	***48.553.993***	***46.649.939***	
Total Assets	**106.153.696**	**104.551.546**	

The accompanying Notes on pp. 26 to 63 constitute an integral part of the Financial Statements.

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EQUITY AND LIABILITIES			
Equity	**31.01.2022**	**31.12.2021**	**Note.**
Share capital	367.430	367.430	15
Share premium	11.889.711	11.889.711	15
Fair value reserves	1.292.928	1.292.928	16
Retained earnings	8.117.398	8.576.915	
Total Equity	***21.667.467***	***22.126.984***	
Liabilites			
Long-term Liabilities			
Long-term borrowings	5.000.000	5.750.000	17
Lease liabilities	38.028.260	38.041.186	18
Provisions for benefits for the employees	19.184	19.184	19
Other long-term provisions	595.000	575.000	21
Deferred income tax	316.775	438.731	22
Other long-term liabilities	2.000	2.000	23
Total	*43.961.219*	*44.826.100*	
Short-term Liabilities			
Short-term borrowings	3.008.492	3.009.094	17
Trade payables	26.492.677	23.698.757	24
Income Tax Liabilities	1.847.159	1.847.159	22
Short-term Lease liabilities	4.317.245	4.695.108	18
Other sort-term liabilities	4.859.438	4.348.344	24
Other	*40.525.010*	*37.598.462*	
Total Liabilities	***84.486.229***	***82.424.562***	
Total Equity , Provisions , Liabilities	**106.153.696**	**104.551.546**	

The accompanying Notes on pp. 26 to 63 constitute an integral part of the Financial Statements.

** 2021 Fiscal Year reflects the period January 2021 – December 2021 in accordance to published Financial Statements, thus figures are not comparable.*

2. Statement of Comprehensive Income

	1/1/2022 -31/1/2022	2021	Note
Sales(net)	5.940.675	81.896.825	6
Cost of Sales	-3.791.043	-46.731.677	25
Profits/loss before tax:	**2.149.632**	**35.165.149**	
Total	**2.149.632**	**35.165.149**	
Administrative expenses	-160.805	-1.881.609	26
Distribution expenses	-2.388.980	-24.128.054	26
Other income/expense (net)	2.206	1.294.084	27
Profit/loss before tax	**-397.946**	**10.449.570**	
Financial income	-	5.202	28
Financial Expenses	-163.526	-1.863.720	28
Profit/loss before tax	**-561.473**	**8.591.052**	
Income tax	121.956	-1.923.190	22
Income tax previous fiscal years	-20.000	-242	22
Profit/loss after tax	**-459.517**	**6.667.620**	
Net profit/loss (α)	**-459.517**	**6.667.620**	
Other comprehensive income after tax (b)	-	10.631	
Total comprehensive income for the period after tax (a)+ (b)	**-459.517**	**6.678.251**	

The accompanying Notes on pp. 26 to 63 constitute an integral part of the Financial Statements.

** 2021 Fiscal Year reflects the period January 2021 – December 2021 in accordance to published Financial Statements, thus figures are not comparable.*

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 01.01.2021	**353.650**	**10.403.483**	**340.965**	**577.250**	**346.073**	**1.927.305**	**13.948.725**
Total Comprehensive Income	-	-	-	-	-	6.678.251	6.678.251
Share Capital Increase/decrease	13.780	1.486.228	-	-	-	-	1.500.008
Other changes in equity	-	-	-	-	28.640	-28.640	0
Equity Balance as at 31.12.2021	**367.430**	**11.889.711**	**340.965**	**577.250**	**374.713**	**8.576.915**	**22.126.984**
Υπόλοιπα 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 31.12.2022	**367.430**	**11.889.711**	**340.965**	**577.250**	**374.713**	**8.117.398**	**21.667.467**

The accompanying Notes on pp. 26 to 63 constitute an integral part of the Financial Statements.

