ATHENS INTERNATIONAL AIRPORT

REPORT BY THE BOARD OF DIRECTORS

TO THE ANNUAL GENERAL MEETING

OF THE SHAREHOLDERS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Dear Shareholders,

Per articles 108 and 150 of Law 4548/2018, we submit herewith to the General Assembly of the Athens International Airport S.A. (hereinafter the "Airport Company", or "Company", or "AIA") the Financial Statements for its 27th financial year. The present Report refers to these Financial Statements, as well as to any supplementary information and disclosures necessary or useful for the Financial Statements' appreciation and approval by the General Assembly, according to the proposal of the Board of Directors.

During 2022, the Company, together with the entire aviation industry, was faced with major challenges. On top of the COVID-19 pandemic crisis and its impact on air travel, the year was marked by Russia's invasion of Ukraine in late February, the subsequent energy crisis and consequent implications in the European and worldwide economies that followed, and the severe operational disruptions in European airports during the summer period. Against this turbulent background, passenger traffic at Athens Airport recovered 89% of the respective 2019 traffic.

With regards to global traffic developments for 2022, IATA has estimated that global passenger traffic (Revenue Passenger Kilometers or RPKs) was 64.4% above 2021 levels and 31.5% below the 2019 level[1]. According to IATA also, for 2022 the air transport industry in 2022 is expected to post a loss of nearly USD 7 billion, with the North America being the only profitable region. However, with the gradual opening of the China market, Europe and Middle East are also expected to generate profits in 2023[2].

The Airports Council International (ACI) reports that, despite strong headwinds, the industry is continuing to recover, however, with heterogeneous recovery levels per market/region. ACI has estimated that global passenger traffic in 2022 stood at 6.8 billion, 74.4% of the 2019 traffic[3], with traffic in Europe reaching 79% of the respective 2019 level[4].

Despite the bumpy start the COVID-19 pandemic's continuous impact on traffic and, subsequently, on the financial performance, the recovery marked since the second quarter of 2022 onwards led to 22.73 million passengers (+84.1% vs. 2021 and -11.1% vs. 2019), with the Company posting healthy financial results at the year-end.

Operating revenues reached €476.9 million (+24.76% vs. 2021), a €204.7 million improvement (+75.2% vs. 2021) after excluding the impact of the €110.02 million compensation received in 2021; overall earnings before interest, tax, depreciation, and amortisation (EBITDA) stood at €328.3 million (+€45.8 million or 16.2% vs. 2021); Profit Before Tax at €213.2 million; and the Closing Cash position was at €561.2 million on 31 December 2022.

1. Traffic Highlights

In 2022, Athens Airport served +60.3% domestic passengers (7.39 million passengers) vs. 2021, (i.e., -4.7% vs. 2019). International passengers (15.34 million passengers) demonstrated an increase of +98.3% vs. 2021 and a decline of -13.9% vs. 2019. Overall, the year 2022 ended with Athens International Airport's traffic amounting to 22.73 million passengers, exceeding the respective 2021 levels by 84.1% and behind the 2019 levels by 11.1%. The year was characterised by the gradual improvement of the COVID-19 epidemiological situation and the subsequent lifting of travel restrictions; Russia's invasion of Ukraine in late February that posed another severe challenge; and operational disruptions at European airports during the summer period.

1 IATA - Passenger Demand Recovery Continued in December 2022 and for the Full Year
2 https://www.iata.org/en/iata-repository/publications/economic-reports/global-outlook-for-air-transport---december-2022/
3 The impact of COVID-19 on airports—and the path to recovery - ACI World
4 Airports Council International Europe | ACI EUROPE - Media (aci-europe.org)

The first quarter of the year was impacted by the travel restrictions; traffic, however, picked up during the months that followed, supported by the gradual improvement of the pandemic's epidemiological situation and the progressive lifting of travel restrictions in the second quarter. During the peak summer period, despite operational disruptions in Europe mostly (staff shortage which caused long delays and lost luggage), holiday traffic performed successfully. At the same time, the negative impact due to the war in Ukraine and the entailed economic downturn risk was less impactful than expected in the year's last quarter.

In 2022, Athens was directly connected with scheduled services with 143 destinations-cities (132 in 2021 and 157 in 2019), in 50 countries (48 in 2021 and 55 in 2019), operated by 66 carriers (62 in 2021 and 66 in 2019). Aircraft movements amounted to 213,000, +34.2% vs. 2021 and -5.4% vs. 2019, recovering faster than passenger demand. Both domestic and international flights surpassed the 2021 levels by 30.9% and 37.1%, respectively. Domestic operations also exceeded the 2019 levels by 2.9%, while international services stood lower by -11.4%.

In 2022, continuing the previous year's upward trend, AIA's cargo traffic reached approximately 101,600 tonnes and exceeded both the 2021 and 2019 volumes by 4.8% and 7.3%, respectively. Freight remained the main growth driver (+5.2% vs. 2021 and +12.6% vs. 2019) while mail traffic contracted further by 3.4% vs. 2021, lagging by almost 49% compared to 2019.

2. Business Highlights

AIA's business highlights for 2022 are presented hereunder:

2.1 Airport Operations

Throughout the year, the Company took every necessary action to deliver smooth and efficient operations. From the 24th to the 27th of January, AIA effectively responded to the severe snowfall and strong winds that affected wider Attica. Still, the Airport witnessed significant operational disruptions, mainly due to the closure of the main access roads to/from the Airport and the suspension of mass transportation services. All COVID-19 pandemic-related measures were lifted by the Greek Government on the 30th of April and the usual passenger processes were fully resumed for the first time since March 2020. Syn-ergasia (the state-subsidised work-sharing program) was terminated at the end of May.

On-time performance was gradually reduced over the summer, mainly due to i) Air Traffic Flow Management (ATFM) restrictions enroute at many European airspace sectors, and ii) reactionary delays resulting from severe operational disruptions experienced by many airlines at major international airports in Europe and the USA. However, local ATFM performance in Athens was significantly improved compared to previous years, following an agreement reached between the Ministry of Infrastructure and Transport and the Hellenic Air Navigation Service Provider (HANSP) for a new operational scheme, as per which the hourly arrival capacity was increased from 22 to 28 aircraft movements, while there were almost no restrictions on departures. Throughout the year, the General/Business aviation sector demonstrated extraordinary traffic growth, with more than 20,000 flights and 42,000 passengers being served, +1.84% vs. 2021 and +48.9% vs. 2019.

Baggage Handling

The reconstruction, upgrade and operational commissioning of the Baggage Handling System to Standard 3 (STD3) per relevant regulatory provisions was completed in the North Baggage Hall at the end of June 2022. The new system significantly alleviated the South Hall operations and allowed for the latter's progressive disconnection from the automated sortation until the middle of October, with no adverse impact on the operations.

Throughout the summer period, operational disruptions at several major European and US airports, primarily due to labour shortages, led to disruptions to inbound shortshipped/rush passenger bags. The Airport's strategy for efficiently handling such luggage proved successful and the majority of arriving lost and found items were timely forwarded to their owners.

Security

AIA's Security System has been audited several times in 2022. Firstly, between the 9th and the 11th of February, the Hellenic Civil Aviation Authority's, Aviation Security Division (HCAA/D15) inspected compliance with Chapters 1 and 9 of the National Regulation (Airport Security and Airport Supplies, respectively). Following the restructuring of HCAA, a General Audit of AIA's Security System was conducted between the 1st and 7th the June by security inspectors of the new CAA agency (CAA/A3), who assessed the security operation's compliance with the entire National Regulation. Lastly, between the 12th and the 16th of September an EU Security Inspection was also conducted at Athens Airport. EU Security Inspectors along with inspectors from the US Transportation Security Administration (TSA) assessed and tested AIA's security system of all Chapters of the National Regulation (Airport Security and Airport Supplies). The results of the above-mentioned Audits / Inspections and Tests confirmed that AIA maintains a high level of security and complies with the regulations and best practices with regards to the provision of security services to the travelling public.

Ground Handling and Fueling

Following the completion of a series of tender processes that had begun in 2021, ground handling rights in all restricted categories were awarded: Goldair Handling SA, Skyserv SA and Swissport Greece SA were awarded an airport right over third-party Baggage and Ramp Handling; Goldair Handling SA and Skyserv SA over Freight and Mail handling; Newrest SA and Olympic Catering SA over In-flight Catering Ramp transportation and Safco SA over the Into-Plane-Fueling category. Additionally, European Air Transport SA (EAT), the aviation subsidiary of DHL, was awarded a self-handling right over Freight and Mail Handling.

On another note, following a relevant competitive tender process, OFC Aviation Fuel SA was selected to operate and further develop the Airport's tank farm and Hydrant Refueling System (HRS), when the existing concession period expires. The new concession term will expire in 2041 with the option of a 5-year extension.

For the 11th time in a row, Athens Airport's aviation fuel supply chain members, i.e. OFC Aviation Fuel SA (OFC) operating the Airport's Tank Farm and Hydrant Refuelling System (HRS), along with SAFCO SA, carrying responsibility for the fuelling up of the aircraft, were awarded the Sustained Performance Award (SPA) by the Joint Inspection Group (JIG). It is worth mentioning that OFC alone remains the only Airport Tank Farm and HRS operator worldwide, which has been awarded 15 consecutive JIG Awards (2008-2022). This distinction is considered exceptional.

2.2 Pricing and Airport Marketing

The annual consultation with the Airport users was held in February 2022 under the Airport Charges Directive (2009/12/EC) as transposed to the Greek legislation (PD 52/12). Following the consultation, the Airport Company announced that all Airport fees remain unchanged with no increase for the 14th consecutive year.

Discussions with airlines on recovery and growth resumed, following the gradual lifting of most COVID-19-related travel restrictions. The improved situation allowed for remarkable results on specific markets, namely Europe and the USA, which represent more than 85% of the international traffic. Such discussions were also held with Asian carriers, however travel restrictions still in place prevented early results.

The overall aviation environment remained extremely volatile throughout the year, as it continued to be impacted by high-risk factors such as the war in Ukraine, intense inflationary pressures, the airlines' stressed financial situation, staffing issues with the consequent effects in airlines and airport operations and, of course, the continued uncertainty regarding the COVID-19 pandemic. In 2022, AIA extended the temporary measures (Restart Incentive) it had temporarily introduced during the previous period to mitigate the costs of operating airlines that had been severely affected at the lockdown periods and to support and encourage recovery of international flights.

In 2022, the overall Developmental Incentives' Scheme continued to apply in a fully transparent and non-discriminatory manner, with no major changes. Only in the cases of the Restart and the Transfer Incentives, marginal changes were made to specific terms, taking into consideration the prevailing market conditions.

Once again, Athens Airport won the first place in the highly competitive category of 10-17.5 million passengers, voted by the airlines themselves, at the important annual meeting of the aviation industry "ROUTES WORLD 2022". Athens was once again commended for the impressive growth of passenger traffic, and the Athens network's recovery and restoration of connectivity.

In 2022, TIAP ("This is Athens & Partners"), a partnership between the Airport Company and a number of entities, namely the Municipality of Athens, Aegean Airlines, SETE (Greek Tourism Confederation), LAMPSA S.A., LAMDA Development and Ionian Hotel Enterprises, continued to strategically develop the partnership's action plans, with the aim to enhance and support the attractiveness of Athens as a top European year-round destination and thus, contribute to the country, region and city's economic growth. The "Love Athens" video campaign, launched in 2021, continued also in 2022, targeting the wider public in the major markets of the UK, France, Germany, Austria, and Switzerland.

As part of the destination marketing strategy, the Athens Airport teamed up with the Hotel Association of Athens - Attica and the Argosaronic in a joint effort to establish Greek Breakfast as an international brand. AIA also signed a memorandum with ELITOUR, the Greek Health Tourism Council, with the aim to promote Athens as a destination of high-quality health & wellness services.

Athens Airport was highly commended at the "ACI Europe Best Airport Awards" in the category of 25-40 million passengers for the resilience it demonstrated in handling the pandemic crisis and for investing in the construction of a photovoltaic park for energy self-generation and self-consumption of electricity within the Airport, towards the realisation of the commitment to net zero carbon emissions, under the ROUTE 2025 initiative.

2.3 Consumers

Retail Services

The year 2022 was one of robust performance for the terminal commercial business. Commercial revenues reached the record-high level of €71.4 million, up from €38.8 million in 2021, but also surpassing the last pre-pandemic year (2019) by +5% and outperforming passenger traffic by 16 percentage points (pp).

The year saw an extensive transformation of the terminal's commercial offering. In total, together with 3 new openings scheduled for the 1st quarter of 2023, 35 new commercial retail, F&B and services concepts will have been introduced since July 2021. Of these new openings, 25 stores fall under AIA's strategy to offer passengers the "Best of Greece". The key priority for this strategy roll-out is the strengthening of the link between AIA's commercial offering and Greece as a destination, through the introduction of well-known, Greece-focused concepts/brands from the local high street.

Additional contribution to commercial revenues came from travelers to the UK being eligible for Duty Free, increased dwell times, elimination of meal-service on most economy flights and the increased connectivity to US destinations. This enabled AIA to overcome the negative commercial impact of geopolitical challenges to AIA's passenger profile, including the absence of the high-spending passenger of China, Russia and Ukraine.

Landside Services

Increased Athens O&D traffic, targeted price adjustments and efficient space management of the parking lots led to revenues of €13.4 million from €7.2 million in 2021 (+86%) however -6.9% vs. 2019 (4.2pp better than passenger traffic). In 2022, Landside Services (LAS) paid increased attention to optimally managing parking capacity by closely monitoring daily space occupancy and by proceeding with necessary adjustments. Despite this effort, financial constraints related to the extraordinary rise of fuel prices worked in favour of public transport resulting in parking tickets decreasing by 24% vs. 2019. Online revenues reached 50% of the total parking business, a +3pp increase over 2019.

LAS staff was in full readiness and successfully kept the entirety of AIA's road network and parking lots open throughout the unprecedented snowfall in January, securing the smooth and safe vehicle movement.

The railway station operation significantly benefited by the expansion of the connecting metro line to Piraeus port and reached revenues of almost €2.5 million, +88% vs. 2021 and -1% vs. 2019, strongly outperforming airport passenger traffic.

Terminal Services

During a year of significant traffic recovery, Terminal Services (TRS) staff responded to more than 5.1 million passenger and visitor queries +67% vs. 2021 and +35% vs. 2019. The Airport Call Centre handled approximately 405,000 telephone inquiries with almost 92% of callers being served within 20 seconds. Almost 7,000 inquiries were received and processed electronically via the "Airport Info" service.

Throughout the year, the TRS staff focused on maintaining a smooth passenger experience; they also handled 3 major operational challenges, namely the snowfall emergency, COVID-19 pandemic, and lost luggage during the summer period.

For the first 4 months of the year, COVID-19 pandemic-related public restrictions and regulations remained in place. TRS staff helped reduce the impact on passenger flow, queue management, arrival, and transfer processes, and monitor compliance with social distancing and mask usage requirements. TRS staff also facilitated the operation of specially allocated queueing and examination areas for COVID-19 within the terminal building.

2.4 Property Business Unit

Property business recorded an exceptional performance during 2022, generating €21.1 million in revenues, surpassing performance of both 2021 and 2019, by 34.5% and 3.6%, respectively.

The METROPOLITAN exhibition and conference centre took full advantage of the market's post-pandemic growing interest for commercial exhibitions, and reported an impressive €10.3 million in sales, +2% vs. 2018 (due to the milestone Poseidonia exhibition), which is the last year that is fully comparable in terms of the magnitude of hosted events.

The Airport Hotel, SOFITEL, capitalised on the Airport's notable passenger traffic growth, and enjoyed a robust growth of 68.8% versus 2021 and +4.4% vs. 2019, positively assisted by the high occupancy rates during the peak summer months when the hotel operated almost at full capacity.

The Airport's Retail Park, comprising IKEA, KOTSOVOLOS, FACTORY OULET and LEROY MERLIN, recorded +16.9% in sales vs. 2021, nonetheless, 6.8% lower compared to 2019.

Looking into the office and space leases, total occupancy stood at 78% compared to 75% in 2021 and 73% in 2019, with revenues equaling the 2019 performance and surpassing the 2021 revenues by 17%. The positive revenues performance in 2022 versus the pandemic period (2020-2021) is mainly attributed to the fact that rentals were discounted during the crisis as per an effected law aiming to financially support tenants and their businesses.

Regarding other news, Building 45, an offices facility located at the north access area of the Airport, was fully refurbished to host the HCAA headquarters, while the entirety of the non-Schengen Business Lounges was relocated to the MTB's south wing extension, enabling an additional surface of 1,370 m² for lease.

2.5 Information Technology and Telecommunications

AIA's Information Technology and Telecommunications Business Unit (IT&T) has actively contributed to the post COVID-19 era, by supporting new corporate and airport community projects, demand and/or services necessary to cope with the Airport traffic restoration.

The IT&T revenues in 2022 reached €9.4 million, +25.5% vs. 2021, yet -6.2% vs. 2019, while the operational target of 99,99% systems availability was achieved for all critical services.

All IT&T services are provided under the ISO 9001:2015 and ISO/IEC 20000-1:2018 standards. In terms of Cyber Security Services, the relevant corporate policies and procedures were updated and consolidated into simplified documents serving the Company's objective to comply with the provisions of ISO 27001:2013 and to ensure compliance with the Hellenic Authority for Communication Security and Privacy (ADAE) Regulations (165/2011 and 205/2013) for telecommunications privacy, as well as the legal requirements set by Greek Law (4577/2019) for Network Information Security (NIS).

Cyber Risk remains at the top of risk rankings around the globe; in this context, AIA implements a multi-layered defense strategy with organisational and technical controls. More specifically, based on a corporate Cyber Security Strategy, 3 major projects were implemented within 2022: Third Party Cyber Risk Management, Vulnerability Management Solutions and Enhanced Cyber Security Awareness.

To further enhance user experience and operational readiness, several new services and applications were deployed. Moreover, the infrastructure and information security upgrade of the Self-Baggage Drop Off (SBDO), the CUTE workstations and the Common Use Self Service (CUSS) Kiosks located within the Terminal premises were all carried out. New digital services were introduced to ensure AIA complies with the existing regulatory framework and to simplify the corporate approvals process.

The IT&T Disaster Recovery (DR) annual exercise for 2022 was successfully concluded achieving its aim, i.e., to validate backup and recovery procedures for specific critical systems against the possibility of data loss and to validate the existing redundancy arrangements for IT&T critical systems assuming a failure in the core back-bone infrastructure.

Within the year, the Company’s efforts in the areas of IT&T and digital innovation were recognized by a number of awards, such as: a silver award in the "Cloud Computing Awards 2022" for its "eGates" project, a new cloud platform that enhances information security controls and further automates entry check and card verification process; a bronze prize at the “Impact Bite Awards 2022” for the new Airport Operational Database (AODB), which is the core platform for high-performing airport operations; a distinction at the "IoT Awards 2022” as the "IoT Development House of the Year”; the silver award in the category "Air Transport" for the project "Innovation in Aviation Security Services at Athens International Airport ".

To exchange know-how, testing and implementation of innovative solutions, IT&T teamed up with partners from the aviation and technology industries in multiple EU-funded projects, such as the HORIZON (Pistis and Trialsnet) one. The EU project SATIE (Security of Air Transport Infrastructure of Europe) was completed in 2022.