4. Statement of Cash Flows

	31.01.2022	31.12.2021
Operating Activities		
Period Income/loss	-561.473	8.591.052
Adjustments		
Depreciation/Amortization	628.496	6.586.732
Provision	-	422.791
Profit/loss from disposal of fixed assets	-	27.335
Debit interest and related expenses (less credit interest)	163.526	1.858.468
Foreign Exchange translation differences	65	10.786
Other non-cash expenses/(income)	-	-2.018.057
Operating cash flow before changes in working capital	***230.615***	***15.479.107***
Decrease / (Increase) in inventory	-5.050.502	-10.595.491
Decrease / (Increase) in receivables	123.689	-2.033.143
Increase / (decrease) in current liabilities (except banks)	3.137.053	6.330.259
Operating activities	***-1.789.760***	***-6.298.375***
Less: Debit interest and related expenses paid	-163.526	-1.863.670
Tax paid	167.896	118.609
Total inflows / (outflows) from operating activities (a)	***-1.554.775***	***7.435.672***
Investing Activities		
Acquisition of subsidiaries, associates and joint ventures and other investments	-	-401.000
Acquisition of tangible and intangible assets	-112.074	-5.702.996
Income from disposal of tangible and intangible assets	-	2.632
Right-of-use tangible assets	-	5.202
Interest collected	-3.310	-211.712
Other inflows (outflows) not included in working capital	**-115.384**	**-6.307.874**
Total inflows (outflows) from investing activities (b)		
Financing Activities	-	1.500.008
Proceeds from share capital increase	-390.789	-1.775.934
Repayments for lease liabilities	-750.603	-1.316.021
Loan received /paid	-	-23.971
Dividend payment	**-1.141.392**	**-1.615.917**
Total inflows / (outflows) from financing activities	**-2.811.551**	**-488.119**
Increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	13.430.544	13.918.663
Opening cash and cash equivalents		
Closing Cash and Cash equivalents	**10.618.993**	**13.430.544**

The accompanying Notes on pp. 26 to 63 constitute an integral part of the Financial Statements.

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 G.E.MI. under Nr. 77109427000 and its term is fifty (50) years from its legal establishment.

The Company's main objective is import, export, marketing, 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 30 September 2022.

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 1.1.2022 - 31.01.2022 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 31.01.2022, are consistent with those described in the published financial statements for the year ended 31.12.2021. 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 period January 1, 2022 – January 31, 2022, while for 2021 we refer to the twelve-month period January 2021 – December 2021 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. presents the adjustments to the comparative period arising from the change in accounting policy under IAS 19 and from the correction of errors.

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

Conceptual Framework in IFRS Standards

The IASB issued the revised conceptual framework for financial reporting on 29 March 2018. The conceptual framework defines a comprehensive set of concepts for financial reporting. These concepts help set standards, guide preparers in developing consistent accounting policies, and support their efforts to understand and interpret the standards. The International Accounting Standards Board (IASB) has also issued a complementary document, Amendments to References to the Conceptual Framework in IFRS Standards, which contains amendments to the standards that are affected in order to update the references to the revised conceptual framework. The objective of the document is to support the transition to the revised IFRS conceptual framework for entities that adopt the conceptual framework to develop accounting policies when no IFRS standard makes such reference.

Amendments to IFRS 16 "Leases": Covid-19 – Related Rent Concessions beyond 30 June 2021 (effective for annual periods starting on or after 01/04/2021)

The amendment extends the application period by one year to cover Covid-19-related rent concessions that reduce only lease payments due on or before 30 June 2022.

Amendments to IAS 16 "Property, Plant and Equipment: Proceeds before Intended Use" (effective for annual periods starting on or after 01/01/2022)

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.

Amendment to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts—Cost of Fulfilling a Contract" (effective for annual periods starting on or after 01/01/2022)

The amendment to IAS 37 clarifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Such costs include both - the directly attributable costs and the proportion of other costs directly related to fulfilling the obligations arising from a contract. The amendment also clarifies that, before a separate provision is recognized for an onerous contract, an entity recognizes any impairment loss on assets that were used to fulfill the contract, rather than on assets that were solely dedicated to that contract.

This amendment did not have a significant impact on the Company's financial position and/or financial performance.

Amendments to IFRS 3 "Reference to the Conceptual Framework" (effective for annual periods starting on or after 01/01/2022)

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

This amendment did not have a significant impact on the Company's financial position and/or financial performance.

Annual Improvements to IFRSs 2018-2020 Cycle (effective for annual periods starting on or after 01/01/2022)

The amendments listed below include changes to IFRS.

IFRS 9 “Financial Instruments”

The amendment examines which expenses should be included in the 10% assessment for the derecognition of financial liabilities. The relevant costs or fees could be paid either to a third party or to the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% assessment.

IFRS 16 “Leases”

The amendment removed the example for payments by the lessor in respect of leasehold improvements in illustrative example 13 of the standard in order to remove any potential confusion about handling the lease incentives.

The adoption of the above improvements is not expected to affect the Company's Financial Statements

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

The following new accounting standards, amendments and interpretations have been effective for subsequent periods and have not been applied under the preparation of these separate financial statements unless otherwise recorded. The Company is examining the effect of the new standards and amendments on its financial statements.

Amendments to IAS 1 “Classification of Liabilities as Current or Non-current” (effective for annual periods starting on or after 01/01/2023)

The amendment clarifies that liabilities are classified as current or non-current based on 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 classification is not affected by the entity's expectations or events after the reporting date.

In addition, the amendment clarifies the meaning of the term "settlement" of a liability in IAS 1. The amendment has not yet been adopted by the European Union.

Amendments to IAS 1 “Presentation of Financial Statements” and IFRS Practice Statement 2: “Disclosure of accounting policies” (effective for annual periods starting on or after 01/01/2023)

Entities are required to disclose their material accounting policy information rather than their significant accounting policies. The amendments provide guidance on the concept of materiality when it is applied to accounting policy disclosures. The amendments have not yet been adopted by the European Union.

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)

The amendments clarify how entities should distinguish changes in accounting policies from changes in accounting estimates. The amendments have not yet been adopted by the European Union.

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)

The amendments require that entities should recognize deferred tax on certain transactions that, under the initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This usually applies to transactions such as leases and decommissioning obligations. The amendments have not yet 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.

2.5. Foregin 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 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

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

<u>a) Initial recognition and subsequent measurement of financial assets</u>

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 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 recognised, the balance will affect the income tax and the provision for deferred tax for the period.

3.3. Provisions for bad receivables

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	1/2022	2021
Advance payments for inventory	8.534.233	5.481.946
Trade receivables	3.792.729	3.497.640
Cash and cash equivalents	10.618.993	13.430.544
Other current assets	2.061.547	2.072.552
Total	***25.007.501***	***24.482.682***

- The account “Advances for acquisition of inventory” is reflected in checks payable.
- The account "Trade receivables" is characterized by high dispersion of receivables on 31.01.2022 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.

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, 2022 and December 31, 2021 is analyzed as follows**:**

	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
Liabilities from tax and duties	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

Total	***83.555.270***	***40.525.010***	***25.665.510***	***17.364.750***

	31/12/2021	<1 year	rom 2 to 5 years	>5 years
Long-term loan liabilities	5.750.000	0	5.750.000	0
Lease Liabilities	38.041.186	0	25.521.108	12.520.078
Other long term liabilities	2.000	0	2.000	0
Suppliers	23.698.757	23.698.757	0	0
Liabilities from tax and duties	1.847.159	1.847.159	0	0
Short-term loan liabilities	3.009.094	3.009.094	0	0
Short term lease liabilities	4.695.108	4.695.108	0	0
Other sort-term liabilities	4.348.344	2.200.247	0	0
Total	***81.391.648***	***35.450.366***	***31.273.108***	***12.520.078***

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 € 40.000 (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, there is no significant currency risk. Currency risk is indirectly limited to inventory acquisition costs when the central distributor's initial settlement is translated in another currency (mainly USD).