2.6 Major Corporate Projects and Developments

In 2022, in view of the foreseeable traffic recovery, the Company proceeded with the commencement of certain infrastructure development projects, which will serve immediate traffic and other requirements when finished. All projects below have been awarded following tender procedures and are primarily funded by the Capex Debt Bond Loan:

- Construction of a new apron area with 10 additional class C aircraft parking stands, north of Taxiway Y2, with a new ramp services station and a new GA/BA apron area close to the Technical Base.
- Expansion of the Satellite Terminal Building, combining an expansion of the building by 1,400m² with certain operational rearrangements (expansion of emigration passport control area and creation of new lounges).
- Development of an Access Control system at the departures and arrival curbsides, per Law 4903/22, to address improper utilisation of terminal curbside areas by car users. Additional works were also launched to increase car parking capacity.

The Company awarded the development of a 16 MWp Photovoltaic Park (PVP) with an annual expected production of 27.5 GWh, out of which 22 GWh will be directly self-consumed, replacing 35.4% of AIA’s electricity needs with energy produced on-site from Renewable Energy Sources. The project is the first in a series of green investments toward the goal of the “Route 2025” for net zero carbon emission by 2025. The completion of the 16 MWp is expected in early 2023 and will immediately reduce AIA’s indirect emissions footprint by more than 11,550 tonnes of CO_2 per year. This project is also funded by the Capex Debt Bond Loan.

In December 2022, an agreement was signed with Olympic Air (a subsidiary of Aegean Airlines) involving the future utilisation of Building 56, the largest facility of the Technical Base. This development constitutes a significant achievement since the facility has remained idle since 2014, whereas the new tenancy paves the way for Aegean’s investment plan for the development of a major Aircraft Maintenance, Repair and Overhaul (MRO) hangar, as well as a Flight Training Centre at AIA’s premises.

During the 2022 World Cup in Qatar, AIA airside and terminal operations staff supported Doha Airports operations, following an agreement with the airports’ management company, MATAR. The project proved very successful not only from a financial perspective, but also since AIA’s staff gained valuable experience in managing such events. Their performance was highly commended by the Doha Airport management.

3. Corporate Sustainability

3.1 Sustainability Governance

AIA, towards creating long-term and sustainable value for all its Stakeholders, has further enhanced its holistic approach to Sustainability. Within the framework of its unwavering commitment to the UN Sustainable Development Goals (SDGs) and the equivalent national priorities, AIA has been qualified for the Global Compact (GC) Advanced Level. In the same context, AIA has retained a strong stakeholders' engagement in jointly defining the sustainability agenda, while at the same time keeping a strong public presence in conferences/workshops/publications and networking initiatives either as an initiator or an active contributor.

In 2022, the Airport Company issued its 19th Annual and Sustainability Report (ASR), in line with contemporary practice, international standards and ACI EUROPE's Guidelines for a Sustainability Strategy for Airports (SSA). An independent Sustainability Assurance body reviewed AIA's ASR and certified its contents accuracy, completeness, and compliance with the Updated GRI Standards.

3.2 Operational Responsibility

The Airport Company remains firm in the commitment for safe, secure, efficient, and value-adding services of a well-coordinated Airport Community towards ensuring a high-level experience to the travelling public.

Customer Safety is the top material issue for AIA, according to the Company's Materiality Analysis. During 2022, the Aviation Safety Services Office conducted 6 aviation safety audits to third parties, in line with the provisions of European Aviation Safety Agency (EASA) Aerodrome Rules for aviation safety practices.

To ensure travelers' health & safety, all public and technical areas were regularly inspected, verifying that the Airport facilities personnel comply with all legal provisions and corporate rules and procedures.

To maintain increased Safety Awareness, AIA's Crisis Planning function organised and/or participated in 7 emergency drills at the Airport. These drills engaged all necessary Airport Stakeholders and served as an opportunity to reassess the emergency response processes and procedures effectiveness. Moreover, in compliance with the relevant EASA regulations, 2 EASA Emergency Exercises took place in 2022.

In 2022, assistance services provided to Persons with Disability and/or Reduced Mobility (PRM) were increased by 88.9% compared to 2021, only 3.9% lower than 2019. PRM travelers greatly appreciated the services provided, as witnessed in the steadily high score of 4.83 on a 5-point scale of the relevant survey.

To ensure the travelling public's health & safety, all public and technical areas were regularly inspected to ensure compliance with legal provisions and the Airport Company's corporate rules and procedures. In 2022, AIA performed 30 health & safety audits of various airport community stakeholders.

Passenger satisfaction remained high, despite the challenging circumstances, as highlighted in the results of the Airport Company's passenger survey, according to which passengers' appreciation of the airport services was rated with 4.23 on a 5-point scale.

3.3 Environmental Responsibility

In 2022, AIA updated the 4th Strategic Noise Map (SNM) study to include 2021 traffic data and along with the relevant Action Plan aiming at mitigating the impact of aircraft noise on local communities, submitted them to the competent state authorities.

With the aim to further increase transparency in noise-monitoring, in collaboration with the Hellenic Aviation Service Provider (HASP) AIA is in the process of commissioning a web-based application (WebTrak), which will provide near real-time access to flight track data combined with noise measurements from its NOise MOnitoring System (NOMOS). AIA will be the first airport in Greece to make such an application available to the public.

AIA established a Working Group to promote the use of Sustainable Aviation Fuel (SAF) at the Airport. Members include representatives of the HCAA, airlines, fuel suppliers, fuel distributors and the Airport's fuel farm operator. Further to a collaboration between Aegean Airlines, Hellenic Petroleum and AIA, the first flights from Athens using a blend of SAF and traditional jet fuel took place in the summer of 2022.

Since 2016, AIA is being annually certified for its carbon neutrality status as per ACI Airport Carbon Accreditation program. As stated above, the commencement of the construction of our 16MWp Photovoltaic Park within 2022 is a big tangible step towards our net zero carbon target.

Finally, the first annual surveillance audit of AIA's certified Environmental Management System (EMS) per the ISO 14001:2015 standard, took place in December 2022. The current certification remains valid until 21 December 2024.

3.4 Employer's Responsibility

The Airport Company maintains an engaged workforce in a safe and productive working environment. In 2022, the Company took measures related to business continuity, cost-effectiveness, and employee health & safety, all related to the pandemic evolution. With COVID-19 prevention measures remaining a priority, the Company provided employees with the necessary personal protective equipment, additional COVID-19 employee testing continued to be administered and testing at discount prices was provided for employee dependents. AIA employees continued to work with optimised working schedules until May 2022, following the Airport's participation in the state-subsidised work sharing program ("Syn-ergasia") which partially compensated employees' salary. The Company also prolonged its support loan scheme to counterbalance income loss.

During 2022, the Company supported employees through a special allowance to assist them to address increased cost of living and inflationary pressures. The Airport Company and the Employees' Union achieved a mutual consensus in October 2022 and entered into a Collective Labor Agreement, (CLA 2022-2023), as each year since 2000.

Adjusting to the post pandemic employment trends and social conditions, as of October 2022, a hybrid work scheme for positions eligible to telework was launched, enabling a balanced combination of working from home and being physically present at the workplace.

In 2022, AIA employed 711 full-time equivalents (FTEs), compared to 470 in 2021, reflecting the gradual adjustment to the recovery of passenger traffic as well as the termination of the abovementioned Syn-ergasia program in May. Approximately 30% of the Airport Company's employees reside in the Mesogheia area.

In September 2022, fixed-term contracts of 115 employees were converted into open-ended ones, with the aim to enhance the Company's value proposition to our workforce and thus counter the pandemic's adverse effects and potential loss of expertise.

Following two years of the pandemic, with a very low turnover and very limited hirings, in 2022 the Company gradually returned to normal operation and increased its recruitment activity. In total, 79 employees were hired, and 25 job positions were posted internally promoting human capital's internal mobility and career development opportunities within the Company.

As a socially responsible employer, the Airport Company follows an integrated approach to its human capital, providing employees with a supportive working environment, combined with a comprehensive portfolio of benefits, some of which also apply to their dependents; an enriched well-being programme; and opportunities for professional development and personal empowerment.

In 2022, 32,809 hours of training were carried out, equivalent to 46.18 hours of training per full-time equivalent (FTE), indicative of the increased training activity with a physical presence in the last quarter of the year under the necessary precautions. The training priorities in 2022 were aimed at: the development of contemporary professional skills, training under the regulatory framework for Aviation Safety, raising awareness of the new AIA Policies on Workplace Violence & Harassment Prevention, Teleworking and Cybersecurity.

3.5 Corporate Citizenship

As the measures to curb the spread of COVID-19 were gradually withdrawn, AIA was able to implement a wider range of initiatives comprising its Community Engagement Plan (CEP). Several actions in the fields of communication, infrastructure development, education, culture, athletics, societal and environmental issues were undertaken at all neighboring communities.

In specific, the CEP pertained financial support to local schools participating in AIA's Recycling Program, financial awards to top-performing students from High Schools in the Airport's vicinity, scholarships for several postgraduate students in the Department of Environmental Studies at the University of the Aegean and support of several other ad-hoc requests. Financial assistance was also provided to families in need and social relief institutions, as well as cultural and athletic associations, as they began resuming their normal activities. Furthermore, AIA continued supporting the conservation and promotion of the Vravrona Wetland in collaboration with the Hellenic Ornithological Society, while an infrastructure project related to the local road network is expected to be completed early in 2023.

Throughout the years, the Airport Company has delivered an impressive cultural programme that contributes to the promotion and preservation of the national cultural heritage. Even though the COVID-19 pandemic still influenced the previously scheduled cultural programme, in 2022 7 cultural actions were carried out.

During 2001-2022, 99 exhibitions and numerous cultural events were hosted at the Airport, attesting to its unique identity as a venue of continuous cultural interaction and promotion of Greek civilization to millions of passengers and visitors every year.

4. Financial Statements' Highlights

The Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and the Accounting Policies approved by the Board of Directors of the Airport Company.

During the financial year 2022, traffic and financial performance were still affected by the COVID-19 crisis; however, substantial recovery was achieved starting from the second quarter of the year. In particular, the surge in air travel demand, especially during the peak summer months, as a result of the release of pent-up demand after lockdowns and prolonged travel restrictions, was evident and resulted in healthy financial performance for the year.

Operating revenues of the Airport Company reached €476.9 million, higher by €94.6 million or 24.76% compared to the previous financial year. However, excluding the impact of the €110.02 million compensation received last year for the damages the Airport Company suffered in relation to travel restrictions imposed by the Greek State to contain the spread of COVID-19 from 23 March until 30 June 2020, the improvement in revenues stands at €204.7 million or 75.2%, with all revenue streams achieving a significant recovery. However, operating revenues are still below the pre-COVID-19 levels, presenting a shortfall of 5.9% (i.e., €29.8 million vs. 2019).

In total, the Airport Company's participation in the Airport Development Fund (ADF) reached €80.2 million, higher by €36.7 million or 84.2% in comparison to the prior financial year. Part of the ADF receipts covered interest expenses of €1.3 million (2021: €6.6 million), while the remaining €79.0 million (2021: €36.9 million) was assigned to the uncovered part of the accumulated principal and/or interest payments of the loan received for the Airport's construction.

In 2022, operating expenses reached €148.6 million, increased by €48.8 million or 48.9% vs. 2021, mainly due to additional resources (in-house and outsourced) which were required, due to significantly additional traffic, the end of the State programme ("Syn-Ergasia") on 31st May 2022, compared to the full-year implementation in 2021, the substantial increase in electricity costs and the variable portion of the Grant of Rights Fee (GoRF).

As a result of the evolution of operating revenues and operating expenses, overall earnings before interest, tax, depreciation and amortisation (EBITDA) in 2022 reached €328.3 million, i.e., increased by €45.8 million or 16.2% vs. 2021.

Depreciation charge was €78.2 million in 2022, higher by €0.4 million compared to the corresponding charge in 2021 of €77.8 million.

Following the full repayment of the EIB Loan in June 2022, the Airport Company proceeded with the refinancing of the existing debt, i.e., the Second Lien and Other Purposes Bond Loans, with the 4 systemic Greek Banks, thus achieving enhancement of the Company's liquidity and financing flexibility as well as reduction of the financing costs. In particular, on 29 July 2022, the Airport Company signed the General Purposes Bond Loan of an amount up to €1,007.8 million consisting of the Joint Facility Series (€716.9 million), the Additional Facility Series (€190.9 million) and the Revolving Credit Facility (€100 million), and the amendment of the Capex Debt Bond Loan for the financing of 6 Capex Projects, increasing the total available Bond Loan amount to €128.7 million from €100 million.

On 25 August 2022, the Airport Company withdrew the Joint Facility of €716.9 million and on 29 November 2022 withdrew the Additional Facility of €190.9 million. The amount of €62.3 million out of the total available amount of €128.7 million of Capex Debt Bond Loan has been utilised until 31 December 2022.The repayment of AIA's Debt is made through semi-annual installments, started in October 2022 and will be completed in February 2037.

Net financial expenses stood at €38.1 million presenting a decrease of €6.9 million or 15.3% vs. 2021 mainly attributed to that the recording of €6.4 million benefit in financial expenses due to the higher market value of the hedging instrument acquired in the past for the Second Lien Bond Loan for the partial financing of Concession Extension Consideration, which was transferred to hedge the General Purposes Bond Loan issued, as part of the refinancing exercise on 25 August 2022.

Profit Before Tax reached €213.2 million. After accounting for the aggregate charge for income tax of €45.1 million, the statutory and other reserves of €6.2 million, and the prior year's retained earnings of €393.1 million, retained earnings, end of year, amounted to €555.0 million.

The Statement of Financial Position of 31st December 2022 reflects total assets of €2.43 billion. The value of the Airport Company's non-current assets (€1.80 billion) represents 74.1% of the total assets, indicating that the Airport Company is a capital-intensive company.

All fixed assets are recorded in the Fixed Assets Register and are free of any encumbrances since the conditional assignment of the usufruct extended since 1996 in favour of the Airport Company's lender, the European Investment Bank (EIB), has been released due to the full repayment of the EIB Loan. Fixed assets were depreciated at rates reflecting their estimated useful lives and the legal limits on their use as provided by the ADA. The intangible asset consists of: a) the carrying amount of the intangible asset of the service concession agreement, which comprises of the value of the usufruct of the land that was assigned by the Greek State for the development and operation of the Airport, the costs incurred to construct the Airport infrastructure (net of government grants received) and the present value of the fixed determined future obligations for the Grant of Rights Fee until 2026 and b) the consideration paid for the extension of the service concession and the present value of the fixed determined future obligations for the GoRF from 2026 until 2046 added to the intangible asset at the effective date of the concession extension agreement. The aggregate balance of the intangible asset is being amortised using the straight-line method over the extended concession period, from the effective date of the concession extension agreement until June 2046. Investment in associates as discussed in Note 2.22 of the Financial Statements consists of €3.25 million and represents the carrying amount of the Airport Company's participation in the equity of Athens Airport Fuel Pipeline Company S.A.

The improved operating performance and the successful Debt Refinancing led to a Net Cash Inflow of €179.6 million for 2022 and a closing cash position of €561.2 million.

The Airport Company is exposed to financial risks such as cash flow and fair value interest rate risk, price, credit, liquidity and concentration risks. The details of the management of these risks are included in Note 3.1 of the Financial Statements. The Airport Company, subject to market availability, invests its cash and cash equivalents in short-term deposits and highly liquid financial assets minimising its exposure to interest rates volatility. With respect to its borrowings, that are of floating interest rates, these are hedged, based on the terms and conditions of the relevant debt agreements and the market conditions, minimising any potential adverse impact on the Company's financial performance from the fluctuation of interest rates for a specified period. Within this context, the Airport Company's Interest Rate Hedging strategy assumes hedging of the interest rate risk arising from a floating-rate debt bearing interest at 6-month Euribor with a purchased interest rate cap for the 60% of the Joint Facility and Additional Facility balances for 10 years and the remaining 40% for 3 years. Details of the Hedging Contracts are included in note 5.10 of the Financial Statements. The Company elected to apply hedge accounting based on the requirements of IFRS 9, as discussed in Note 2.6.4 of the Financial Statements.

In order to cover the credit risk, the Airport Company obtains adequate securities from customers, per the applied Credit Policy. The liquidity risk is managed through efficient cash management involving cash forecasting and investments strategy that ensures the sufficient level of available cash to meet operational needs, cover the debt service obligations and finance investments, complying with the debt covenants in terms of creditability and maturity of investments. The nature of the risks, as well as the scope and the Airport Company policies for managing financial risks, are disclosed in Section 3 of the Notes to the Financial Statements.

Other risks and uncertainties are analytically discussed in Note 5.29 of the Financial Statements. Regarding events that occurred after the financial position date, a reference is made in Note 5.32 of the Financial Statements.

5. 2023 Outlook

Following three years that were shadowed by the COVID-19 pandemic and its impact on our industry and the wider socioeconomic environment, it appears that 2023 will be a year without health-related operational restrictions. Despite any adverse conditions, our industry is now more agile to respond to similar challenges as well as to identify the key opportunities to leverage and manage in the context of sustainable development. Building upon the rather impressive 2022 traffic recovery, which also led to healthy financial results, we foresee that passenger traffic for 2023 will surpass that of 2022, however, challenges of economic stagnation, along with inflationary pressures and the energy crisis due to the ongoing war in Ukraine are expected to act as decelerating factors.

The Airport Company has demonstrated agility and strong resilience during the Greek financial crisis, as well as during the recent pandemic. Drawing on our competitive advantages, the commendable effort of our people, our sustainable strategy, and our firm commitment to our values, we are entering a dynamic growth trajectory, maintaining the solid foundations for achieving our next goals.

Before the pandemic, the Company was in the process of carrying out the necessary preparatory steps for the expansion of our facilities. Presently, the traffic recovery and gradual convergence to pre-pandemic traffic levels, bring the need to re-activate the relevant process that was, of course, suspended in 2020. Consequently, in 2023 we will, under normal circumstances, diligently work towards the planning of these expansions, based on our established development plan.

In early 2023, we will have completed and commissioned the 16MWp Photovoltaic Park, which is the first major step towards our commitment to net zero carbon emissions by 2025 (ROUTE 2025), well ahead of the industry's pledges. We are continuing to work on the planning and development of the second Photovoltaic Park, which will lead us to our committed target. Our industry's future is intrinsically linked with decarbonisation efforts, and although we will successfully address the Scope 1 and 2 emissions, our future efforts - together with those of the Airport Community - will continue unrelentingly to address Scope 3 emissions. In addition to achieving our ambitious targets regarding the reduction of CO_2 emissions and contributing to the national effort to increase green energy consumption, this investment is a main pillar of our effort to further enhance Athens' footprint as a sustainable destination.

In terms of financial performance, the Company predicts that healthy profitability and cash position will be maintained, in line with the expected evolution of our traffic segments. In 2023, we also expect to receive a state compensation for damages suffered due to the pandemic outbreak and the associated state-imposed travel restrictions for the 2nd half of 2020, following approval of the competent European Authorities at the end of 2022.

The Hellenic Republic Asset Development Fund (HRADF) has been exploring the selling of its 30% shareholding in AIA through an initial public offering (IPO) and the listing and admission to trading of AIA's shares on the Main Market of the Athens Stock Exchange. In this respect, the Company's shareholders are discussing the framework for such a potential IPO. Assuming such a framework is promptly agreed upon among shareholders, the Company is prepared to dedicate the required resources and undertake all the necessary preparatory steps to support the process and ensure the successful implementation of the IPO.

With a strong, though not yet full, traffic recovery in 2022, and a positive outlook for Athens as an attractive destination, we build on the experience gained and the lessons learnt from managing the pandemic while continuing to implement best practices in airport operations and invest in efficiency and effectiveness of equipment and infrastructure to further our progress towards the Airport's sustainable development.