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 disposal of the items. 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.

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 agreements in question and due to their long term.

Macroeconomic conditions in Greece: The covid-19 coronavirus pandemic has fundamentally affected the global economic activity since its outbreak in the beginning of 2020. Gradual return to normality, started in 2021, is expected to continue, provided that no dangerous mutations of the coronavirus occur. Significant monetary and fiscal policy measures as well as financing new investments through the Recovery and Resilience Facility (RRF) will contribute to the improvement of the Greek economy financial parameters. However, Russian-Ukrainian war constitutes an adverse development, expected to affect the global economy. The Management constantly assesses the situation and the potential effects arising from it in order to ensure that all the necessary and possible measures and actions are taken in a timely manner in order to minimize any impact on the Company's operations.

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 defines total equity and bank borrowings reduced by the amount of cash available not bound for any reason.

At the end of 1/2022 and 2021, the ratio is as follows:

	1/2022	**2021**
Total Equity	21.667.467	22.126.984
Bank borrowing	8.008.492	8.759.094
Less: cash in hand & deposits	10.618.993	13.430.544
Total Capital Employed	19.056.966	17.455.534
Net bank borrowing / Total Capital Employed	-0,14	-0,27

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 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.

99.5% of the company's sales arise from the sale of athletic goods, while only 0.5% - 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

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	-	-	101.422	-	**106.707**
Adjustments	-	-	-	-	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**	**-**	**8.687.035**
Depreciation	81.822	44	13	103.329	-	**185.209**
Accumulated depreciation and decreases 31.01.2022	**3.677.684**	**1.200**	**35.157**	**5.158.203**	**-**	**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**

2021	Buildings and Installations	Mechanical Equipment	Vehicles	Other equipment	Assets under construction	TOTAL
Gross Book value as at 01.01.2021	**8.856.996**	**5.334**	**35.437**	**10.064.075**	**76.811**	**19.038.654**
Additions	2.180.706	0	0	4.681.433	-	**6.862.139**
Decreases	-118.671	0	0	-2.580	-	**-121.251**
Adjustments	1	-	-	-	133.648	**133.648**
Gross book value as at 31.12.2021	**10.919.032**	**5.334**	**35.437**	**14.742.928**	**210.459**	**25.913.190**
Accumulated depreciation and decreases 01.01.2021	**2.866.693**	**622**	**34.983**	**4.162.445**	**0**	**7.064.744**
Depreciation	820.229	533	160	892.653	0	**1.713.575**
Adjustments	-91.060	0	0	-224	0	**-91.285**
Accumulated depreciation and dereases 31.12.2021	**3.595.861**	**1.156**	**35.143**	**5.054.874**	**0**	**8.687.035**
Net book Value as at 31.12.2021	**7.323.171**	**4.179**	**293**	**9.688.054**	**210.459**	**17.226.155**

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 31/01/2022 amounts to 1.309.175 euros.

There are no encumbrances on the privately owned properties.

8. Intangible assets

Intangible assets include acquired software.

1/2022	Other intangible assets
Gross book value 01.01.2022	**893.705**
Additions	5.368
Net book value as at 31.01.2022	**899.07**
Accumulated amortization 01.01.2022	**375.904**
Amortization	12.680
Accumulated amortization 01.01.2022	**388.584**
Net book Value 31.01.2022	**510.489**

2021	Other intangible assets
Gross book value 01.01.20201	**721.485**
Additions	172.220
Net book value as at 31.12.2021	**893.705**
Accumulated amortization 01.01.2021	**242.178**
Amortization	133.727
Adjustments	-1
Accumulated amortization 01.01.2021	**375.904**
Net book Value 31.12.2021	**517.802**

9. Right-of-use tangible assets

Right-of-use assets	**1/2022**	**2021**
Opening balance 1 January	49.852.747	39.131.886
Additions	0	11.752.353
Decreases	0	-1.031.493
Closing balance 31 January	*49.852.747*	*49.852.747*
Amortization as at 1 January	10.999.324	6.426.312
Amortization	430.608	4.739.431
Decreases		-166.418
Amortization as at 31 January	*11.429.932*	*10.999.324*
Book value as at 31 January 2022	***38.422.815***	***38.853.422***

Right-of-use assets were recognized in the context of IFRS 16 application. The incremental borrowing cost for the contracts until 31/01/2022 stood at 3.35%. Changes in the account are analyzed as follows:

	Buildings in third parties land plots	Vehicles	Total
Cost or estimate			
1.1.2022	49.453.682	399.065	49.852.747
Additions for the period			0
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
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***

	Buildings in third parties land plots	Vehicles	Total
Cost or estimates			
1.1.2021	38.891.656	240.230	39.131.886
Addition for the period	11.593.519	158.835	11.752.353
Write offs - Transfers for the period	-1.031.493		-1.031.493
31.12.2021	**49.453.682**	**399.065**	**49.852.747**
Depreciation			
1.1.2021	6.318.407	107.904	6.426.311
Depreciation for Period	4.661.531	77.900	4.739.431
Write offs - Transfers for the period	-166.418		-166.418
31.12.2021	**10.813.520**	**185.804**	**10.999.324**
Book value as at 31.12.2021	***38.640.162***	***213.261***	***38.853.423***

In 01/2022, the Company's depreciation is recorded in Administrative Expenses at the amount of € 8.299 and in Disposal Expenses at the amount of € 620.197. In 01/2022, the company did not leased any new store.

10. Investments in subsidiaries, associates and joint ventures

Investments in Subsidiaries associates and joint ventures	1/2022	2021
Cosmossport Trading (Cyprus) Limited (Subsidiary)	401.000	401.000
Total	***401.000***	***401.000***

On 6/4/2021 the limited liability company COSMOSSPORT TRADING (CYPRUS) LIMITED was established. The company's headquarters are located at 11 Michail Paridis Street, Nicosia, Cyprus. As at 31/12/2021, the share capital of COSMOSSPORT TRADING (CYPRUS) LIMITED amounted to 1,100 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. The the Company holds the total share capital (100%) of Cosmossport Trading (Cyprus) Limited.

11. Other non-current assets

Other non-current assets	01/2022	2021
Guaranties given	905.228	903.228
Pancreta Bank Shares	74.210	74.210
Impairment of holdings and securities	-74.210	-74.210
Total	***905.228***	***903.228***

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	1/2022	2021
Goods	21.660.808	21.745.686
Provisions for obsolete inventory	-658.350	-658.350
Pending acquisitions	2.544.034	1.079.921
Advances to suppliers	8.534.233	5.481.946
Total	***32.080.725***	***27.649.204***

Cost of inventory recorded as an expense in the cost of sales for the period 01/01-31/01/2022 stands at € 3.791.043 (2021: € 46.731.677).

Changes in provisions for impairment are analyzed as follows:

Changes in impairment of inventory	1/2022	2021
Provision open balance 01.01	658.350	398.202
Provisions for the period	-	260.148
Total	***658.350***	***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.

Trade Receivables	1/2022	2021
Customers	4.259.448	3.964.359
Checks receivable	32.966	32.966
Provisions for impairment	-499.685	-499.685
Total	***3.792.729***	***3.497.640***

Other current assets	1/2022	2021
Other debtors	428.114	442.104
Income tax advance	92.372	92.372
Purchase discount subject to settlement	790.897	809.311
Purchase returns subject to settlement	422.838	410.082
Transitional accounts	444.550	437.000
Rent receivables	6.126	5.033
Provisions for impairment of other assets	-123.350	-123.350
Total	***2.061.547***	***2.072.552***

Provisions for bad receivables are analyzed as follows:

Change in doubtful receivables	1/2022	2021
Doubtful receivables provision balance 01.2021	623.035	603.276
Expenses burdening the period	-	19.759
Total	***623.035***	***623.035***

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

14. Cash and cash equivalents

Cash and cash equivalent	1/2022	2021
Cash in Hand	21.405	21.413
Cash in Bank	10.394.826	12.915.967
Receivables from cards	109.581	284.922
Cash in Transit to Banks	93.180	208.241
Total	***10.618.993***	***13.430.544***

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	**1/2022**	**2021**
Statutory Reserve	340.965	340.965
Special purpose reserves	577.250	577.250
Tax exempted reserves	374.713	374.713
Total	***1.292.928***	***1.292.928***

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

17. Borrowings

Borrowing	**1/2022**	**2021**
Interest bearing Loans	5.000.000	5.750.000
Long Term Loans	***5.000.000***	***5.750.000***
Return advance carried forward	8.492	8.492
Bank Loans	0	603
Long-term loans to be paid in the next 12 months	3.000.000	3.000.000
Short-term loans	***3.008.492***	***3.009.094***
Total	***8.008.492***	***8.759.094***

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

Years	**Debt payment**
2022	3.000.000
2023	2.000.000
2024	2.000.000
2025	1.000.000
Total	***8.000.000***

No loan liabilities in foreign currency are effective as at at 31/01/2022.

18. Leases

Liabilities from operating leases	1/2022	2021
Open Balance January 1st	41.428.255	34.311.641
Obligations from leases	-	11.752.353
Write off due to lease termination	-	-970.071
Total	**41.428.255**	**45.093.923**
Interest for the period	108.497	1.272.826
COVID-19 payments	-	-1.913.060
Lease payments	-487.516	-3.025.434
Total	**-379.019**	**-3.665.668**
Closing Balance	***41.049.236***	***41.428.255***

Liabilities from finance leases	1/2022	2021
Open balance January 1st	1.308.039	0
Lease Liabilities	-	1.331.364
Total	**1.308.039**	**1.331.364**
Interest for the period	8.024	16.264
Lease payments	-19.795	-39.589
Total	**-11.770**	**-23.325**
Closing Balance	***1.296.269***	***1.308.039***

Lease liabilities are repaid in the following way:

Expected rentals from operating leases	1/2022	2021
Up to 1 year	4.169.214	4.548.233
From 2 to 5 years	19.515.272	19.515.272
More than 5 years	17.364.750	17.364.750
Total in Euro	***41.049.236***	***41.428.255***

Expected rentals from finance leases	1/2022	2021
Up to 1 year	148.031	146.875
From 2 to 5 years	748.494	742.883
More than 5 years	399.744	418.281
Total in Euro	***1.296.269***	***1.308.039***

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	2,50%
2.Discount interest rate	0,99%
3. Average annual inflation increase rate	1,70%
4.Remuneration	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.
5.Actuarial valuation method	The calculation is done using the Projected Unit Credit Method approved by the IAS

Changes for the period from 01.01.2021 to 31.01.2022 are an analyzed as follows:

Change in net obligation	**1/2022**	**2021**
Balance January 1st	19.184	14.312
Actuarial profit/loss in the obligation	-	-3.011
Employer's benfits paid	-	-51.402
Change recognized in profit or loss	-	59.285
Net obligation period end	***19.184***	***19.184***

Change in present value of the obligation	**1/2022**	**2021**
Present value of the obligation in the beginning of the period	19.184	14.312
Current employment cost	-	59.235
Interest expense	-	50
Benefits paid in the current year	-	-51.402
Actuarial (profit)/loss	-	-3.011
Present value of the obligation in the ending of the period	***19.184***	***19.184***

20. Headcount and payroll

Number of employees and staff cost	**1/2022**	**2021**
Employees number	703	608
Staff cost	994.932	9.858.757

Payroll cost allocation	1/2022	2021
Administrative expenses	117.627	1.223.062
Distribution expenses	877.305	8.635.694
Net obligation in the end of the period	***994.932***	***9.858.757***