Sustainable Development is an integral part of the Company's long-term business strategy. For us, it is the driving force through which the Company aspires to remain competitive in the long term, to meet contemporary challenges and, by developing appropriate partnerships, contribute to a new and efficient model of socially inclusive growth, as this is reflected in the Sustainable Development Goals. In this respect, we aim at creating long-term and sustainable value for our shareholders, as well as for our other Stakeholder Groups, by adopting a holistic approach in pursuing our activities, which combines safeguarding jobs, and growing our business and profitability, always in terms of social and environmental sustainability.

Spata, 23 February 2023

On behalf of the Board of Directors of Athens International Airport S.A.

Riccardo Lambiris
Chairman of the Board of Directors

ERNST & YOUNG (HELLAS)
Certified Auditors-Accountants S.A.
8B Chimarras str., Maroussi
151 25 Athens, Greece

Tel: +30 210 2886 000
Fax:+30 210 2886 905
ey.com

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Athens International Airport S.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Athens International Airport S.A. (the "Company"), which comprise the statement of financial position as of December 31, 2022, the income statement and the statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly in all material respects the financial position of Athens International Airport S.A. as at December 31, 2022 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as endorsed by the European Union.

Basis for Opinion

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

Other information

Management is responsible for the other information. The other information includes the Board of Directors' Report, for which reference is also made in the section "Report on Other Legal and Regulatory Requirements", but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, as endorsed by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report, according to the provisions of paragraph 5 article 2 of Law 4336/2015 (part B), we report that:

a) In our opinion the Board of Directors' Report has been prepared in accordance with the legal requirements of article 150 of Law 4548/2018 and the content of the Board of Directors' Report is consistent with the accompanying financial statements for the year ended December 31, 2022.

b) Based on the knowledge and understanding concerning Athens International Airport S.A. and its environment, obtained during our audit, we have not identified information included in the Board of Directors' Report that contains a material misstatement

Athens, April 21, 2023

The Certified Auditor Accountant

Christos Pelendridis
SOEL R.N. 17831

ERNST & YOUNG (HELLAS)
Certified Auditors Accountants S.A.
8B Chimarras St., Maroussi
151 25, Greece
Company SOEL R.N. 107

ATHENS INTERNATIONAL AIRPORT

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022

IN ACCORDANCE WITH THE

INTERNATIONAL FINANCIAL REPORTING STANDARDS

AS ENDORSED BY THE EUROPEAN UNION

The attached Financial Statements are those that were approved by the Board of Directors of ATHENS INTERNATIONAL AIRPORT S.A. on 23 February 2023.
The Financial Statements and the Notes to the Financial Statements, as presented on pages 1 to 57, have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and have been signed, on behalf of the Board of Directors by:

Chairman of the Board of Directors	**Riccardo A. Lambiris**	
Vice Chairman of the Board of Directors	**Dr Evangelos Peter Poungias**	
Chief Executive Officer	**Dr Ioannis N. Paraschis**	
Chief Financial Officer	**Panagiotis Michalarogiannis**	
Accounting & Tax Manager	**Alexandros Gatsonis**	

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INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022	2021
Revenue from contracts with customers	5.1	397,907,855	235,267,966
Other income	5.1	78,965,635	146,963,491
Total revenues and other income		**476,873,491**	**382,231,457**
Operating expenses			
Personnel expenses		42,895,354	31,231,496
Outsourcing expenses		63,557,197	45,337,397
Public relations & marketing expenses		3,786,922	2,301,138
Utility expenses		20,322,826	10,661,192
Insurance premiums		2,290,407	1,889,738
Net provisions and impairment losses		703,199	84,382
Other operating expenses		15,039,575	8,276,542
Total operating expenses	5.2	**148,595,480**	**99,781,886**
EBITDA **Earnings before interest, taxes, depreciation, amortization**		**328,278,011**	**282,449,571**
Depreciation & amortisation charges	5.2	78,220,613	77,779,260
Operating profit		**250,057,398**	**204,670,311**
Financial income	5.3	(8,381,565)	(19)
Financial costs	5.3	46,500,185	44,993,214
Net financial expenses	5.3	38,118,621	44,993,195
Subsidies received for borrowing costs	5.4	(1,256,198)	(6,600,607)
Profit before tax		**213,194,975**	**166,277,722**
Income tax benefit/(expense)	5.5	(45,148,946)	(7,458,429)
Profit after tax		**168,046,029**	**158,819,293**
Basic earnings per share	5.6	**5.60**	**5.29**

The notes on pages 8 to 57 are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022	2021
Profit after tax		**168,046,029**	**158,819,293**
Other comprehensive income (OCI):			
OCI that may be classified to profit or loss			
Gains/(losses) from cash flow hedges		12,617,987	0
Deferred tax on gains/(losses) from cash flow hedges		(2,342,482)	0
Total OCI that may be classified to profit or loss	5.18	**10,275,505**	**0**
OCI that may not be classified to profit or loss			
Gains/(losses) from actuarial study	5.21	335,467	448,151
Deferred tax on gains/(losses) from actuarial study		(73,803)	(98,593)
Total OCI that may not be classified to profit or loss		**261,664**	**349,558**
Total comprehensive income for the year after tax		**178,583,199**	**159,168,851**

The notes on pages 8 to 57 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2022

ASSETS	Note	2022	2021
Non-current assets			
Property plant & equipment-owned assets	5.7	23,493,345	21,580,306
Intangible assets	5.8	1,655,836,747	1,702,848,856
Right of use assets	5.9	3,197,333	2,842,654
Non-current financial assets	5.10	61,283,947	1,459,404
Construction works in progress	5.13	39,114,070	20,925,782
Investments in associates	5.11	3,245,439	3,245,439
Other non-current assets	5.11	12,460,681	443,709
Total non-current assets		**1,798,631,563**	**1,753,346,149**
Current assets			
Inventories	5.12	5,164,173	5,435,543
Trade accounts receivables	5.14	27,222,589	37,342,927
Other accounts receivables	5.15	34,408,737	46,786,030
Current financial assets	5.10	1,300,898	0
Cash & cash equivalents	5.16	561,194,812	381,608,285
Total current assets		**629,291,209**	**471,172,785**
TOTAL ASSETS		**2,427,922,772**	**2,224,518,934**
EQUITY & LIABILITIES			
Equity			
Share capital	5.17	300,000,000	300,000,000
Statutory & other reserves	5.18	112,851,541	96,136,045
Retained earnings	5.19	555,014,594	594,146,892
Total equity		**967,866,135**	**990,282,936**
Non-current liabilities			
Borrowings	5.20	887,077,746	712,240,897
Employee retirement benefits	5.21	8,058,668	6,764,261
Provisions	5.22	41,618,480	42,288,020
Deferred tax liabilities	5.23	66,722,698	68,200,554
Other non-current liabilities	5.24	227,542,816	224,980,241
Lease liabilities	5.27	2,349,990	2,103,688
Total non-current liabilities		**1,233,370,397**	**1,056,577,661**
Current liabilities			
Borrowings	5.20	61,221,383	101,438,226
Trade & other payables	5.25	92,966,494	51,103,752
Income tax payable	5.23	43,108,215	0
Other current liabilities	5.26	28,599,027	24,437,584
Lease liabilities	5.27	791,123	678,774
Total current liabilities		**226,686,240**	**177,658,336**
Total liabilities		**1,460,056,638**	**1,234,235,997**
TOTAL EQUITY & LIABILITIES		**2,427,922,772**	**2,224,518,934**

The notes on pages 8 to 57 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Share Capital	Statutory & Other Reserves	Retained Earnings	Total Equity
Balance as at 31 December 2020		**300,000,000**	**87,845,524**	**441,830,622**	**829,676,144**
Effect of changes in accounting policy IAS 19		0	0	1,437,941	1,437,941
Comprehensive income					
Net profit for the year 2021		0	0	158,819,293	158,819,293
Other comprehensive income		0	349,558	0	349,558
Total comprehensive income		**0**	**349,558**	**160,257,234**	**160,606,792**
Transactions with owners					
Dividends distributed to shareholders		0	0	0	0
Total transactions with owners		**0**	**0**	**0**	**0**
Transfer to statutory and other reserves	5.18	0	7,940,965	(7,940,965)	0
Balance as at 31 December 2021		**300,000,000**	**96,136,045**	**594,146,892**	**990,282,936**
Comprehensive income					
Net profit for the year 2022		0	0	168,046,029	168,046,029
Other comprehensive income due to hedging activities	5.18	0	10,275,505	0	10,275,505
Other comprehensive income due to actuarial study	5.18	0	261,664	0	261,664
Total comprehensive income		**0**	**10,537,169**	**168,046,029**	**178,583,199**
Transactions with owners					
Dividends distributed to shareholders	5.19	0	0	(201,000,000)	(201,000,000)
Total transactions with owners		**0**	**0**	**(201,000,000)**	**(201,000,000)**
Transfer to statutory and other reserves	5.18	0	6,178,327	(6,178,327)	0
Balance as at 31 December 2022		**300,000,000**	**112,851,541**	**555,014,594**	**967,866,135**

The notes on pages 8 to 57 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022	2021
Operating activities			
Profit for the year before tax		**213,194,975**	**166,277,722**
Adjustments for:			
Depreciation & amortisation expenses	5.2	78,220,613	77,779,260
Provision for impairment of trade receivables		(957,643)	401,230
Net financial expenses	5.3	38,118,621	44,993,195
(Gain)/loss on PPE disposals		(442)	204,599
Increase/(decrease) in retirement benefits		1,629,874	(5,252,149)
Increase/(decrease) in provisions		9,593,031	10,604,280
Increase/(decrease) in other assets/liabilities		(6,307,269)	(13,843,767)
Increase/(decrease) in working capital		52,064,128	(83,606,632)
Cash generated from operations		**385,555,887**	**197,557,737**
Income tax (paid)/received		(8,872,596)	(2,287,027)
Interest cost paid	5.3	(35,813,574)	(34,243,387)
Hedging cost paid	5.3	(46,440,000)	(1,810,000)
Net cash flow used from operating activities		**294,429,716**	**159,217,323**
Investment activities			
Acquisition intangible assets - property, plant, equipment - works in progress		(51,702,008)	(21,543,891)
Interest received		542,674	19
Net cash flow used from investment activities		**(51,159,334)**	**(21,543,872)**
Financial activities			
Dividends paid	5.19	(201,000,000)	0
Repayment of bank loans	5.20	(797,414,517)	(121,305,307)
New borrowings raised	5.20	935,252,478	9,190,886
Payments under leases	5.27	(521,817)	(244,941)
Net cash flow used in financial activities		**(63,683,855)**	**(112,359,362)**
Net increase/(decrease) in cash & cash equivalents		**179,586,527**	**25,314,090**
Cash & cash equivalents at the beginning of the year		**381,608,285**	**356,294,195**
Cash & cash equivalents at the end of the year		**561,194,812**	**381,608,285**

The notes on pages 8 to 57 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 Introduction

1.1 Incorporation & activities of the Company

Athens International Airport S.A. ("the Company" or "AIA") is active in the financing, construction and operation of civil airports and related activities. As a civil airport operator, the Company manages the AIA at Spata, Greece. The Company is a Société Anonyme incorporated and domiciled in Greece. The address of its registered office is Spata, Attica 19019, with General Commercial Registry Number 2229601000.

The Company was established on 31 July 1995 by the Greek State and Private Investors for the purpose of financing, constructing, operating and developing of the new international airport at Spata Attica. In exchange for financing, constructing, operating and developing the airport, the Greek State granted the Company a 30-year concession commencing on 11 June 1996. The Company commenced its commercial operations in March 2001 following a construction period of approximately five (5) years initiated in September 1996.

Pursuant to Article 4.2 of the Airport Development Agreement ("ADA") the Hellenic Republic Assets Development Fund (the HRADF), the Greek State and the Company signed on 24 January 2019 the extension of the concession period for another 20 years. The ADA Concession Extension Agreement, following the fulfilment of the respective conditions i.e. European Commission clearance through DG Grow and DG Comp, was finally ratified by the Hellenic Parliament on 14 February 2019 and the Concession Extension became effective upon the relevant publication of Law 4594/2019 in the Government Gazette on 19 February 2019.

At the end of the Concession Agreement, subject to the stipulations of Article 33 of the ADA and without prejudice to all rights and obligations then having accrued to the Greek State and/or the Company, the airport together with all usufruct additions will revert to the Greek State, without payment of any kind and clear of any security.

The Company's return from air activities is capped at 15.0% on the capital allocated to air activities. As per the Concession Extension Agreement, the airport charges set by the Company, shall additionally cover the depreciation of the extension consideration and the interest paid on the proportion of the Company's indebtedness allocated to air activities. In the event that the Company's actual compounded cumulative return exceeds 15.0%, in 3 out of any 4 consecutive financial periods, the Company is obliged to pay any excess return to the Greek State, a condition which through 31 December 2022 has not occurred.

The terms and conditions of the concession for AIA are stipulated in the ADA. The ADA and the Company's Articles of Association were ratified and enacted under Law 2338/1995.

The number of full-time equivalent staff employed on 31 December 2022 was 711 employees, compared to 470 employees on 31 December 2021. Staff was employed on a part time basis throughout 2021 to manage the impact of the pandemic on the airport's operations.

The financial statements for the financial year 2022 have been approved by the Board of Directors on 23 February 2023 and are subject to the approval of the Annual General Meeting of the shareholders.

1.2 Current developments

During 2022, the Company, as well as the whole aviation industry, had to face several important challenges. On top of the COVID-19 pandemic crisis and its impact on air travel, Russia's invasion of Ukraine in late February 2022 and the subsequent energy crisis and other implications in the European and worldwide economies, as well as the severe operational disruptions in European airports during the summer period marked the year. Against this turbulent background, Athens airport's passenger traffic recovered to 89% of the respective 2019 levels.

Despite the turbulent start due to the persisting impact of the COVID-19 pandemic on traffic and, subsequently on the financial performance, the recovery since the second quarter of 2022 led to traffic for the financial year 2022 of 22.73 million passengers, presenting an increase of 84.1% as compared to 12.30 million passengers during 2021, but a decrease of 11.1% as compared to 25.57 million passengers during 2019.

Following deliberations with the Greek State since early spring 2020, on the operating losses incurred by the Company during the period 15 March to 31 December 2020, as a result of the measures and travel restrictions that Greece and other countries had to implement to limit the spread of the COVID-19 pandemic, the Greek State enacted Law 4810/2021, which stipulates the provisions of a maximum compensation to AIA. Specifically, in June 2021 the Greek State approved the maximum amount of €130 million as compensation, subject to the approval by the European Commission. On 22 July 2021, the Greek State received the approval of the EC (Decision 62052/2021) for the first part of the abovementioned compensation, amounting to €110.02 million, and covering part of the operating losses incurred from 23 March 2020 to 30 June 2020. The amount of €110.02 million has been recognized as other income in financial year 2021. On 22 December 2022, the Greek State received the approval of the EC (Decision 9078/2022) for the second part of the abovementioned compensation, amounting to €19.98 million, and covering part of the operating losses incurred from 1 July to 31 December 2020. At the time when the financial statements were submitted to the Board of Directors for approval, the competent Greek State Authorities had not issued their final approval for the disbursement of the second part of the compensation. The compensation of €19.98 million will be recognized as other income by the Company when the final approval from the Greek State Authorities is obtained.

2 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have consistently been applied to all the years presented.

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"), IFRIC Interpretations and the Law 4308/2013 as applicable to companies reporting under IFRS and present the financial position, results of operations and cash flows of the Company on a going concern basis. Management has concluded that the going concern basis of preparation of the accounts is appropriate.

The Company's financial statements have been prepared under the historical cost convention, with the exception of financial assets (derivatives) that are measured at fair value.

2.1.1 Going concern

As a result of the funding activities undertaken the increased focus on working capital and the compensation received from the Greek State (refer to note 1.2), the Company's forecasts and projections, taking account of reasonably possible changes in trading performance, indicate that the Company is able to operate within the level of its current financing. Currently net financial expenses are covered by operating profits more than 6 times.

Although the Company's operations, financial performance and cash flows were adversely affected due to the coronavirus pandemic, Management reasonably believes, considering its financial position at year end and the gradually airport industry recovery that the Company has adequate resources to continue operational existence for the foreseeable future and the ability to meet its short-term financial obligations. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

2.1.2 New standards, amendments to standards and interpretation

The accounting principles and calculations used in the preparation of the financial statements are consistent with those applied in the preparation of the financial statements for the year ended 31 December 2021 and have been consistently applied in all periods presented in this report except for the following amended IFRSs which have been adopted by the Company as of 1 January 2022:

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

  The amendments are effective for annual periods beginning on or after 1 January 2022 with earlier application permitted. The IASB has issued narrow-scope amendments to the IFRS Standards as follows:
  - **IFRS 3 Business Combinations (Amendments)** update a reference in IFRS 3 to the previous version of the IASB's Conceptual Framework for Financial Reporting to the current version issued in 2018 without significantly changing the accounting requirements for business combinations.
  - **IAS 16 Property, Plant and Equipment (Amendments)** prohibit a company from deducting from the cost of property, plant and equipment any proceeds from the sale of items produced while bringing the asset to the location and condition necessary for it be capable of operating in the manner intended by management. Instead, a company recognizes such sales proceeds and related cost in profit or loss.
  - **IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendments)** specify which costs a company includes in determining the cost of fulfilling a contract for the purpose of assessing whether a contract is onerous. The amendments clarify, the costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to the contract activities.
  - **Annual Improvements 2018-2020** make minor amendments to **IFRS 1 First-time Adoption of International Financial Reporting Standards**, **IFRS 9 Financial Instruments**, **IAS 41 Agriculture** and the Illustrative Examples accompanying **IFRS 16 Leases.**

  The amendments had no impact on the Company's financial statements.

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

  The Amendment applies to annual reporting periods beginning on or after 1 April 2021, with earlier application permitted, including in financial statements not yet authorized for issue at the date the amendment is issued. In March 2021, the Board amended the conditions of the practical expedient in IFRS 16 that provides relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the covid-19 pandemic. Following the amendment, the practical expedient now applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. The amendment had no impact on the Company's financial statements for year ended 31 December 2022.

2.1.3 Standards issued but not yet effective and not early adopted

- **IFRS 17: Insurance Contracts**

The standard is effective for annual periods beginning on or after 1 January 2023 with earlier application permitted, provided the entity also applies IFRS 9 Financial Instruments on or before the date it first applies IFRS 17. This is a comprehensive new accounting standard for insurance contracts, covering recognition and measurement, presentation and disclosure. IFRS 17 applies to all types of insurance contracts issued, as well as to certain guarantees and financial instruments with discretional participation contracts. The Company does not issue contracts in scope of IFRS 17; therefore, its application does not have an impact on the Company's financial performance, financial position or cash flows.

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

The Amendments are effective for annual periods beginning on or after 1 January, 2023 with earlier application permitted. The amendments provide guidance on the application of materiality judgements to accounting policy disclosures. In particular, the amendments to IAS 1 replace the requirement to disclose "significant" accounting policies with a requirement to disclose "material" accounting policies. Also, guidance and illustrative examples are added in the Practice Statement to assist in the application of the materiality concept when making judgements about accounting policy disclosures. Management has assessed the effect of the amendment and considers that there will be no significant impact on the Company's financial statements.

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

The amendments become effective for annual reporting periods beginning on or after January 1, 2023 with earlier application permitted and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments introduce a new definition of accounting estimates, defined as monetary amounts in financial statements that are subject to measurement uncertainty, if they do not result from a correction of prior period error. Also, the amendments clarify what changes in accounting estimates are and how these differ from changes in accounting policies and corrections of errors. Management has assessed the effect of the amendment and considers that there will be no significant impact on the Company's financial statements.