21. Long-term provisions

Other long-term provisions	Income Tax Provision	Other Provisions	Total
Provision Balance 01.01.2021	80.000	360.000	440.000
Provision burdening the period	20.000	115.000	135.000
Provision Balance 31.12.2021	100.000	475.000	575.000
Provision Balance 01.01.2022	100.000	475.000	575.000
Provision burdening the period	20.000	-	20.000
Provision Balance as at 31.01.2022	***120.000***	***475.000***	***595.000***

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 2021, 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 2021. 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 € 120.000 on 31/01/2022, while for other operational risks to € 475.000.

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:

	01/2022	2021
Open Balance January 1st	438.731	370.319
Debit / (Credit) in the Income Statement	-121.956	76.032
Other Adjustments	-	662
Debit / (Credit) in other comprehensive income	-	-8.282
Closing Balance December 31st	***316.775***	***438.731***

Deferred Tax Obligations		
	Assets balances	**Total**
31.12.2021	-1.318.567	-1.318.567
Debit / (Credit) in the Income Statement	-3.989	-3.989
31.12.2021	***-1.322.556***	***-1.322.556***

Deferred tax assets				
	Real estate leases	**Provisions**	**Other**	**Total**
31.01.2022	566.463	313.373	-	879.836
Debit / (Credit) in the Income Statement	11.349	-2.834	117.429	125.945
31.01.2022	***577.813***	***310.539***	***117.429***	***1.005.781***

Income tax is analyzed as follows:

	1/2022	2021
Income Tax	-	1.847.159
Deferred Tax	-121.956	76.032
Total	***-121.956***	***1.923.190***

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

	1/2022	2021
Profit / (loss) before tax	-561.473	8.591.052
Effective tax rate	**22%**	**22%**
Tax measured according to the effective tax rates 2021: 22% (2020: 24%)	-123.524	1.890.031
Expense Tax non-recognized for tax purposes	-2.814	71.805
Value added tax	4.382	-45.932
Tax exempted income tax	-	-5.392

Provisions for future Tax Audits	20.000	-
Other changes	-	12.678
Tax income / (expense)	***-101.956***	***1.923.190***

23. Other long-term liabilities

Other long-term Liabilities	1/2022	2021
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	1/2022	2021
Suppliers	10.361.771	7.737.139
Cheques payable	16.130.906	15.961.619
Obligations to Suppliers	**26.492.677**	**23.698.757**
Social Security	724.490	489.607
Accrued expenses and sales discounts	610.761	397.539
Obligations from the program Loyalty GO COSMOS	76.084	88.800
Other Creditors	468.207	469.538
Payroll payable	563.141	674.314
Prepayments from clients	100.764	80.450
Dividends payable	2.315.992	2.148.096
Other Liabilities	**4.859.438**	**4.348.344**
Obligations from Income tax	1.847.159	1.847.159
Obligations from tax duties	**1.847.159**	**1.847.159**
Total Obligations	***33.199.274***	***29.894.260***

At the end of the closing and previous year, the above liabilities do not include liabilities in foreign currency.

25. Cost of sales

Cost of sales is analyzed as follows:

Cost of Sales	1/2022	2021
Cost of goods	3.791.043	46.731.677
Total	***3.791.043***	***46.731.677***

26. Operating expenses

The operating expenses per category as at 12/31 are analyzed as follows:

	01.01-31.01.2022		01.01-31.12.2021	
Expenses Category	**Administrative**	**Distribution**	**Administrative**	**Distirbution**
Employee fees and expenses	117.627	877.305	1.223.062	8.635.694
Third parties fees and expenses	24.462	8.928	206.476	187.866
Utilities	7.885	268.853	81.599	2.054.498
Tax and Duties	2.977	21.575	60.294	168.282
Other expenses	7.854	583.822	209.384	6.587.941
Depreciation/amortization	8.299	620.197	100.023	6.486.709
Provision for end of service employee compensation	-	-	770	7.063
Total	***169.105***	***2.380.680***	***1.881.609***	***24.128.054***

The increase in distribution costs is due to the increase in the number of the company's stores.