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

The amendments are effective for annual periods beginning on or after 1 January 2023 with earlier application permitted. The amendments narrow the scope of and provide further clarity on the initial recognition exception under IAS 12 and specify how companies should account for deferred tax related to assets and liabilities arising from a single transaction, such as leases and decommissioning obligations. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement, having considered the applicable tax law, whether such deductions are attributable for tax purposes to the liability or to the related asset component. Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal. Management has assessed the effect of the amendment and considers that there will be no significant impact on the Company's financial statements.

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

The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted, and will need to be applied retrospectively in accordance with IAS 8. The objective of the amendments is to clarify the principles in IAS 1 for the classification of liabilities as either current or non-current. The amendments clarify the meaning of a right to defer settlement, the requirement for this right to exist at the end of the reporting period, that management intent does not affect current or non-current classification, that options by the counterparty that could result in settlement by the transfer of the entity's own equity instruments do not affect current or non-current classification. Also, the amendments specify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification. Additional disclosures are also required for non-current liabilities arising from loan arrangements that are subject to covenants to be complied with within twelve months after the reporting period. The amendments have not yet been endorsed by the EU. Management has assessed the effect of the amendment and considers that there will be no significant impact on the Company's financial statements.

- **IFRS 16 Leases: Lease Liability in a Sale and Leaseback (amendments)**

The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted. The amendments are intended to improve the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction in IFRS 16, while it does not change the accounting for leases unrelated to sale and leaseback transactions. In particular, the seller-lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use it retains. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease. A seller-lessee applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, being the beginning of the annual reporting period in which an entity first applied IFRS 16. The amendments have not yet been endorsed by the EU. Management has assessed the effect of the amendments and considers that there will be no significant impact on the Company's financial statements.

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

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU. Management has assessed the effect of the amendment and considers that there will be no significant impact on the Company's financial statements.

2.2 Foreign currency translation

2.2.1 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Company's financial statements are presented in Euro (€), which is the Company's functional and presentation currency. Any slight discrepancies are due to rounding's of the relevant amounts.

2.2.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the valuation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the income statement.

2.3 Property, plant and equipment

Property, plant and equipment mainly comprise movable assets, such as vehicles and furniture & fixtures which do not form part of the service concession intangible asset.
The items included under the heading "Property, plant & equipment" in the accompanying statement of financial position are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.
Depreciation is calculated using the straight-line method to allocate the cost of the various categories of property, plant and equipment to their residual values over their estimated useful lives, as follows:

Mechanical Equipment	shorter of 10 years and remaining concession period
Vehicles	shorter of 6-10 years and remaining concession period
Furniture & Equipment	shorter of 10 years and remaining concession period
Hardware	shorter of 5 years and remaining concession period

Land, buildings, installations, fencing, aircraft ground power system, runways, taxiways, aircraft bridges and aprons held under the Service Concession Agreement constitutes the total infrastructure that has been recognised as an intangible asset (refer to accounting policy 2.4).
The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial position date.
An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount exceeds its estimated recoverable amount.
Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other (losses)/gains – net, as other operating expenses in the income statement.

2.4 Intangible assets

2.4.1 Service Concession Agreement

Service Concession Agreement

The Service Concession Agreement refers to the ADA which governs the right that has been granted by the Greek State to the Company for the purpose of the finance, construction, operation and development of the airport. The above right initially had a finite useful life of approximately 25 years, until 11 June 2026, which was equal to the duration of the concession agreement following the completion of the construction phase.
The Service Concession Agreement has been accounted under the intangible asset model, in accordance with the IASB published IFRIC 12, since the Company, as operator, is paid by the users and the concession grantor has not provided any contractual guarantees with respect to the recoverability of the investment. The intangible asset corresponds to the right granted by the concession grantor to the Company to charge users of the airport services.

The concession intangible assets is recognized initially at the cost of acquiring the service concession which principally includes the cost of the usufruct and the costs incurred to construct the infrastructure (net of government grants received), as well as the present value of the defined future fixed payments for the grant of rights fee payable to the Greek State until 2026 as set out in the ADA.

Extension of Service Concession Agreement

Pursuant to Article 4.2 of the ADA, the Service Concession Agreement was extended (refer to note 1.1) under the terms and conditions prescribed in the ADA Extension Agreement as ratified by the Hellenic Parliament on 14 February 2019 and the Concession extension became effective upon the relevant publication of Law 4594/2019 in the Government Gazette on 19 February 2019.
Subject to the terms and conditions of the ADA extension Agreement with effect from the effective date the concession period is extended by twenty (20) years, commencing on 12 June 2026 and ending on 11 June 2046.
Since the right granted by the concession grantor to the Company to charge the users of the airport services has not been amended but only prolonged with respect to the extended concession period the intangible asset model continues to apply. The consideration for the extension of the service concession and the defined future fixed payments for the grant of rights fee payable to the Greek State from 2026 until 2046 arising from the extension of the Service Concession Agreement meet the definition of an intangible asset since they arise from contractual rights. Recognition criteria are also met since additional economic benefits to the Company are expected.
The ADA Extension Agreement is being treated as a modification to the existing intangible asset model corresponding to the right to operate the airport. The consideration paid in cash for the extension of the service concession and the present value of the defined future fixed payments for the grant of rights fee from 2026 until 2046 were added to the carrying amount of the existing intangible asset, at the extension agreement effective date, and the aggregate balance is being amortised using the straight-line method over the extended concession period, from the effective date until 2046.
Any subsequent costs incurred in maintaining the serviceability of the infrastructure is expensed as incurred unless such cost relate to major upgrades or to the extension of the concession period which increases the income generating ability of the infrastructure. These costs are capitalised as part of the service concession intangible asset and are amortised on a straight-line basis over the remaining period of the Service Concession Agreement.

2.4.2 Grant of rights fee, variable fee component

As set out in the ADA and its extension with respect to the period after the twentieth anniversary of the Agreement Commencement Date and until the end of the extended Concession Period, the Company shall pay to the Greek State per quarter the higher of: (a) a fixed amount of €3,750,000 and (b) 25.0% of 15.0% of the Consolidated Operating Profits, as defined in Schedule 2 of the ADA, for the Financial Year of the Company ending immediately prior to such Quarter.
Consolidated Operating Profit is specifically defined in the ADA as:
(a) the operating profit of the Company and its Subsidiaries (before interest, extraordinary and exceptional items, taxation calculated on profits or distributions and similar charges), all as determined on a consolidated basis and excluding amounts attributable to minority interests in Subsidiaries, in respect of a Financial Year as shown by the Audited Accounts in respect of that Financial Year, and
(b) less interest paid during that Financial Year (other than any interest paid on or as a result of a prepayment or acceleration of all or part of the relevant indebtedness) in respect of indebtedness for borrowed money incurred in respect of the provision, acquisition, construction, maintenance, repair, renewal and operation of the assets allocated to Air Activities.
The accounting for the Service Concession Agreement and its extension continues as determined in 2.4.1, with the exception that the variable element of the Grant of Rights Fee is expensed to the income statement as other operating expenses in the period in which it relates.

2.4.3 Computer software

Acquired computer software licences and respective costs (for example installation costs) are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (shorter of 5 years and the remaining concession period).
Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Company and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Costs include the employee costs incurred as a result of developing software and an appropriate portion of relevant overheads.
Computer software development costs that recognised as assets are amortised over their estimated useful lives (shorter of 5 years and the remaining concession period).

2.5 Impairment of non-financial assets

Assets, such as the service concession intangible asset, that are subject to amortisation are reviewed for impairment at each reporting date, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value - the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants - less costs to sell and value in use - the present value of the future cash flows expected to be received from using the asset. If the recoverable amount is lower than the carrying amount, the difference is recognised as an impairment loss in the income statement and the carrying amount of the asset is reduced by the same amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (single cash-generating units). For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the assets or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

2.6 Financial assets

2.6.1 Initial recognition and measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade accounts receivable that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade accounts receivable that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies in note 2.17 "Revenue from contracts with customers".
In order for a financial asset to be classified and measured at amortised cost or fair value through Other Comprehensive Income ("OCI"), it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.
Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

2.6.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.
Derivatives are also categorised as "held for trading" unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the end of the reporting period, otherwise they are classified as non-current. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met: a) the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and, b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the income statement when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

2.6.3 Derecognition and impairment

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:
The rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" agreement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through agreement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment

The Company has implemented the principles of IFRS 9 and calculated the expected credit losses over the lifetime of receivables. Also, the Company assessed the need for an impairment allowance on trade accounts receivable, taking into consideration among other factors, the coverage of the respective outstanding balances with letters of guarantee or cash deposits.

2.6.4 Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments for cash flow hedging such as purchase caps, to hedge its interest rate risks associated with long-term floating interest rate loan agreements. The risk being hedged in a cash flow hedge is the exposure from the volatility in future cash flows that are attributable to a particular risk associated with a recognized asset or liability resulting from changes in interest rates, exchange rates and could affect the profit and loss account.
The Company has adopted the requirements of IFRS 9, with respect to hedge accounting, thus formal designation and documentation is in place at the inception of the hedge relationship. Such derivative financial instruments are initially recognized at fair value at the inception date of the hedge relationship and are subsequently measured at fair value. Financial derivatives instruments are recognized as assets when their fair value is positive and as liabilities when their fair value is negative. The fair value of the financial instruments is the value they have on an active market or is calculated through other valuation techniques when an active market does not exist. Hedge accounting is used only when specified qualifying criteria are met and it is expected that the hedging strategy will be highly effective. Hedge effectiveness is assessed at inception of the hedge, at each reporting date and upon significant change in the hedging circumstances. Provided that the hedge is effective, changes in the fair value of the hedging instrument are initially recognized in OCI. The ineffective portion, if any, of the change in fair value is recognized directly in Profit & Loss, as net financial expenses. Potential sources of ineffectiveness that could be identified are the reduction or modification in the hedged item (i.e., debt repayment), a change in the credit risk of the Company or the counterparty to the purchased cap.
For cash flow hedges of a forecast transaction which result in the recognition of a financial asset or liability, the accumulated gains and losses recorded in equity should be reclassified to Profit & Loss in the same period or periods during which the hedged expected future cash flows affect Profit and Loss.

When a hedging instrument has expired, sold, settled or does not any more qualify for hedging accounting, all accumulated profit or loss recognized in equity, stays in equity until the final settlement of the underlying. If the underlying is not expected to be settled, then any profit or loss recognized in equity is transferred to the income statement.

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Spare parts consumed within a year are carried as inventory and recognized in profit or loss when consumed.

2.8 Trade receivables

Trade accounts receivable are unconditional amounts due – only the passage of time is required before payment - from customers for aeronautical and other services performed in the ordinary course of business. If collection is expected within one year or less, they are classified as current assets. If not, they are presented as non-current assets.
The Company has established a provision policy based on which for all trade accounts receivable the expected credit losses are assessed based on specific criteria. When necessary, the amount of the provision is recognised in the income statement and is included in "Net provisions and impairment losses".

2.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

2.10 Share capital

Ordinary shares are classified as equity. Incremental costs associated directly with the issue of new ordinary shares are shown in equity as a reduction, net of tax, from the proceeds.

2.11 Trade account payables

Trade accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade accounts payable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.12 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.
Borrowing costs are capitalised if they are directly attributable to the acquisition or construction of a qualifying asset.
Borrowings are derecognised when the obligation under the loan agreement is discharged or cancelled or expires. When an existing loan agreement is replaced by another from the same lender on substantially different terms, or the terms of an existing loan agreement are substantially modified, such

a modification is treated as an extinguishment of the original loan liability and the recognition of a new loan liability. The difference of the respective carrying amounts is recognized in profit or loss. The Company considers the terms to be substantially different if either the discounted present value of the future cash flows under the new terms, including any costs or fees incurred, using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original borrowing or there is a substantial change in the terms from a qualitative perspective. Qualitative factors may include changes in the following:

- the currency in which the borrowing is denominated
- the interest rate (that is fixed versus floating rate)
- changes in covenants

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the financial position date.

2.13 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Borrowing Government grants

Government grants relating to borrowing and other related costs are recognised in the income statement to match them with the costs that they are intended to compensate (refer to note 5.4).

Asset Government grants

Government grants relating to non-current assets are off set against the cost of the relevant non-current asset. The grant is recognised as income over the life of the respective depreciable non-current asset by way of a reduction in the depreciation/amortisation charge (refer to notes 5.7, 5.8).

Government grants for incurred losses

Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised in profit or loss of the period in which it becomes receivable (refer to note 5.1).

2.14 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated based on Greek tax laws enacted or substantively enacted at the financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the Company's financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit and loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the financial position date and are

expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.
Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.
Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.15 Employee benefits

2.15.1 Pension obligations

The Company has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that typically defines an amount of pension benefits that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

Defined benefit pension plan

The Company's obligations to pay employee retirement benefits under Law 2112/1920 are considered and accounted for as defined benefit plans.
The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the financial position date less the fair value of plan assets, if applicable, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.
Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.
Past-service costs are recognised immediately in the income statement.

Defined contribution plan

For defined contribution plans, the Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.15.2 Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the financial position date are discounted to present value.

2.15.3 Bonus plans

The Company recognises a liability and an expense for bonuses based on achievement of predefined financial and operational targets. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.16 Provisions

Provisions are recognised when: The Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions include the obligations under the Service Concession Agreement to maintain, keep in good operative condition, renew and replace to the extent reasonably necessary the serviceability of major infrastructure components, such as roads, runways, taxiways, aprons, airfield lighting and baggage handling equipment etc. which require major overhauls at regular intervals during the concession period. These contractual obligations for maintaining or restoring the infrastructure are recognized and measured based on experts' studies on large scale asset management projects using the best possible estimate of the costs that would be required to meet the present obligation at the financial position date (in accordance with IAS 37), since the maintenance and restoration obligation arises as a result of the usage during the operating period. Provisions are not recognised for future operating losses.
Refer to note 5.22 for Company's restoration provision. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.17 Revenue from contracts with customers

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities. Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Control over services rendered is transferred to the customer upon delivery of the respective service. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Payment terms vary in line with the type of sales transactions and depend mainly on the products sold or services rendered, the distribution channels as well as each customer's specifics.
The Company assesses whether it acts as a principal or agent in each of its revenue agreements. The Company has concluded that in all sales transactions it acts as a principal. Revenue is shown net of value-added tax, returns, rebates and discounts.
For sales of services, revenue is recognised in the accounting period in which the services are rendered, as the customer obtains control over the promised services, by reference to stage of completion of each specific performance obligation and assessed based on the actual service provided as a proportion of the total services to be provided.
If the consideration in a contract includes a variable amount, the Company recognizes this amount as revenue only to the extent that it is highly probable that a significant reversal will not occur in the future.
The Company provides different developmental and targeted incentives offered to airlines, both for developing new markets, as well as for reinforcing existing ones. These incentives are assessed by the

Company to determine whether they constitute a material right that the customer would not receive without entering into that contract. Incentives constitute a variable cost, which is accrued within the financial year.

2.17.1 Sales of services

Revenue from the sale of services derives from "air activities" and "non-air activities".
"Air Activities" mean the provision of facilities, services and equipment for the purpose of landing, parking and servicing of aircrafts; the handling of passengers, baggage, cargo or mail on airport premises; and the transfer of passengers, baggage, cargo or mail to and from aircrafts and trains.
"Non-Air Activities" mean the provision, operation, maintenance, repair, renewal staffing and supervision of the following services, facilities and equipment: car parking, general retail shops, restaurants, bars and other refreshment facilities, vehicle rental, porter service, hotels etc.

Aeronautical and Centralized Infrastructure charges

The use of facilities and installations at the airport by airlines/aircrafts against payment, is stipulated in the guidelines in the customers' manual "Terms and Condition of use and schedule of traffic charges" as published in the Company's official site. Revenues from the use of such facilities and installations related to aeronautical and centralized infrastructure charges are recognised in the income statement when the services are rendered. The criteria for the recognition of revenue related to aeronautical & centralized infrastructure charges is the aircraft's take off due to the very short cycle of aircraft turnarounds. Each arrival of an aircraft and its subsequent departure is considered as a cycle of movement/flight where all necessary services have been rendered.
Article 14 of ADA sets the rules for defining the charges levied to the users of the airport with respect to the facilities and services provided at the airport. According to the aforementioned article, the Company is entitled to determine at its discretion the level of airport charges in order to achieve a maximum compounded cumulative return of 15.0% per annum on the capital allocated to air activities.

Retail concession agreements

The Company's business area has at the financial position date, a total of 72 retail concession contracts, concerning the performance of various commercial activities at the airport.
A retail concession involves granting of rights to a concession holder to operate and manage a commercial activity at a specific location designated by the Company. The concession rights are calculated according to an agreed scale as a percentage of the sales generated by the concession holder subject to an annual minimum guaranteed fee. A separate part of the concession contract is entered into for the space required for warehouses, for which a fixed rent is payable.
Revenue from these concession contracts is accounted for as income for the financial year in which it was generated, while the settlement of the annual concession fees is finally recognised by the Company in the income statement, at year-end.

Rental agreements

The Company's property activity has at the financial position date, a total of 101 rental contracts, concerning the rental of buildings, offices, storages, lounges and lockers at the airport.
Rental agreements involve the granting of space in Airport Buildings, installations, facilities (or parts thereof) of which the customer is making actual and proper use during the Term, exclusively for the purposes stipulated in the agreements. Payments received by the Company, under rental agreements, are charged to the income statement, on a straight-line basis, over the term period of the rental agreement.

2.17.2 Parking revenues

Revenues related to parking services to vehicles used by passengers and visitors to reach the airport are recognized in the income statement when the service is concluded. The criterion for the recognition of revenue related to parking charges is the vehicle's departure. Each arrival of a vehicle and its subsequent departure is considered as a cycle of movement where all services have been rendered

2.17.3 IT&T and other revenues

Revenues related to IT&T mainly refer to network, telecom and global system for mobile communications (GSM) services. Other revenues mainly relate to revenues of the Airport Railway Station throughput fee, the General Aviation Facility fee and other commercial and external business revenues. IT&T and other revenues are accounted for as revenues of the financial year in which they were generated.

2.17.4 Interest income

Interest income is recognised on a time-proportion basis using the effective interest rate method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans and trade accounts receivable is recognised using the original effective interest rate.

2.17.5 Dividend income

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

2.18 Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.19 Leases

The Company as a lessee

An agreement contains a lease if it conveys the right to control the use of an identified asset, even if that asset is not explicitly specified, for a period of time in exchange for a consideration. Reassessment is required only if the terms and conditions of the contract are changed. The Company has entered into lease agreements for certain of its vehicles and for the procurement, installation and maintenance of explosive detection equipment.

Right of use asset

At the commencement date of the lease (i.e., the date the underlying asset is available for use), the Company recognises a right-of-use asset. The right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of the right-of-use asset comprise the amount of the initial measurement of the lease liability less any lease payments made at or before the commencement date and any initial direct costs. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset is transferred to the Company at the end of the leased term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful lives of the assets.

Lease liabilities

At the commencement date of the lease (i.e., the date the underlying asset is available for use), the Company also recognises a lease liability measured at the present value of the lease payments, to be made over the lease term, and that are not paid at the commencement date. The present value of the lease payments is calculated by using the interest rate implicit in the lease or if that rate cannot be determined the Company's incremental borrowing rate. The lease liability is decreased by the lease payments and increased by the finance fee charged as part of the unwinding of the discounting.
The Company has elected to apply the practical expedient for other mechanical equipment, whereby it is not required to separate non-lease components from lease components and instead account for each lease component and any associate non-lease components as a single lease component.
The Company has elected not to recognise a contract as a lease for short term leases and leases for which the underlying asset is of low value, in which case the lease payments are recognised as an expense on either a straight-line basis over the lease term or another more representative to the lease benefit basis.

2.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.21 Fair value estimation and hierarchy

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

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The carrying value of trade accounts receivable and payables are assumed to approximate their fair values at the financial position date. The fair value of financial assets that are debt instruments measured at fair value through other comprehensive income or equity investments measured at fair value through profit and loss account is assessed using quoted prices in active markets (Level 1). The fair value of loans is estimated by discounting the future contractual cash flows at the current market interest rate swaps for the average duration of the loan which corresponds to the average duration of the relevant debt obligation (Level 2). During the year there were no transfers between Level 1 and Level 2 and no transfers into and out of Level 3 for the measurement of fair value.

2.22 Associates

Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding of between 20.0% and 50.0% of the voting rights. Investments in associates are initially recognised at cost and subsequently at cost less any impairment losses. Dividend income is recognised when the right to such income is established.
The Company's investment in its associate amounted to €3.25 million as of 31 December 2022 and represents less than 1.0% of the Company's total assets as of that date. This investment has not been

accounted for under the equity method of accounting, which is an accounting method for recording investments in associated companies, on the basis that it is not considered to be material to the Company's operations and any share of the profit or loss or share of other comprehensive income of this associate is unlikely to influence the economic decision of the users of these financial statements.
The equity method requires the investing company to record in an associate investment account the investee's profits or losses in proportion to the percentage of ownership. Dividends paid out by the investee are deducted from the account. The equity method also makes periodic adjustments to the value of the associate asset on the investor's balance sheet.
In case the Company decided to implement the equity method in order to account for its associate following changes would apply: Regarding the Income Statement and as of 31 December 2022 the profit after tax would increase by €313,053 (2021: €23,654) and would amount to €168,359,082 (2021: €158,842,947). Regarding the Statement of Financial Position as of 31 December 2022 the balance of Investment in Associates would amount to €2,988,652 (2021: €2,675,599), while the total equity would amount to €967,609,348 (2021: €989,713,095).

3 Financial risk management

3.1 Financial risk factors

The Company is exposed to financial risk, such as market risk (fluctuations in exchange rates, interest rates and price risk), credit risk and liquidity risk. The Company's general risk management program focuses on the unpredictability of the financial markets and attempts to minimize their potential negative influence on the Company's financial performance.
The Company's financial risk management is performed internally by a qualified unit, which operates under specific rules that have been approved by the Board of Directors.
Historically, the Company has demonstrated increased resilience even in the years of macroeconomic instability, combining financial performance with operational excellence and quality of services. The effect of COVID-19 pandemic during 2020 severely impacted the Company's financial performance and cash flows, nevertheless, the compensation provided by the Greek State mitigated such impact on the Company's financial performance (refer to note 1.2). Despite all adversities, past and future, Management has and will continue to assess the situation and its possible impact, adjusting its operating strategy whenever necessary, in order to deliver financial and non-financial value to shareholders and other stakeholder parties.

3.1.1 Exchange rate risk

Exchange rate risk occurs if future business transactions, recognized assets and liabilities and net investments in activities outside the euro zone are expressed in a currency other than the functional currency of the Company (Euro).
The Company's exposure to foreign exchange risk is limited since its business is substantially transacted in its functional currency.

3.1.2 Cash flow and fair value interest rate risk

The cash flow interest rate risk is the risk of fluctuations in the future cash flows of a financial instrument as a result of fluctuations in the market interest rate.
During 2022, the Company's cash and cash equivalent were invested in time deposits with average yield at 0.58% (2021: N/A). The impact from possible future interest rates on the Company's financial performance, regarding cash and cash equivalents is presented below:

	2022		2021	
Interest rates fluctuation	**+1.0%**	**-1.0%**	**+1.0%**	**0.0%**
Impact on interest receipts	**5,689,468**	**(5,689,468)**	**3,815,712**	**0**

The Company is also exposed to interest rate risk arising from its long-term borrowings. Borrowings issued at variable interest rates expose the Company to cash flow interest rate risk while borrowings issued at fixed interest rates expose the Company to fair value interest rate risk.
The Company's borrowings provided by the European Investment Bank loan are borrowings with fixed interest rates. Hence the financial performance cannot be affected by fluctuations in interest rates with respect to such loans. The EIB loan was fully repaid within 2022 (refer to note 5.20).
The Company considered essential to redefine its financing strategy and the optimum capital structure in order to optimize Company's value, through the improvement of the free cash flow of the Company and the gradual normalization of retained earnings' appropriation, and to ensure liquidity necessary to serve funding needs under current unstable business environment. Within this context the Company proceeded, within financial year 2022, in refinancing of its main current Company's Bond Loans Debt and in raising of additional debt. The Company's borrowings provided by the National Bank of Greece, Piraeus Bank, Alpha Bank and Eurobank namely 2L Bond Loan, and Other Purposes Debt Bond Loan were, on 25 August 2022, refinanced through the same Lenders to new borrowings namely Joint Facility Series (part of the General Purposes Bond Loan) whereas reduced interest rate margins, extended bond loan tenors and changes in amortization schedules have been agreed. In respect of the General Purposes Bond, additional debt was raised namely Additional Facility Series, including the same financial Terms as the Joint Facility Series (refer to note 5.20). In respect to the Capex Debt Bond Loan an amendment was also concluded, within financial year 2022, including the aforementioned improved financial and other terms and additional debt (refer to note 5.20).
In order to reduce the exposure to changes in future cash flows caused by changes in the reference interest rate, the hedging strategy established by the Company is based on the contracting of purchase interest caps (refer to note 5.10), where the Company gets a synthetic "fixed" interest rate in the financing and reduces the exposure to Euribor's fluctuation. The Company's risk management policy, which is in accordance with the relevant undertakings included in the Bond Programmes, approved by the Board of Directors determined that the proportion of debt that is subject to a cap will not fall shorter than 60% of the debt outstanding.
In respect to the 2L Bond Loan, the Company has entered into hedging agreements in order to neutralize any effect from interest rate fluctuations through April 2024, which have been transferred, in the context of the debt refinancing process, to the Joint Facility Series. In respect to the General Purposes Bond Loan, the Company has entered into new hedging agreements in order to neutralize any effect from 6-month Euribor fluctuations from April 2024 through April 2033. In respect to the Capex Debt Bond Loan, the Company has agreed with its lenders to enter into hedging agreements for the neutralization of any effect from interest rate fluctuations starting no later than March 2024, i.e., one month after the conclusion of the last drawdown.

	2022		2021	
Interest rates fluctuation*	**+1.0%**	**-1.0%**	**+1.0%**	**-1.0%**
2L Bond Loan	2,174,530	0	2,978,185	0
Capex Bond Loan	1,103,075	311,997	140,388	0
Other purposes Debt Bond Loan	628,647	0	686,257	0
Joint Facility Bond Loan	10,403,932	1,370,721	0	0
Additional Facility Bond Loan	3,121,120	695,841	0	0
Total impact on interest expenses	**17,431,304**	**2,378,559**	**3,804,830**	**0**

** The -1.0% interest rate fluctuation has a floor rate of 0%*

The fair value interest rate risk is the risk of fluctuations in the value of a financial instrument as a result of fluctuations in the market interest rate. The Company is exposed to fair value interest rate risk as a result of discounting liabilities and accounts receivable of long-term settlement. Such liabilities and accounts receivable are discounted using the prevailing pre-tax risk-free rate which is affected by interest rates fluctuations. The impact from possible future interest rates on the Company's financial performance from liabilities of long-term settlement is presented below:

	2022		2021	
Interest rates fluctuation	**+1.0%**	**-1.0%**	**+1.0%**	**-1.0%**
Grant of rights fee payable*	288,960	(438,450)	275,361	(439,356)
Interest rates fluctuation	**+1.0%**	**0.0%**	**+1.0%**	**0.0%**
Provision for major restoration expenses	(183,804)	210,210	(239,365)	55,422
Total impact	**105,156**	**(228,239)**	**35,995**	**(383,934)**

**Amounts include impact from finance costs & amortisation*

3.1.3 Price risk

Price risk is the risk of fluctuations in the value of assets and liabilities as a result of changes in market prices. The Company's exposure to equity securities price risk is limited to the investment in an unlisted entity which represents less than 1.0% of total asset. The Company is not exposed to commodity price risk.

3.1.4 Credit risk

Credit risk arises from cash and cash equivalents held with banks and credit exposures from customers.

Cash and cash equivalents – Financial assets

For banks and financial institutions, only independently rated parties with minimum ratings described below, as set out under the Accounts Agreement between the Company and National Bank of Greece in its capacities as the General Purposes Debt Facility Agent and the Capex Debt Facility Agent and Piraeus Bank in its capacities as the General Purposes Debt Bondholder Agent and the Capex Debt Bondholder Agent are acceptable. The Company could cooperate with banks or financial institutions or proceed with the purchase of financial assets that satisfy the following criteria:

- Long term unsecured and unguaranteed debt would be rated at:
    a. Baa2 or higher by Moody's; or
    b. BBB or higher by S&P; or
    c. BBB or higher by Fitch
- Operates a branch in Greece or such other places as may be agreed between the Company and the General Purposes Debt Facility Agent, the Capex Debt Facility Agent, the General Purposes Debt Bondholder Agent and the Capex Debt Bondholder Agent; and
- Is acceptable by the General Purposes Debt Facility Agent, the Capex Debt Facility Agent, the General Purposes Debt Bondholder Agent and the Capex Debt Bondholder Agent

The minimum credit ratings set out above, shall not apply with respect to any Original General Purposes Debt Bondholder or Original Capex Debt Bondholder (i.e., National Bank of Greece, Piraeus Bank Eurobank and Alpha Bank) for so long as such Original General Purposes Bondholder or Original Capex Debt Bondholder is party to the General Purposes Debt Bond Programme and the Capex Debt Programme.

The analysis of financial assets and bank deposits' balances based on credit ratings is presented in the following table:

	2022		2021	
	Aaa to A3	**Baa1 to C**	**Aaa to A3**	**Baa1 to C**
Current Financial Assets - Hedging	0	1,300,898	0	0
Non Current Financial Assets - Hedging	0	61,283,947	0	1,459,404
Bank deposits' balances	536,160,926	24,992,045	380,786,442	784,764
Total	**536,160,926**	**87,576,890**	**380,786,442**	**2,244,168**

The above criteria are satisfied with respect to the financial assets held within 2022.

Trade accounts receivable

Regarding credit exposure from customers, the Company has an established credit policy and procedures in place aiming to minimise collection losses. Credit control assesses for each customer separately the credit quality, considering independent credit ratings where available, the financial position, past experience in payments, collaterals provided in cash or in form of guarantees and other relevant factors. Cash and other collateral are obtained from customers when considered necessary under the circumstances.
Trade and other accounts receivable are analysed as follows in terms of credit risk:

Trade and other receivables subject to impairment testing	2022	2021
Fully performed	22,618,143	12,877,849
Past due but not impaired	17,187,781	34,813,610
Impaired	2,518,583	3,033,123
Total trade and other receivables subject to impairment testing	**42,324,507**	**50,724,582**

Any past due account that is fully covered by guarantees or collaterals given is not tested for impairment. The aging analysis of the past due, but not impaired amount is presented in the following table:

Aging analysis of past due but not impaired receivables	2022	2021
1-30 days	14,304,665	15,748,070
31-60 days	1,538,442	5,782,808
Over 60 days	1,344,673	13,282,733
Total of past due but not impaired receivables	**17,187,781**	**34,813,610**

Credit quality of financial assets

The credit quality of the financial assets is satisfactory, considering the allowance for doubtful debt. The Company has established a credit policy which requires the customers to extend securities for the use of the airport's services and facilities. The securities held by the Company are in the form of cash deposits and bank letters of guarantee. The fair value of the collaterals held by the Company on 31 December 2022 is analysed as follows:

Fair value of collaterals held	2022	2021
Letter of guarantees	75,600,721	62,590,034
Cash deposits	37,300,947	35,735,788
Total fair value of collaterals held	**112,901,668**	**98,325,822**

The collaterals above have been received against the outstanding balance of all trade receivable accounts.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to information about counterparty secured amounts:

	2022	2021
Group 1 – Fully secured	12,868,938	8,986,919
Group 2 – Partially secured	7,153,932	3,685,279
Group 3 – Not secured	2,595,273	205,651
Total	**22,618,143**	**12,877,849**

Provision for impairment

As of 31 December 2022, trade accounts receivable of €27,222,589 (2021: €37,342,927), refer to note 5.14, were tested for impairment and adequately provided for their unsecured amount. The amount of provision stood at €1,429,260 as of 31 December 2022. The individually impaired trade accounts receivable mainly relate to customers, who are in unexpectedly difficult economic situations. It was assessed that a portion of the trade accounts receivable is expected to be recovered.
Movements of the provision for impairment of trade accounts receivable are as follows:

Provision of trade receivables impairment	2022	2021
At 1 January	2,386,903	2,386,437
Utilisation of provision for receivables impairment	(1,009,852)	0
Addition (release) of provision for receivables impairment	52,209	466
At 31 December	**1,429,260**	**2,386,903**

The creation and utilization of the provision for impaired trade accounts receivable have been included in "Net provisions and impairment losses" in the income statement. The other classes within trade accounts receivable do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the value of total provision for impairment of trade receivables.

3.1.5 Concentration of credit risk

The Company is exposed to concentration risk attributed to the concentration of the trade accounts receivable and cash balances.
The Company has a high concentration of credit risk with respect to 2 carriers (2021: 2 carriers) which represents more than 10.0% of its aeronautical revenues.
For bank balances and deposits, there is a significant concentration of credit risk with respect to 1 bank (2021: 1 bank), which hold more than 10.0% of the Company's cash balances and deposits. However, no financial loss is expected based on what has been referred above in note 3.1.4 for cash balances and financial assets.

3.1.6 Liquidity risk

Liquidity risk is the risk that the entity will have difficulty in raising the financial resources required to fulfil its commitments. Liquidity risk is held at low levels through effective cash flow management and availability of adequate cash.
Cash flow forecasting is performed internally by rolling forecasts of the Company's liquidity requirements to ensure that it has sufficient cash to meet operational needs, to fund scheduled investments and debt and to comply with loan covenants. The table below analyses the financial liabilities towards the bank institutions into relevant maturity groupings based on the remaining period at the financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Undiscounted cash flows in respect of balances due within 12 months generally equal their carrying amounts in the statement of financial position, as the impact of discounting is not significant.

Amounts depicted in the category Borrowings include the General Purposes Bond Loan and the Capex Debt Bond Loan (with floating interest rates). The structure of the floating interest rate consists of the 6M Euribor (with a floor at 0%) plus margin.

At 31 December 2022	Less than 1 year	Between 1 & 2 years	Between 2 & 5 years	Over 5 years
CAPEX Debt Bond loan	4,541,852	7,866,555	31,605,771	118,821,893
General Purposes Bond Loan	85,721,828	86,154,818	252,700,298	750,596,400
Grant of rights fee payable	15,000,000	15,000,000	45,000,000	276,833,333
Trade and other payables	75,437,292	0	0	0
Total	**180,700,972**	**109,021,373**	**329,306,069**	**1,146,251,626**

At 31 December 2021	Less than 1 year	Between 1 & 2 years	Between 2 & 5 years	Over 5 years
EIB loan	47,544,224	0	0	0
2L Bond loan	53,066,108	53,500,403	163,821,567	462,657,735
CAPEX Debt Bond loan	2,783,102	3,567,164	17,530,228	61,074,715
Other Purposes Debt Bond Loan	18,289,969	45,669,663	87,019,013	0
Grant of rights fee payable	0	15,000,000	45,000,000	291,833,333
Trade and other payables	47,680,047	0	0	0
Total	**169,363,450**	**117,737,230**	**313,370,808**	**815,565,783**

Grant of Rights Fee payable relates to the fixed defined future payments (refer to note 2.4.1).

3.2 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.
In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, use excess cash to repay its borrowings (subject to the termination provisions of the respective loan agreements) or sell assets not pledged as security, to reduce debt.
Consistent with others in the industry, the Company monitors capital based on the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including "Current and non-current borrowings" as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

Gearing ratio	**2022**	**2021**
Total borrowings	948,299,129	813,679,123
Less: Cash & cash equivalent	(561,194,812)	(381,608,285)
Net debt	**387,104,317**	**432,070,839**
Total capital – (equity plus net debt)	1,354,970,452	1,422,276,297
Gearing ratio	**29%**	**30%**

4 Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, seldom equal the related actual results. The accounting estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are disclosed below.

4.1.1 Taxes

The internal control procedures for the related tax risks are part of the Company's control system. The general tax risk for the Company concerns the timely submission of complete tax returns, the payment of the tax amounts concerned as well as compliance with all tax laws and regulations and reporting rules specifically relating to corporate income tax.
The Company is subject to income tax, VAT and other taxes in Greece. Significant judgment is sometimes required in determining the Company's tax position for such taxes in certain instances due to the tax regime, under the ADA, applicable to the Company's operations, which is subject to being challenged by the tax authorities on the grounds of ambiguity or different interpretation of tax laws. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will arise, or tax losses reduced. Where that final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax, deferred tax and other tax assets and liabilities in the period during which such determination is made.

4.1.2 Provision for restoration cost

Provision for restoration cost includes future expenses for the major overhauls of roads, runways, taxiways, buildings and replacement of airfield lighting and baggage handling equipment. Significant estimates are required to determine the level of provision such as the timing of the expenditure, the extension of the works and the amount that it will be expensed in the future. The nominal value of the provision for restoration cost is annually determined by a qualified department within the Company based on international experience and the specific conditions relating to the operations of the airport. Due to the effectiveness of the Concession Extension Agreement within 2019 the provision for restoration cost includes, as from financial year 2019, future expenses until 11 June 2046. The nominal value of the provision for restoration cost was for financial year ending 2022, determined by an analytical study of an outsourced international expert advisor. The amount of the provision is discounted at the financial position date by using the risk-free rate for similar time duration.

4.1.3 Provisions for legal claims

The Company has a number of legal claims pending against it (refer to note 5.29). Management uses its judgement as well as the available information from the Company's legal department and legal experts, in order to assess the likely outcome of these claims and if it is more likely than not that the Company will lose a claim, then a provision is recognized. Provisions for legal claims, if required, are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

4.1.4 Retirement Benefit Obligations

The present value of the pension obligations for the Company's defined benefit plans depends on several factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost / (income) for pensions among others include the discount rate and salary rate increases. Any changes in these assumptions will impact the carrying amount of pension obligations. The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of high-quality corporate bonds that are denominated in the currency and jurisdiction in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

5 Notes to the financial statements

5.1 Revenues

Analysis of revenues from contracts with customers	2022	2021
Air activities		
Aeronautical charges	207,319,000	120,245,141
Centralized infrastructure & handling related revenues	51,599,440	29,681,418
Rentals & other revenues	20,165,985	13,384,678
IT&T and other services	9,435,675	9,069,227
Total air activity revenues from contracts	**288,520,100**	**172,380,464**
Non-air activities		
Retail concession activities	71,590,658	38,460,481
Rentals & other revenues	10,274,603	2,308,644
Parking services	13,404,478	7,207,678
IT&T and other services	14,118,016	14,910,700
Total non-air activity revenues from contracts	**109,387,755**	**62,887,502**
Total revenues from contracts with customers	**397,907,855**	**235,267,966**

Analysis of other income	2022	2021
Air activities		
Other income-compensation	0	89,607,181
Airport Development Fund - excess over borrowing costs	78,965,635	36,943,491
Total air activity other income	**78,965,635**	**126,550,672**
Non-air activities		
Other income-compensation	0	20,412,819
Total non-air activity revenues other income	**0**	**20,412,819**
Total other income	**78,965,635**	**146,963,491**

Operating revenues are measured at the fair value of the consideration received or receivable, considering the amount of any trade discounts or tax-volume rebates (refer to note 2.17).
The fair value of the consideration received, or receivable is equal to the invoiced amount, since the Company doesn't provide any deferred credit terms to its customers, in the form of interest-free instalments or at below market interest rates. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured.
Traffic for the financial year 2022 reached 22.57 million passengers compared to 12.30 million passengers during the financial year 2021 (refer to note 1.2).
Additionally, the Company is entitled, following the approval of the DG Comp and Greek State Authorities, to receive the second part of the compensation for part of the operating losses incurred due to travel restrictions imposed by the Greek State to contain the spread of the pandemic in 2020 amounting to €19.98 million covering the period 1 July to 31 December 2020 (see note 1.2).
As at the financial position date, the Company has rental agreements with customers for the following rental payments:

Analysis of rental payments from customers	2022	2021
Within one year	25,212,431	14,705,211
Between one and five years	74,084,512	36,600,882
More than five years	85,395,251	749,095
Total rental payments from customers	**184,692,194**	**52,055,188**

Concession fees earned for the year ended 31 December 2022 include turnover linked fees in excess of base concession fees amounting to €5,944,907 (2021: €7,585,926).