27. Other revenue - expenses (net)

Other revenue-expenses are analyzed as follows:

Other net revenue/(expenses)	1/2022	2021
Income from grants	-	21.509
Rental from Buildings	2.369	14.012
Previous years revenue	24	447
Other revenues	-403	2.230
Other Extraordinary income	829	36.648
Extraordinary profits IFRS 16 Covid-19	-	2.018.057
Total other revenues	**2.818**	**2.092.902**
Provisions for bad receivables	-	-19.759
Provision for impairment of inventory	-	-260.148
Provision for tax	-	-20.000

Other provisions	-	-115.000
Extraordinary loss	-	-233.259
Previous year expenses	-	-49.702
Other extraordinary expenses	-612	-100.950
Total other expenses	**-612**	**-798.818**
Other net income/(expenses)	***2.206***	***1.294.084***

28. Financial results

Financial Results	1/2022	2021
Interest expenses		
- Bank loan interest	20.584	218.753
- Commissions and other bank expenses	25.185	355.878
-Bank loan currency translation differences		
- Right-of-use interest	117.757	1.289.089
Total	**163.526**	**1.863.720**
Credit interest in cash in Bank	-	5.202
Total	**-**	**5.202**
Financial Results	***163.526***	***1.858.518***

The average loan interest rate stands at approximately 2,35%.

29. Related parties transactions

Related parties transactions	1/2022	2021
Members of the company's board of directors		
Bod members compensation	20.635	402.763
Liabilities	-10.329	-10.297
Shareholders / Managers		
Shareholders compensation / Managers	24.358	68.143
Liabilities	-11.838	-11.838
Subsidiaries		
Income from expenses re-debit	-	48.753
Income from sales of goods	99.706	2.848.784
Income from real estate lease	-	2.632
Receivables	2.999.875	2.900.168
Other related parties		
Income from real estate lease	20	240
Receivables	7.190	7.170

30. Earnings per share

Profit / (loss) per share	1/2022	2021
Profit / loss attributed to shareholders	-459.517	6.667.620
Weighted average of number of shares	73.486	73.244
Basic revenues per share	***-6,25***	***91,03***

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 € 6,25. (2021: € 91,03 / share).

31. Dividends per share

No dividends where 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 the commercial contracts (Piraeus Bank guarantee letters amounting to Euro 108.538, National Bank guarantee letters amounting to Euro 1.577.799).

The company has provided a corporate guarantee to the Subsidiary company to secure banking (loans amounting to €3.000.000) and commercial obligations.

The company has contingent liabilities in relation to banks, other guarantees and other issues that arise in the context of its ordinary operations. No significant 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 €5.000.

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":

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.

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

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) with the exception a) of the geopolitical developments in Ukraine and the energy crisis which have triggered significant inflationary pressures that will largely determine the course of the world economy in 2022 and - by extension - that of our country. b) The increase of the share capital in the Subsidiary company by an amount of 1.500.000 euros on July 29, 2022.

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 developments and constantly takes measures to contain energy costs and, in general, address the corresponding risks whenever possible.

Heraklion, 30 September, 2022

THE CHAIRMAN OF THE BoD	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL OFFICER
NEIL GREENHALGH	MICHAIL TSIKNAKIS	EFTYCHIS GEORGILAS
PASSPORT Num. 547156699	ID Num. AK 474991	ID Num. AZ 149452
		FIRST CLASS LICENSE Num. 0097742

Website

The Annual Financial Report for FY 01/2022 is presented on the company's website at (http://www.cosmossport.gr).

COSMOS SPORT S.A.

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

General Commercial Reg. Nr. 77109427000

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**2021 Fiscal Year reflects the period January 2021 – December 2021 in accordance to published Financial Statements, thus figures are not comparable.*