5.2 Operating expenses & depreciation charges

Operating Expenses

Operating expenses in the Income Statement are classified by nature. Operating expenses have increased in the financial year 2022 by €48,813,594 as compared to the previous financial year 2021 due to the variable fee portion of the Grant of Rights Fee amounting to €5,433,215, which is based on the calculation of the 2021 Consolidated Operating Profit (refer to note 2.4.2), additional resources (in house and outsourced) required to serve the additional traffic, the substantial increase in electricity costs and the end of the state programme ("Syn-Ergasia") on 31 May 2022, a programme introduced by the Greek State to support the employment during Covid-19 pandemic in the wider market, which was fully implemented in 2021.

Depreciation & Amortisation charges

Analysis of depreciation & amortisation charges	2022	2021
Depreciation of owned assets (refer to note 5.7)	3,611,559	3,543,783
Amortisation of intangible assets (refer to note 5.8)	78,388,588	77,768,678
Amortisation of right of use assets (refer to note 5.9)	598,569	506,854
Amortisation of cohesion fund (refer to note 5.8)	(4,378,103)	(4,040,055)
Total depreciation & amortisation expenses	**78,220,613**	**77,779,260**

5.3 Net financial expenses

Analysis of net financial expenses	2022	2021
Financial expenses		
Interest expenses and related costs on bank loans	30,838,375	33,216,657
Unwinding of discount for long term liabilities*	14,472,657	9,998,578
Other financial expenses	1,189,153	1,777,980
Financial expenses	**46,500,185**	**44,993,214**
Financial revenues		
Interest income	(2,025,118)	(19)
Revenue from hedging instruments revaluation (refer to 5.10)	(6,356,447)	0
Financial revenues	**(8,381,565)**	**(19)**
Net financial expenses	**38,118,621**	**44,993,195**

** Unwinding relates to the Grant of Rights Fee and to the provision of restoration costs accounting treatment*

Interest costs and related expenses amounting to €35,813,574 (2021: €34,243,387) and hedging costs amounting to €46,440,000 (2021: 1,810,000) were paid during the year ended 31 December 2022.

5.4 Subsidies received

Airport Development Fund (ADF)

In accordance with Law 2065/1992, as amended with Law 2892/2001, the Greek State imposed a levy on passengers older than 5 years old departing from Greek airports, amounting to €12 for EU passengers and €22 for non-EU passengers, for the purpose of ensuring that passengers share the responsibility for funding the commercial aviation infrastructure within the Hellenic Republic. As of 11 April 2017, in accordance with Law 4465/2017, and until 1 November 2024, the levy for both EU and non-EU passengers has been set at €12 per departing passenger over 2 years old, while as of 1 November 2024 the levy will be further decreased to €3.
The passenger levy is collected by the airlines and consequently refunded to the Hellenic Civil Aviation Authority on a monthly or cash basis, through bank accounts maintained at the Bank of Greece for each airport, in favour of the Hellenic Civil Aviation Authority. The airport is entitled to make withdrawals from the ADF account in accordance with Article 26.2 of the ADA ratified by Law 2338/1995, and with Article 48 of Law 4757/2020.
For the year ended 31 December 2022 the Company was entitled to subsidies under the ADF amounting to €80,221,834 (2021: €43,544,098) as analysed below:

Analysis of subsidies receivable	2022	2021
Receivables meeting interest expenses	1,256,198	6,600,607
ADF revenues in excess over borrowing cost	78,965,635	36,943,491
Total subsidies receivable	**80,221,834**	**43,544,098**

Any borrowing government grants receivable in excess of qualifying interest and related expenses for the year are shown as other income in line with the accounting policy 2.13.

5.5 Income tax

The corporate income tax rate of legal entities in Greece is 22% for 2022 (2021: 22%), in accordance with article 120 of Law 4799/2021. Income tax is calculated on taxable income or, in circumstance where the Company has tax losses carried forward, on gross dividends declared for distribution. For further information refer to note 5.23.
The total income taxes charged to the income statement are analysed as follows:

Analysis of income tax	2022	2021
Current income tax	(43,108,215)	0
Deferred income tax	(2,040,731)	(12,512,057)
Deferred income tax effect of change in tax rates	0	5,053,628
Total income tax benefit/(expense) for the year	**(45,148,946)**	**(7,458,429)**

The following is the reconciliation between income taxes as presented in the income statement, with those resulting from the application of the enacted tax rates:

Reconciliation of effective income tax rate	Rate	2022	Rate	2021
Profit before tax for the year		**213,194,975**		**166,277,722**
Income tax	22.0%	(46,902,895)	22.0%	(36,581,099)
Expenses not deductible for tax purposes	0.7%	(1,584,000)	0.5%	(789,103)
Other income non taxable	0.0%	0	(14.9)%	24,858,145
Prior years' income tax relieved	(1.6)%	3,337,949	0	0
Effect of change in tax rates	0%	0	(3.0)%	5,053,628
Total income tax benefit/(expense) for the year	**21.18%**	**(45,148,946)**	**4.49%**	**(7,458,429)**

Refer to notes 5.23 and 5.29 for further analysis of income and deferred taxes.

5.6 Basic earnings per share

Basic earnings per share are calculated by dividing the Company's net profits after taxes by the weighted average number of shares during the year which is as follows:

Analysis of earnings per share	2022	2021
Profit of the year attributable to shareholders	168,046,029	158,819,293
Average number of shares during the year	30,000,000	30,000,000
Earnings per share for the year	**5.60**	**5.29**

No new shares were issued, or existing shares repurchased during the year. The average number of shares remained unchanged between financial years 2022 and 2021. The Company does not have any potential dilutive instruments.

5.7 Property plant & equipment-owned assets

Acquisition cost	Land & buildings	Plant & equipment	Vehicles	Furniture & hardware	Cohesion fund	Total
	Property plant & equipment-owned assets					
Balance as at 1 January 2021	**40,000**	**20,847,990**	**36,509,118**	**97,386,098**	**(17,437,643)**	**137,345,563**
Acquisitions	0	7,716	7,083	63,138	0	77,937
Disposals	0	0	(11,476)	(12,547)	0	(24,023)
Transfers	0	0	9,979	1,522,443	0	1,532,423
Reclassifications	0	0	0	0	0	0
Balance as at 31 December 2021	**40,000**	**20,855,706**	**36,514,704**	**98,959,132**	**(17,437,643)**	**138,931,900**
Balance as at 1 January 2022	**40,000**	**20,855,706**	**36,514,704**	**98,959,132**	**(17,437,643)**	**138,931,900**
Acquisitions	0	12,025	109,544	280,521	0	402,089
Disposals	0	0	(114,750)	(1,592,590)	0	(1,707,340)
Transfers	0	31,478	167,500	4,930,198	0	5,129,177
Reclassifications	0	0	0	0	0	0
Balance as at 31 December 2022	**40,000**	**20,899,208**	**36,676,997**	**102,577,262**	**(17,437,643)**	**142,755,826**

Depreciation	Land & buildings	Plant & equipment	Vehicles	Furniture & fittings	Cohesion fund	Total
	Depreciation of owned property plant & equipment					
Balance as at 1 January 2021	**0**	**12,124,777**	**34,850,538**	**84,293,495**	**(17,437,644)**	**113,831,166**
Depreciation charge for the year	0	358,658	429,388	2,755,737	0	3,543,783
Disposals	0	0	(11,476)	(11,879)	0	(23,355)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Balance as at 31 December 2021	**0**	**12,483,435**	**35,268,450**	**87,037,353**	**(17,437,644)**	**117,351,594**
Balance as at 1 January 2022	**0**	**12,483,435**	**35,268,450**	**87,037,353**	**(17,437,644)**	**117,351,594**
Depreciation charge for the year	0	362,370	420,853	2,828,336	0	3,611,559
Disposals	0	0	(114,750)	(1,585,923)	0	(1,700,673)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Balance as at 31 December 2022	**0**	**12,845,805**	**35,574,553**	**88,279,766**	**(17,437,644)**	**119,262,480**

Carrying Amount	Land & buildings	Plant & equipment	Vehicles	Furniture & fittings	Cohesion fund	Total
	Carrying amount of owned property plant & equipment					
As at 1 January 2021	**40,000**	**8,723,213**	**1,658,579**	**13,092,603**	**1**	**23,514,396**
As at 31 December 2021	**40,000**	**8,372,271**	**1,246,253**	**11,921,779**	**1**	**21,580,306**
As at 1 January 2022	**40,000**	**8,372,271**	**1,246,253**	**11,921,779**	**1**	**21,580,306**
As at 31 December 2022	**40,000**	**8,053,403**	**1,102,444**	**14,297,496**	**1**	**23,493,345**

5.8 Intangible assets

Acquisition cost	Intangible assets Concession assets	Cohesion and other funds	Software & other	Total
Balance as at 1 January 2021	**3,492,129,904**	**(380,686,471)**	**21,829,889**	**3,133,273,318**
Acquisitions	13,996	0	45,352	59,348
Disposals	0	0	0	0
Transfers	1,789,867	0	2,264,195	4,054,062
Reclassifications	0	0	0	0
Balance as at 31 December 2021	**3,493,933,767**	**(380,686,471)**	**24,139,436**	**3,137,386,731**
Balance as at 1 January 2022	**3,493,933,767**	**(380,686,471)**	**24,139,436**	**3,137,386,731**
Acquisitions	5,476	(1,690,238)	81,044	(1,603,718)
Disposals	0	0	0	0
Transfers	27,325,151	0	1,276,943	28,602,093
Reclassifications	0	0	0	0
Balance as at 31 December 2022	**3,521,264,394**	**(382,376,709)**	**25,497,422**	**3,164,385,106**

Amortization	Amortization of intangible assets Concession assets	Cohesion fund	Software & other	Total
Balance as at 1 January 2021	**1,618,038,442**	**(277,654,022)**	**20,424,832**	**1,360,809,252**
Amortization charge for the year	77,115,901	(4,040,055)	652,777	73,728,623
Impairment losses	0	0	0	0
Disposals	0	0	0	0
Transfers	0	0	0	0
Reclassifications	0	0	0	0
Balance as at 31 December 2021	**1,695,154,343**	**(281,694,077)**	**21,077,609**	**1,434,537,875**
Balance as at 1 January 2022	**1,695,154,343**	**(281,694,077)**	**21,077,609**	**1,434,537,875**
Amortization charge for the year	77,196,030	(4,378,103)	1,192,558	74,010,485
Impairment losses	0	0	0	0
Disposals	0	0	0	0
Transfers	0	0	0	0
Reclassifications	0	0	0	0
Balance as at 31 December 2022	**1,772,350,373**	**(286,072,179)**	**22,270,167**	**1,508,548,361**

Carrying amount	Carrying amounts of intangible assets Concession assets	Cohesion fund	Software & other	Total
As at 1 January 2021	**1,874,091,461**	**(103,032,449)**	**1,405,057**	**1,772,464,066**
As at 31 December 2021	**1,798,779,423**	**(98,992,394)**	**3,061,827**	**1,702,848,856**
As at 1 January 2022	**1,798,779,423**	**(98,992,394)**	**3,061,827**	**1,702,848,856**
As at 31 December 2022	**1,748,914,020**	**(96,304,530)**	**3,227,255**	**1,655,836,747**

The concession assets represent the right granted to the Company by the Greek State for the use and operation of the Athens International Airport under the ADA. Due to the effectiveness of the Concession Extension Agreement within 2019 the existing intangible asset was increased in year 2019 by €1,185,996,577 relating to the concession consideration and by €158,163,319 relating to the present value of the future obligations for the grant of rights fee.

5.9 Right of use assets

Acquisition cost	Right of use assets Vechicles	Mechanical Equipment	Total
Balance as at 1 January 2021	**817,151**	**2,216,770**	**3,033,920**
Acquisitions	1,435,162	54,413	1,489,575
Disposals	(702,592)	(294,656)	(997,248)
Transfers	0	0	0
Reclassifications	0	0	0
Balance as at 31 December 2021	**1,549,721**	**1,976,527**	**3,526,247**
Balance as at 1 January 2022	**1,549,721**	**1,976,527**	**3,526,247**
Acquisitions	188,449	833,571	1,022,020
Disposals	(153,933)	0	(153,933)
Transfers	0	0	0
Reclassifications	0	0	0
Balance as at 31 December 2022	**1,584,236**	**2,810,098**	**4,394,334**

Depreciation	Depreciation of right of use assets Vechicles	Mechanical Equipment	Total
Balance as at 1 January 2021	**505,263**	**464,793**	**970,057**
Amortization charge for the year	217,215	289,639	506,854
Disposals	(503,102)	(290,215)	(793,317)
Transfers	0	0	0
Reclassifications	0	0	0
Balance as at 31 December 2021	**219,376**	**464,217**	**683,594**
Balance as at 1 January 2022	**219,376**	**464,217**	**683,594**
Amortization charge for the year	321,167	277,402	598,569
Disposals	(85,162)	0	(85,162)
Transfers	0	0	0
Reclassifications	0	0	0
Balance as at 31 December 2022	**455,381**	**741,619**	**1,197,001**

Carrying amount	Carrying amounts of right of use assets Vechicles	Mechanical Equipment	Total
As at 1 January 2021	**311,887**	**1,751,977**	**2,063,864**
As at 31 December 2021	**1,330,344**	**1,512,310**	**2,842,654**
As at 1 January 2022	**1,330,344**	**1,512,310**	**2,842,654**
As at 31 December 2022	**1,128,855**	**2,068,479**	**3,197,333**

5.10 Non-current financial assets

Financial derivatives

The Company is exposed to certain risks relating to its ongoing business operations. The primary risk managed using derivative instruments is interest rate risk. The Company's risk management strategy and how it is applied to manage risk are described in note 3.1.2.
Financial derivatives relate only to derivative financial instruments entered into by the Company that are designated as hedging instruments in hedge relationships as defined by IFRS 9.
As foreseen in the Agreed Hedging Programme of the General Purposes Debt Bond Programme (GPD Bond Loan), as described in note 5.20, the Company entered into interest rate cap agreements with the Original General Purposes Debt Bondholders, namely National Bank of Greece, Piraeus Bank, Alpha Bank and Eurobank to hedge its risk deriving from the change in future cash flows caused by the fluctuation of the reference interest rate, when this is above the strike price, for the 100% of the General Purposes Debt balance until 31 March 2026 and for the 60% for the period from 1 April 2026 until 31 March 2033.
The Company elected to apply hedge accounting (refer to note 2.6.4) as of 29 July 2022 date of signing the refinancing borrowings. A fair value gain of €6,356,447 was recognized in the current year's income statement, since hedge accounting was not applied up to that date. Hedge accounting has no retrospective application, as it is optional and therefore the requirements of IAS 8 for a change in accounting policy do not apply.
The effect of the interest rate cap, on the Company's financial position and performance from the settlement of interest on the purchase cap that was acquired in 2021 and maturing in 2023, has been recycled to Profit & Loss as gain on the caps, amounted in year 2022 to €1,258,649.
The premium paid in 2022 for the purchase caps at the inception of the hedging relationship is amortized over the hedging period and the amount amortized in year 2022, including hedging expenses, is €4,288,992. The cumulative fair value of all interest rate caps on 31 December 2022 stood at €62,584,845 (2021: €1,459,404).
Based on their maturity date, financial assets are classified as follows:

Analysis of financial assets	2022	2021
Current financial assets		
Current financial assets - cash flow hedge	1,300,898	0
Total Current financial assets	**1,300,898**	**0**

Analysis of financial assets	2022	2021
Non-current financial assets		
Non-current financial assets - cash flow hedge	61,283,947	1,459,404
Total Non-current financial assets	**61,283,947**	**1,459,404**
Total financial assets	**62,584,845**	**1,459,404**

5.11 Other non-current assets

Other non-current assets are analysed as follows:

Analysis of other non-current assets	2022	2021
Investment in associates	3,245,439	3,245,439
Non-current receivables	12,000,000	0
Long term guarantees	460,681	443,709
Total other non current assets	**15,706,121**	**3,689,148**

For investments in associates refer to note 2.22. Non-current receivables are referred to the Value Added tax charged on the agreed consideration of the right granted to Olympic Air until 2046, for using, developing and operating the Maintenance, Repair and Overhaul (MRO) Facility at the airport (refer to note 5.24), which is receivable within 18 months. Long term guarantees relate to guarantees given to lessors for operating lease contracts.

5.12 Inventories

Inventory items are analysed as follows:

Analysis of inventories per category	2022	2021
Merchandise	651,948	575,467
Consumables	1,035,191	954,064
Spare parts	4,717,126	4,582,977
Inventory impairment	(1,240,091)	(676,964)
Total inventories	**5,164,173**	**5,435,543**

During 2022, an impairment provision of €563,127 was recognized in the income statement in order to reflect the accumulated provision for certain obsolete and slow-moving items on 31 December 2022 to €1,240,091.

5.13 Construction works in progress

Analysis of construction works in progress	2022	2021
Balance as at 1 January 2021	20,925,782	6,595,238
Acquisitions	51,919,559	19,917,028
Transfer to property plant & equipment (refer to note 5.7)	(5,129,177)	(1,532,422)
Transfer to intangible assets (refer to note 5.8)	(28,602,093)	(4,054,062)
Total construction works in progress	**39,114,070**	**20,925,782**

Construction works in progress refers to additions and improvements on the existing infrastructure mainly relating to the 5 financing Capex projects as described in note 5.20. These assets will be returned to the Grantor at the end of the Concession Period, together with all other infrastructure assets as described in note 1.1. Upon the completion of the construction, such assets related to the infrastructure, will increase either the cost of the concession intangible asset or the owned assets.

5.14 Trade accounts receivable

Trade accounts receivable are analysed as follows:

Analysis of trade accounts receivable	2022	2021
Domestic customers & accrued revenues	21,210,566	38,833,391
Foreign customers	1,307,873	439,702
Greek State & public sector	6,133,410	456,737
Provision for impairment of trade receivables	(1,429,260)	(2,386,903)
Total trade accounts receivable	**27,222,589**	**37,342,927**

All trade accounts receivable are initially measured at their fair value, which is equivalent to their nominal value, since the Company extends to its customer's short-term credit. Should any of the trade accounts receivable exceed the approved credit terms, the Company may charge such customers default interest, (that is, interest on overdue accounts) at 6 months Euribor interest rate plus a pre-determined margin, as stipulated in the respective customer agreements. Such interest is only recognised when it is probable that the income will be collected.
During 2022 a provision addition of €52,209 (2021: addition of €466) was recognized in the income statement. Additionally, €1,009,582 was utilized and relate to a write off of non-collectable doubtfully receivables, resulting in an impairment provision on 31 December 2022 of €1,429,260 (2021: €2,386,903).

5.15 Other accounts receivables

Accrued ADF (refer to note 5.4) represents the amount of the passengers' airport fee attributable to the Company, which had not been collected by the Company at year-end. Other accounts receivable by the Greek State mainly consists of disputes relating to reduced payments of rentals by the state authorities and payments of municipal taxes and duties which have been paid but not yet reimbursed. The major tax disputes are disclosed in note 5.29 "Contingent Liabilities".

Analysis income tax & other receivable accounts	2022	2021
Accrued ADF	4,314,192	10,356,830
Corporate income tax advance payment	0	792,237
Other receivables from Greek State	25,896,005	32,963,866
Other receivables	4,198,540	2,673,096
Total income tax & other receivable accounts	**34,408,737**	**46,786,030**

5.16 Cash and cash equivalents

Cash and cash equivalents are analysed as follows:

Analysis of cash & cash equivalents	2022	2021
Cash on hand	41,841	37,079
Current & time deposits	561,152,971	381,571,206
Total cash & cash equivalents	**561,194,812**	**381,608,285**

The increase in the balance of cash & cash equivalents as at 31 December 2022 as compared to the previous financial year is mainly attributed to the improved operating performance of the year.

5.17 Share capital

The issued share capital of the Company has been fully paid by the shareholders and comprises 30,000,000 ordinary shares of €10 each amounting to €300,000,000.

The Company has the following shareholders with their participation in the share capital rounded where appropriate, to the closer two-digit decimal points:

a) the Société Anonyme " Hellenic Republic Asset Development Fund S.A." (HRADF) (30.00% of the shares), which is a company owned indirectly (through the Société Anonyme under the name "Hellenic Corporation of Assets & Participations S.A." (HCAP) by the Greek State,
b) the Société Anonyme " Hellenic Corporation of Assets & Participations S.A." (HCAP) (25.00% of the shares). HCAP is a holding company governed by the provisions of Law 4389/2016, as amended and in force, owned by the Greek State.
c) the AviAlliance GmbH (25.00% of the shares),
d) the AviAlliance Capital GmbH & Co. KGaA (15.00% of shares)
e) Copelouzos Dimitrios (1.99% of the shares),
f) Copelouzou Kyriaki (0.99% of the shares),
g) Copelouzos Christos (0.99% of the shares) and
h) Copelouzou Eleni-Asimina (0.99% of the shares)

Shareholders referred from e) to h) above entered into a "Usufruct of shares and voting rights Agreement" dated 19 November 2019, by virtue of which the above shareholders as owners, established and granted usufruct for a 15-year period over the Company's shares in favour of "Slentel Limited", a limited liability company operating under the laws of Cyprus.

5.18 Statutory & other reserves

Under Greek Corporate Law it is mandatory to transfer 5.0% of the net after tax annual profits to form the legal reserve, which is used to offset any accumulated losses. The creation of the legal reserve ceases to be compulsory when the balance of the legal reserve reaches 1/3 of the registered share capital.
In December 2022 the Company's legal reserve increased by an amount of €6,178,327 (2021: €7,940,965) and amounted to €100,000,000 (2021: €93,821,673) reaching the 1/3 of the registered share capital.
In addition, there is a reserve for tax purposes relating to dividends received from our associate amounting to €2,724,950 (2021: €2,724,950), a reserve for actuarial loss recognized in accordance with IAS 19, amounting to (€148,914) (2021: (€410,578)) and a reserve for the fair value movement of the hedging instruments in accordance with hedging accounting policy (refer to note 2.6.4) amounting to €10,275,505.

Analysis of other reserves	2022	Movement	2021
Statutory reserves	100,000,000	6,178,327	93,821,673
Reserves for tax purposes	2,724,950	0	2,724,950
Hedging reserves	10,275,505	10,275,505	0
Actuarial gains/(losses) reserve net of tax	(148,914)	261,664	(410,578)
Totals	**112,851,541**	**16,715,497**	**96,136,045**

5.19 Retained earnings

The accumulated balance of retained earnings at 31 December 2022 stood at €555,014,594 (2021 restated: €594,146,892). In accordance with Greek Corporate Law, companies are required each year, to declare dividends of at least 35.0% of profits after tax having allowed for the legal reserve.
In addition, the prevailing bank loan agreements impose specific financial covenants for the dividend distribution (refer to note 5.20), which were fulfilled from 2003 when the Company was in the financial position to distribute dividends until now, apart from the financial year 2021, where the distribution of dividends was not permitted by the Lenders due to the deferment of principal payment instalments in the context of the Company's actions to mitigate liquidity risk due to the COVID-19 pandemic outbreak.

The dividends paid in 2022 were €201,000,000 (€6.7 per share) as approved by the General Meeting of our shareholders on 6 September 2022. The General Meeting of Shareholders is the legally competent body of the Company that may take a decision on the distribution of dividends upon recommendation of the Board of Directors.

5.20 Borrowings

In the context of Company's decision to proceed with the implementation of its Debt Refinancing (refer to note 3.1.2) within financial year 2022, significant reductions in interest rate margins, extension of bond loan tenors and changes in amortization schedules have been agreed as described below:

Borrowings prior to refinancing

Second Lien Bond loan (the 2L Bond loan)

The Company paid to the Hellenic Republic Asset Development Fund (HRADF) on 22 February 2019 an amount of €1,131,676,123 plus applicable VAT, in cash as consideration for the extension of the Concession Period for another 20 years (refer to note 1.1).
Within this context, the Company entered into a 2L Bond Loan Agreement with the National Bank of Greece and Piraeus Bank as equal subscribers (namely the 2L Bond Loan) and the disbursement of the loan took place on 22 February 2019.
On 30 September 2019, a syndication process took place, through which, Alpha Bank and Eurobank also became 2L Bondholders. The 2L Bond Loan amounted to €642,476,578 disbursed once off, has a 15-year tenor, semi-annual payments and the interest rate comprises of the 6-month Euribor plus an applicable margin. The principal payments effected in financial year 2022 amounted to €17,089,878. Due to the Company's debt refinancing (refer to note 3.1.2) the outstanding balance of the 2L Bond Loan towards the Bondholders in the amount of €576,943,966 was fully repaid on 25 August 2022 and was included in the General Purposes Bond Loan namely the Joint Facility Series (refer to "Borrowings after refinancing"). The Company considered that the debt refinancing did not substantially modify the terms of the 2L Bond Loan Agreement (refer to note 2.12). Based on the derecognition test performed for the 2L Bond Loan, an amount of €3,019,190 was recognized as profit in the income statement decreasing net financial expenses.
All hedging agreements that the Company had entered in the context of the 2L Bond Loan, which were in accordance with the relevant provisions of the 2L Bond Loan Agreements, have been transferred in the context of the debt refinancing process to the Joint Facility Series.

Other Purposes Debt Bond Loan (OPD Bond Loan)

On 23 July 2020, the Company concluded the OPD Bond Loan amounting to €140 million, with National Bank of Greece, Piraeus Bank, Alpha Bank and Eurobank. The OPD Bond Loan relates to the financing of working capital and operational needs due to the extensive impact of COVID-19 on the Company's operations.
The OPD Bond Loan was disbursed once off, on 30 July 2020. The OPD Bond Loan has a 5-year tenor, backloaded semi-annual repayments starting from 20 June 2022 and the interest rate comprises of the 6-month Euribor plus an applicable margin. The principal payments effected in financial year 2022 amounted to €7,000,000. Due to Company's debt refinancing (refer to note 3.1.2) the outstanding balance of the OPD Bond Loan towards the bond holders in the amount of €133,000,000 was fully repaid on 25 August 2022 and was included in the General Purposes Bond Loan namely the Joint Facility Series (refer to "Borrowings after refinancing"). The Company considered that the debt refinancing did not substantially modify the terms of the OPD Bond Loan Agreement (refer to note 2.12). Based on the

derecognition test performed for the OPD Bond Loan, an amount of €5,267,740 was recognized as expense in the income statement increasing net financial expenses.
All borrowings are denominated in Euro, the functional currency of the Company.

Borrowings after refinancing

General Purposes Debt Bond Loan (GPD Bond Loan)

On 25 August 2022, the Company concluded the refinancing process (refer to note 3.1.2). The outstanding balance of the 2L Bond Loan and the OPD Bond Loan towards the Bondholders in the amount of €716,943,966 was fully repaid on 25 August 2022 and were included in the General Purposes Bond Loan, namely the Joint Facility Series. The GPD Bond Loan amounts to €1,007,843,966 and comprises of 3 Series: i) the Joint Facility Series amounting to €716,943,966, disbursed on 25 August 2022, ii) the Additional Facility Series amounting to €190,900,000, disbursed on 29 November 2022 and iii) the RCF Facility Series amounting to up to €100,000,000, which is not disbursed yet. The Joint Facility Series and the Additional Facility Series have 15-year tenors with final maturity on 22 February 2037, semi-annual payments and the interest rate comprises of the 6-month Euribor plus an applicable margin, which will be further decreased upon upgrading of the Greek State to investment grade. The availability period for the disbursement of the RCF Facility Series expires on 25 July 2027.
As of 31 December 2022, the outstanding balance of the GPD Bond Loan using the effective interest method amounted to €880,410,544, while the outstanding balance towards the Bondholders amounted to €890,594,294. The principal payments effected in financial year 2022 amounted to €17,249,672.
The GPD Bond Loan has senior ranking and is pari passu with the Capex Debt Bond Loan and has not been designated as Designated Debt as per the ADA.
The Company has undertaken to hedge from floating to fixed rate the Joint Facility Series and the Additional Facility Series, by not less than 60% (but not more than 100%) for a tenor of at least three (3) years by way of entry into any combination of interest rate swaps, interest rate options, interest rate caps or swaptions. Within this context, the Company has entered into interest rate cap hedging agreements (refer to note 5.10).
All borrowings are denominated in Euro, the functional currency of the Company.

Other borrowings

European Investment Bank Loan (EIB loan)

The EIB Loan for the partial financing of the Construction cost of the Airport, which was signed in 1996 and disbursed during the construction period (June 1996 – March 2001) was fully repaid on 10 June 2022, and all respective securities were released. The principal payments effected in financial year 2022 amounted to €46,131,001 (€88,217,763 in financial year 2021).

Capital Expenditure Bond Loan (Capex Debt Bond Loan)

On 31 October 2019, the Company concluded the Capex Debt Bond Loan amounting up to €100 million, with National Bank of Greece, Piraeus Bank, Alpha Bank and Eurobank.
The Capex Debt Bond Loan relates to the financing of five (5) Capex projects, namely:
a) The construction of the Main Terminal Building South Wing Expansion (the "MTB SWE" Project);
b) The construction of the Baggage Handling System's Security Screening Upgrading and Capacity Enhancements (the "BHS-22" Project);
c) The construction of the Curbside and Parking Reorganization (the "Curbside" Project);
d) The construction of the Apron North of Taxiway Y2, Ramp Service Station and the Relocation of General Aviation ("GA") Apron at the Homebase (the "Y2" Project); and
e) The construction of the STB Enhancement project – Phase 3 (the "STB Phase 3" Project).

The Capex Debt Bond Loan has a 15-year tenor, and the interest rate will be comprised of the 6-month Euribor plus an applicable margin.

On 25 August 2022, the Company concluded the amendment of the Capex Debt Bond Loan amounting up to €128.7 million, with National Bank of Greece, Piraeus Bank, Alpha Bank and Eurobank, in order to increase the available amounts per project, to extend the availability period of each project and to finance the construction cost of the new Photovoltaic Park 16MWp (the "New PV Park 16MWp" Project) for energy production.

The amended Capex Debt Bond Loan has a 15-year tenor with final maturity on 22 February 2037, semi-annual interest payments and the interest rate will be comprised of the 6-month Euribor plus an applicable margin, which will be further decreased upon upgrading of the Greek State to investment grade.

The Capex Debt Bond Loan will be disbursed in quarterly drawdowns, according to each project's progress. The drawdowns for the MTB SWE Project were finalised in 2020. Within financial year 2022 additional drawdowns of €27,408,512 were disbursed for the "BHS-22" Project, the "Curbside" Project, the "Y2" Project and "New PV Park 16MWp" Project. The repayment of the Capex Projects starts on the next rollover date falling at least 3 months after the end of the availability period of each Capex Project, apart from the MTB SWE Capex Project, the repayment of which commences on April 2023. As of 31 December 2022, the outstanding balance of the Capex Debt Bond Loan using the effective interest method was €59,635,503, while the outstanding balance towards the Bondholders was €62,304,716.

The Company considered that the Capex Bond Loan amendment did not substantially modify the terms of the Capex Bond Loan Agreement (refer to note 2.12). Based on the test performed for the Capex Bond Loan, an amount of €624,732 was recognized as profit in the income statement decreasing net financial expenses.

The Capex Debt Bond Loan has senior ranking and is pari passu with the GPD Bond Loan and has not been designated as Designated Debt as per the ADA.

The Company has undertaken to hedge from floating to fixed rate the Capex Debt Bond Loan, by not less than 60% (but not more than 100%) for a tenor of at least three (3) years from the date falling one (1) month after the date on which all drawdowns will have been effected (currently 31 March 2024) by way of entry into any combination of interest rate swaps, interest rate options, interest rate caps or swaptions.

All borrowings are denominated in Euro, the functional currency of the Company.

Borrowings are analysed as follows:

Analysis of borrowings	2022	2021
Non current borrowings		
Borrowings prior to refinancing		
2L Bond loan	0	554,470,697
Other Purposes Debt Bond Loan	0	125,364,955
Borrowings after refinancing		
General Purposes Debt Bond Loan	828,589,489	0
Other borrowings		
CAPEX Debt Bond loan	58,488,257	32,405,244
Total non current borrowings	**887,077,746**	**712,240,897**
Current borrowings		
Borrowings prior to refinancing		
2L Bond loan	0	34,565,240
Other Purposes Debt Bond Loan	0	14,000,000
Borrowings after refinancing		
General Purposes Debt Bond Loan	51,821,055	0
Other borrowings		
EIB loan	0	46,131,001
CAPEX Debt Bond loan	1,147,246	1,396,868
Accrued interest & related expenses	8,253,082	5,345,118
Total current borrowings	**61,221,383**	**101,438,226**
Total bank loans	**948,299,129**	**813,679,123**

Financial covenants

According to the Loan agreements, the Company has assumed certain obligations which must be adhered to among which, but not limited to, ensuring throughout the duration of the bond loans period compliance with certain financial covenants mainly for the maintenance of the Historic Debt Service Coverage Ratio ("Historic DSCR") and the Forecast Debt Service Coverage Ratio ("Forecast DSCR"), which are only related to the Company's ability to distribute dividends to its shareholders.
DSCR is calculated as the Net Cash Flow to Debt Service. Net Cash Flow is calculated on the net increase or decrease of cash and cash equivalents plus the payment of dividends and the repayment of borrowings, any interests, hedging and related expenses paid. Debt Service is calculated as the repayment of borrowings, any interests, hedging and related expenses paid.
The Company is in full compliance with the above financial covenant indicators on 31 December 2022.

5.21 Employee retirement benefits

In accordance with Greek labour law, employees are entitled to compensation payments in the event of dismissal or retirement with the amount of payment varying depending on the employee's compensation, length of service and manner of termination (dismissal or retirement). Employees who resign or are dismissed with cause are not entitled to termination payments. The amount payable in the event of retirement is equal to 40.0% of the amount which would be payable upon dismissal without cause.
The results of any valuation depend upon the assumptions employed. Thus, on 31 December 2022:

- If the discount rate used were 0.5% higher, then the Defined Benefit Obligation (DBO) would be lower by about 1.4%.

- If the discount rate used were 0.5% lower, then the DBO would be higher by about 1.5%.

The results of the actuarial study for the provision for employee retirement benefits as computed by actuaries are shown below:

Actuarial study analysis	**2022**	**2021**
Principal actuarial assumptions at 31 December 2021		
Discount rate	3.17%	0.55%
Range of compensation increase	3.0%-6.0%	0%-3.0%
Plan duration	3.21	3.83
Present value of obligations	8,058,668	6,764,261
Net liability/(asset) in the balance sheet	**8,058,668**	**6,764,261**
Components of income statement charge		
Service cost	507,740	882,835
Interest cost	28,551	(70,270)
Settlement/curtailment/termination loss	2,333,380	209,959
Total income statement charge	**2,869,671**	**1,022,524**
Movements in net liability/(asset) in the balance sheet		
Net liability/(asset) at the beginning of the period	6,764,261	6,473,142
Benefits paid directly	(1,239,797)	(283,254)
Total expense recognized in the income statement	2,869,671	1,022,524
Total amount recognized in the OCI	(335,467)	(448,151)
Net liability/(asset) in the balance sheet	**8,058,668**	**6,764,261**
Reconciliation of benefit obligations		
DBO at start of the period	6,764,261	6,473,142
Service cost	507,740	882,835
Interest cost	28,551	(70,270)
Benefits paid directly by the Company	(1,239,797)	(283,254)
Extra payments or expenses/(income)	1,364,301	209,959
Actuarial loss/(gain)	633,612	(448,151)
DBO at the end of the period	**8,058,668**	**6,764,261**
Remeasurements		
Liability gain/(loss) due to changes in assumptions	443,493	449,717
Liability experience gain/(loss) arising during the year	(108,026)	(1,566)
Total actuarial gain/(loss) recognized in OCI	**335,467**	**448,151**

An actuarial gain (the difference between expected and actual DBO as at the end of 2022) of €335,467 arose during the year due to the following factors:

- Change in financial assumptions: the equivalent discount rate has increased from 0.55% to 3.17%, producing a gain of €696,397. The inflation/salary increase assumption has increased producing a loss of €252,904. Thus, the change in financial assumptions gives rise to an overall actuarial gain of €443,493.
- Experience: the loss of €108,026 is mainly from population movements being different than assumed, partly offset by the gain from the lower than anticipated salary increases over the period.

According to IAS19 Revised, the entire actuarial gains or losses that arise in each accounting period are recognized immediately in the Statement of Other Comprehensive Income (OCI), in net equity. In this case, the actuarial gain that arose in 2022 is recognized as an income in the OCI statement.

5.22 Provisions

Analysis of provisions	As at 1 Jan 2022	Additions	Utilisations	Releases	As at 31 Dec 2022
Restoration expenses	28,110,750	5,540,266	1,760,812	0	31,890,205
Net other provisions	14,177,270	2,947,017	0	7,396,012	9,728,275
Total provisions	**42,288,020**	**8,487,283**	**1,760,812**	**7,396,012**	**41,618,480**

The provision for restoration expenses relates to the future expenses that result from the Company's contractual obligations to maintain or to restore the infrastructure to a specified condition before it is handed over to the Greek State at the end of the Service Concession Agreement. It is expected that an aggregate amount of €62.70 million will be paid on major restoration activities commencing in year 2023 through year 2046 based on management's current best estimates.
Net other provisions relates to employees' non-leave taken for previous years based on IAS 19 and to recognition of tax uncertainty over income tax treatment by applying IFRIC 23 and to other provisions for risks.

5.23 Income & deferred tax liabilities

Income tax liabilities

At the financial position date, the recognition of the income tax liability amounting to €43,108,215 reflects the income tax payable on taxable income at the rate of 22%, which was defined based on the principles of the income tax code and the specific tax provisions of the ADA.

Deferred tax assets & liabilities

The analysis of deferred tax assets and deferred tax liabilities is as follows (refer also to note 5.31):

Deferred tax assets & liabilities	2022	2021
Deferred tax assets:		
Deferred tax assets to be recovered after more than 12 months	(54,106,111)	(51,886,894)
Deferred tax assets to be recovered within 12 months	(12,290,066)	(12,335,053)
Total deferred tax assets	**(66,396,177)**	**(64,221,947)**
Deferred tax liabilities:		
Deferred tax liabilities to be settled after more than 12 months	106,778,468	105,550,570
Deferred tax liabilities to be settled within 12 months	26,340,407	26,871,931
Total deferred tax liabilities	**133,118,875**	**132,422,501**
Deferred tax liabilities (net)	**66,722,698**	**68,200,554**

The gross movement on the deferred income tax account is as follows:

Deferred income tax movement	2022	2021
As at 1 January	68,200,554	61,385,656
Income statement charge	(3,894,140)	6,716,305
Other comprehensive income	2,416,284	98,593
As at 31 December	**66,722,698**	**68,200,554**

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred tax liabilities	Accelerated tax depreciation	Grant of rights fee	Usufruct of the site & other	Total
As at 1 January 2021	104,532,227	39,411,476	1,580,843	145,524,546
Charged/(credited) to the income statement and other comprehensive income	(9,942,259)	(4,701,042)	1,541,256	(13,102,045)
As at 31 December 2021	**94,589,968**	**34,710,434**	**3,122,099**	**132,422,501**
Charged/(credited) to the income statement and other comprehensive income	(2,776,259)	(1,416,752)	4,889,386	696,374
As at 31 December 2022	**91,813,709**	**33,293,682**	**8,011,484**	**133,118,875**

Deferred tax assets	Grant of rights fee	Provisions	Retirement benefit obligations	Other	Total
As at 31 December 2021	(69,672,510)	(7,012,326)	(2,733,788)	(4,720,265)	(84,138,889)
Charged/(credited) to the income statement and other comprehensive income	16,439,569	(529,562)	1,481,882	2,525,051	19,916,941
As at 31 December 2021	**(53,232,940)**	**(7,541,887)**	**(1,251,906)**	**(2,195,214)**	**(64,221,947)**
Charged/(credited) to the income statement and other comprehensive income	0	(801,584)	(284,770)	(1,087,877)	(2,174,231)
As at 31 December 2022	**(53,232,940)**	**(8,343,472)**	**(1,536,676)**	**(3,283,090)**	**(66,396,177)**

At the financial position date, the Company has unused tax loss of €50,671,974 which has been offset against income tax payable at financial position date. According to the provisions of article 25.1.2.(k) of the ADA, (Law 2338/1995) tax losses can be carried forward to relieve future taxable profits without time limit. Tax losses had primarily arisen from the application of the accelerated depreciation method as provided by paragraph 8 of article 26 of Law 2093/1992.
In addition, according to article 25.1.2.(j) of the ADA the accelerated depreciation method provided by Law 2093/1992 relates to tax depreciation and constitutes an allowable deduction for tax purposes even though the depreciation in the annual statutory accounts of the Company may differ from year to year. At the financial position date, the Company recognised a deferred tax liability on the outstanding accelerated depreciation, amounting to €91,813,709 (2021: €94,589,968).

5.24 Other non-current liabilities

Other long-term liabilities are analysed as follows:

Analysis of other non-current liabilities	2022	2021
Grant of rights fee payable	216,389,220	221,803,918
Long term securities provided by customers	3,296,452	3,176,323
Other non-current liabilities	7,857,143	0
Total other non-current liabilities	**227,542,816**	**224,980,241**

The Company pays a quarterly fee to the Greek State during the concession period for the rights and privileges granted in the ADA. The carrying amount of the liability represents the present value of the future payment that relates to the fixed part of the fee at the financial position date. In 2022 a finance charge amounting to €9,585,302 has been recorded as unwinding interest of the liability due to the passage of time (2021: €9,925,831). The amount payable within the next 12 months is included in trade & other payables. The present value of total future payments at the time of airport opening and at the time of Concession Extension effectiveness has been included in the cost of the intangible concession asset which is amortised over the concession period. An amount of €6,439,784 is included in the 2022 amortisation of the intangible concession asset with respect to the grant of rights fee (2021: €6,439,784).

Other non-current liabilities refer to a prepayment of €10 million, divided into current and non-current liabilities (refer to note 5.26), received by Olympic Air on the day of signing the following transaction: As of 22 December 2022, the Company signed with Olympic Air a long-term Concession Agreement for the development of a Maintenance, Repair and Overhaul (MRO) Facility including aircraft simulators, training services and other activities at the ex-Olympic Hangar of Athens International Airport. The Company granted to Olympic Air until May 2046, coinciding with the end of the concession period of the ADA Extension Agreement, the right to occupy, use, develop and operate the Granted Area and to repair and improve the existing facilities with the contribution of the Company up to 50% of the relevant expenditure not exceeding a maximum agreed threshold of €5 million.

The consideration for the whole term of the agreement, invoiced within year 2022, amounts to €50 million, payable in five biyearly instalments of €10 million until the end of year 2030. The consideration under IFRS 15 is charged to the income statement on a straight-line basis over the period granted. Additional variable consideration is foreseen as of year 2026 based on revenues generated for services provided from the MRO facility to third parties.

The development of the intended MRO business will certainly have wider positive socio-economic impact through indirect and multiplier effects.

5.25 Trade & other payables

Trade & other payable accounts are analysed as follows:

Analysis of trade & other payable accounts	2022	2021
Suppliers	22,076,213	13,220,970
Advance payments from customers	14,607,974	11,667,852
Beneficiaries of money – guarantees	23,727,858	22,744,001
Taxes payable and payroll withholdings	17,529,202	3,423,705
Grant of rights fee payable	15,000,000	0
Other payables	25,246	47,224
Total trade & other payable accounts	**92,966,494**	**51,103,752**

The amount shown above for suppliers represents the short-term liabilities of the Company towards its trade creditors as at the corresponding year end for the goods purchased and the services rendered in the respective year.

Advance payments from contracts with customers represent mainly the prepayments effected by the airlines which have selected the "Rolling prepayment" method in settling their financial obligations to the Company for the use of the airport facilities.
Beneficiaries of money – guarantees represent the cash guarantees provided by the concessionaires for the prompt fulfilment of their financial liabilities arising from the signed concessions agreements. The cash guarantees are adjusted each year in accordance with the latest estimate of the expected sales forecast of the concessionaires for the subsequent year.
The increase in taxes payable is due to value added tax charged on the agreed consideration for the right granted to Olympic Air until 2046, to occupy, use, develop and operate of the Maintenance, Repair and Overhaul (MRO) Facility at the airport, (refer to note 5.11).
The Grant of Rights Fee payable at the end of financial year 2021 was paid in advance through the set off with the compensation received covering part of the incurred losses due to COVID-19 pandemic (refer to note 1.2).
The carrying amount of trade accounts payable closely approximates their fair value as of the financial position date.

5.26 Other current liabilities

Other current liabilities are analysed as follows:

Analysis of other current liabilities	2022	2021
Accrued expenses for services and fees	26,456,170	24,437,584
Other current liabilities	2,142,857	0
Total other current liabilities	**28,599,027**	**24,437,584**

Accrued expenses mainly concern accrued costs for services rendered by third parties, private or public, which had not been invoiced as at year end.
Other current liabilities refer to a prepayment of €10 million, divided into current and non-current liabilities, received by Olympic Air on the 22 December 2022 due to the signing with the Company of a long-term Concession Agreement for the development of a Maintenance, Repair and Overhaul (MRO) Facility including aircraft simulators, training services and other activities at the ex-Olympic Hangar of Athens International Airport (refer to note 5.24).

5.27 Lease liabilities

The Company as a lessee

Lease payments represent rentals payable by the Company for certain of its vehicles and for the procurement, installation and maintenance of explosive detection equipment. The Company calculated the present value of the lease payments by using the Company's incremental borrowing rate for a right of use asset over a similar term and with a similar security.
Vehicles leases are negotiated for an average term of 5 years and rentals are fixed for the same period. At year end the leasing liability stood at €1,140,492 (2021: €1,317,400).
The explosive detection equipment leases are negotiated for an average term of 28 months for the 3 machines supplied and rentals are fixed for the same period. At year end the right of use liability stood at €2,000,620 (2021: €1,465,062). The Company applied the practical expedient using the single lease approach, thus non-lease components such as maintenance including spare parts that are not significant were not separated from the lease components.

Lease liabilities	Vechicles	Mechanical Equipment	Total
Balance as at 1 January 2021	**299,184**	**1,714,130**	**2,013,314**
Additions	1,435,162	54,415	1,489,577
Effect of Covid 19 amendment	-	(258,781)	(258,781)
Retirements	(184,012)	(56,250)	(240,262)
Interest	12,007	11,549	23,555
Payments	(244,941)	0	(244,941)
Balance as at 31 December 2021	**1,317,400**	**1,465,062**	**2,782,462**
Balance as at 1 January 2022	**1,317,400**	**1,465,062**	**2,782,462**
Additions	188,449	833,571	1,022,020
Retirements	(49,897)	0	(49,897)
Interest	17,281	29,492	46,774
Payments	(332,741)	(327,504)	(660,245)
Balance as at 31 December 2022	**1,140,492**	**2,000,620**	**3,141,113**

Lease liabilities	Vechicles	Mechanical Equipment	Total
Current lease liabilities	296,670	382,104	678,774
Non-current lease liabilities	1,020,730	1,082,958	2,103,688
As at 31 December 2021	**1,317,400**	**1,465,062**	**2,782,462**
Current lease liabilities	327,561	463,562	791,123
Non-current lease liabilities	812,931	1,537,059	2,349,990
As at 31 December 2022	**1,140,492**	**2,000,620**	**3,141,112**

Leases rentals amounting to €521,817 (2021: €244,941) were paid during the year ended 31 December 2022.
The maturity analysis of the undiscounted future lease liabilities is analyzed as follows:

At 31 December 2022	Less than 1 year	Between 1 & 2 years	Between 2 & 5 years	Over 5 years	Total
Vechicles	327,591	327,591	509,590	1,255	1,166,027
Mechanical Equipment	657,640	463,561	996,520	0	2,117,722
Total	**985,231**	**791,153**	**1,506,110**	**1,255**	**3,283,749**

5.28 Commitments

On 31 December 2021 the Company has the following significant commitments:

a) Capital expenditure commitments amounting to approximately €53.4 million (2021: €38.5 million)

b) Operating service commitments, which are estimated to be approximately to €115.0 million (2021: €61.6 million) mainly related to security, maintenance, fire protection, transportation, parking and cleaning services, to be settled as follows:

Analysis of operating service commitments	2022	2021
Within 1 year	40,383,177	31,190,692
Between 1 and 5 years	74,575,295	29,272,812
More than 5 years	0	1,178,837
Total operating service commitments	**114,958,472**	**61,642,341**

c) The variable fee component of the Grant of Rights Fee for financial year 2023, which is based on the calculation of the 2022 Consolidated Operating Profit as set out in ADA and as described in notes 2.4.1 and 2.4.2, is estimated to €29.7 million. This amount will be recognized in the income statement of the financial year 2023.

d) The ADA foresees an evaluation of the requirement to proceed with the airport's expansion, once passenger traffic exceeds certain capacity thresholds. Since in the 12-month period that ended in May 2019, the existing capacity threshold of 95% was surpassed, the Company was obliged within 6 months from that day to establish an appropriate plan for the purpose of increasing the airport's capacity by an increment of at least 20%. Thus, the Company, in November 2019, submitted to HCAA the plan for expansion and the Master Plan update for approval. In December 2019 HCAA issued its approval of the airport expansion plan and of the Master Plan. Due to the COVID-19 pandemic outbreak, traffic fell below the relevant thresholds provided in article 19 of the ADA for airport expansion. Therefore, AIA informed the HCAA accordingly and relevant plans and actions were suspended. It is highly probable that during the year 2023 passenger traffic will exceed the existing capacity threshold of 95% and the Company will be obliged to establish again a plan for increasing airport's capacity.

5.29 Contingent liabilities

The Company has contingent liabilities comprising the following:

Tax Audits

a) The Company has not been audited yet by the Tax Authorities for the last 5 financial years. In accordance with Law 4174/2013 a 5-years limitation period of the State's right to impose taxes and fines has been set, although the limitation period can be further extended, based on applicable provisions.

b) Effective from financial years ending 31 December 2011 onwards, Greek companies meeting certain criteria were obliged to obtain an Annual Tax Certificate from their statutory auditor in respect of compliance with tax law, as provided for by par. 5, article 82 of Law 2238/1994 and article 65A of Law 4174/2013. As of 2016 the Annual Tax Certificate became optional. Irrespective of the tax audit performed by the statutory auditor, the tax authorities reserve the right of future tax audits.
The Company has received unqualified Tax Compliance Reports by respective statutory auditors for all financial years 2016-2021. The tax audit for the financial year 2022 is in progress and the issuance of the Tax Certificate is expected to be issued within the fourth quarter of 2023 and management expects it to be unqualified.

Value added tax

With respect to VAT, the Tax Authority questioned the right of the Company to set off the total VAT of all fixed assets acquired, and services rendered until 31 December 2015, as stipulated by article 26 paragraph 7 of Law 2093/1992, in conjunction with Articles 25.1.1 & 25.1.2 (g) of the ADA as ratified by Law 2338/1995. The Tax Authority disputed the above right of the Company to set off VAT, which corresponds to activities not subject to VAT, i.e. property leases, and proceeded to impose VAT – including penalties – for the financial years 1998-2012 amounting to €168.4 million, comprising of €46.0 million capital and €122.4 million surcharges.
The Company referred the issue, related to financial years 1998-2009, to the London Court of International Arbitration, in accordance with Article 44 of the ADA. Pursuant to the final award of the London Court of International Arbitration No 101735, which was issued on 27 February 2013, the relating acts of determination had been issued in breach of law.

Alongside, the Company appealed before the competent Administrative Courts of Appeals against all the acts of determination of the Tax Authority to impose VAT on such capital and operating expenses, requesting the annulment of the tax assessments for all financial years from 1998 to 2012.
The Administrative Courts of Appeal in their judgments in 2014 on the assessments of the financial years 2004-2009 accepted the Greek State's legal argumentation and rejected the Company's appeals. The Company challenged those judgments before the Conseil d' Etat and won in 2015; the Conseil d' Etat accepted that the Arbitral Award is binding on the administrative courts and sent the cases back to the Administrative Courts of Appeal for new ruling which accepted the Company's petitions. The Greek State challenged those judgments before the and the Conseil d' Etat again (but this time by majority) which in 2018 confirmed the full binding effect of the Arbitral Award.
Concerning the assessment of the financial year 2012, the Greek State has not challenged the judgment of the Administrative Court of Appeal before the Conseil d' Etat, thus the case is time-barred.
With regards to the assessments of financial years 1998-2003 and 2010-2011 the respective Administrative Courts of Appeal judgments were issued in 2019 and in 2017 respectively and complied with the above-mentioned Conseil d' Etat case law of 2015 and 2018; hence the Company's petitions were accepted, and the Greek State's appeals were rejected. Once again, the Greek State challenged said judgments, while the Company in the relevant proceedings invoked the Conseil d' Etat' previous case law. The Conseil d' Etat, however, in its recent judgments on 9 February 2022, sent the relevant cases back to the Administrative Court of Appeal for new ru;ling with respect to matters pertaining to EU law. The hearings have been scheduled for 19 September 2023.
Based on the Company's experts' opinion no provision has been recognised for all the above acts of determination.

Greek State Entities rentals

According to article 21 of Law 4002/2011, all rentals paid by the Greek State and public sector entities, calculated on the amount of rent rates of July 2010, were to be reduced by 20% as of 22 August 2011, while in accordance with article 2 of Law 4081/2012 the impaired rental fees were further reduced as of 1 October 2012 by a proportion varying from 10% to 25% depending on the level of monthly fees payable. Initially, any readjustment was banned until 30 June 2013, further extended by article 2 of Law 4081/2012 until 31 December 2014, by article 102 of Law 4316/2014 until 31 December 2018, by article 102 of Law 4583/2018 until 31 December 2019, by article 81 of Law 4764/2020 until 31 December 2021, by article 56 of Law 4876/2021 until 31 December 2022. The total value of the rent adjustment for the entire period up the financial position date is €31.2 million.
The Greek State questioned the right of the Company to be exempted from such laws in contrary to the article 13.1.10(a) of the ADA which foresees that to the extent that any airport rights granted pursuant to this Agreement comprise leases for the use of any land or buildings, the terms thereof shall prevail over any law regulating the level of increases in rental or other periodical payments under any such lease. Although AIA promptly and duly communicated the issue to all parties involved, all State entities operating at the airport proceeded to reduce payments of their rentals fully applying the provisions of the above laws.
The Company based on the provisions of article 32.4 of the ADA proceeded to set off the contractually agreed rentals with the reduced rentals actually paid by the state agencies. The Greek State with its letters from 24 June 2019 and 15 July 2019 denied the right of the Company to set off the rental not actually paid as per article 32.4 of the ADA this difference. Thus, and since no agreement was reached by way of the procedure set out under article 44.1 of the ADA, the Company referred the case on 28 December 2022 to the arbitration procedure before London Court of International Arbitration (LCIA) in accordance with article 44.3 of the ADA.
Based on the Company's experts' opinion, no provision has been recognised.

Other

All current pending legal lawsuits from individuals against the Company are covered by insurance policies, to the possible maximum extend.

5.30 Related parties transactions

AIA is a privately managed Company, having as major shareholders the Hellenic Republic Asset Development Fund S.A (which is a company owned indirectly from the Greek State), the Hellenic Corporation of Assets & Participations S.A, (which is a company owned directly from the Greek State) and AviAlliance Group, each one of them holding more than 20.0% of the shares on 31 December 2022 (for more details refer to note 5.17). Additionally, the Company also holds 34.0% of the share capital of the Athens Airport Fuel Pipeline Company S.A.
The Company during 2022 had undertaken related party transactions with companies controlled by its current Shareholders, by receiving specific services. Furthermore, the Company provides either aeronautical or non-aeronautical services to entities that are controlled by its Shareholders and to Athens Airport Fuel Pipeline Company S.A. The above goods/services/works are based on corresponding market's terms and conditions. The transactions with the above-mentioned related parties have as follows:

a) Sales of services and rental fees

Sales of services	2022	2021
Related companies of Hellenic Corporation of Assets & Participations*	1,657,607	1,535,432
Athens Airport Fuel Pipeline Company S.A.	12,074	8,152
Total	**1,669,681**	**1,543,584**

**The services provided consist mainly of space rentals for postal services*

b) Purchases of services

Purchases of services	2022	2021
Related companies of Hellenic Corporation of Assets & Participations*	987,833	5,567,928
AviAlliance Group	9,186	1,330
Total	**997,019**	**5,569,258**

**The services received consist mainly of energy & water supplies and charges for medium voltage network.*

c) Year end balances arising from sales/purchases of services and rental fees

Year end balances arising from sales/purchases of services	2022	2021
Trade and other receivables:		
Related companies of Hellenic Corporation of Assets & Participations	84,198	38,942
Trade and other payables:		
Related companies of Hellenic Corporation of Assets & Participations	339,228	55,850
AviAlliance Group	0	1,330
Total	**423,426**	**96,122**

d) Key management compensation

Key management includes personnel authorised by the Board of Directors for planning, directing and controlling the activities of the Company. Compensation paid or payable to key management for employee services rendered is shown below:

Analysis of BoD and key management compensation	2022	2021
Board of directors' fees	508,080	493,680
Short-term employment benefits of key management	2,223,418	1,451,489
Total BoD and key management compensation	**2,731,498**	**1,945,169**

5.31 Reclassifications – Restatements

An amount of €10,251,034 in the Statement of Financial Position of the year 2021, has been reclassified from "Deferred tax liabilities" to "Provisions".

5.32 Events after the financial position date

To the best of Company's knowledge, there are no important events after 31 December 2022, that may significantly affect the financial position of the Company other than that disclosed.