Semi-Annual Financial Report 30.06.2020

S.A. REG. NO. 7365/06/B/86/32 – GEMI NO. 121572960000

"ELASTRON S.A. – STEEL SERVICE CENTERS" GROUP

According to IAS 34 «Interim Financial Reporting», the article 5 of Law 3556/2007 and the executive Decisions of the Board of the Capital Market Commission

September 2020

CONTENTS

STATEMENT BY THE BOARD OF DIRECTORS' REPRESENTATIVES

(Pursuant to article 5 of Law 3556/2007)

We hereby certify and declare that, to the best of our knowledge, the semi-annual financial statements of the Société Anonyme Company "ELASTRON S.A. – STEEL SERVICE CENTERS" for the period 01.01.2020 – 30.06.2020, which were prepared in accordance with the applicable accounting standards, truly reflect the assets and liabilities, the equity and results of the issuer as well as of the companies included in the consolidation, which are considered aggregately as a whole, according to the provisions of paragraphs 3 to 5 of article 5, Law 3556/2007 and the authorized decisions issued by the Hellenic Capital Market Commission's Board of Directors.

In addition, it is hereby certified and declared that, to the best of our knowledge, the Semi-Annual Management Report of the Board of Directors truly reflects the information required according to paragraph 6, article 5 of Law 3556/2007 and the authorized decisions issued by the Hellenic Capital Market Commission's Board of Directors.

Aspropyrgos, 23 September 2020

The signatories

Simos Panagiotis	Kalpinis Athanasios	Manesis Vasileios
Chairman of the Board	Chief Executive Officer	Executive Member of the BoD

SEMI-ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS of ELASTRON S.A.
for the period from January 1st to June 30th 2020

The companies which are included in the consolidation, besides the parent company, are as follows:

Amounts in €

COMPANY	DOMICILE	BUSINESS ACTIVITY	PARTICIPATION STAKE	PARTICIPATION COST	CONSOLIDATION METHOD
NORTHERN GREECE METAL PRODUCTS S.A.	Thessaloniki	Commerce and processing of steel products	100.00%	10,718,000	Full
BALKAN IRON GROUP S.R.L.	Bucharest, Romania	Commerce and processing of steel products	33.33% (Joint Venture)	800,000	Equity
KALPINIS SIMOS BULGARIA EOOD	Sofia, Bulgaria	Commerce and processing of steel products	100.00%	10,000	Full
PHOTODEVELOPMENT S.A.	Aspropyrgos	Production of electric energy from Photovoltaic stations	98.6%	325,500	Full
PHOTODIODOS S.A.	Aspropyrgos	Production of electric energy from Photovoltaic stations	98.3%	265,533.70	Full
PHOTOENERGY S.A.	Aspropyrgos	Production of electric energy from Photovoltaic stations	97.5%	175,500	Full
ILIOSKOPIO SA	Aspropyrgos	Production of electric energy from Photovoltaic stations	97.5%	175,500	Full
PHOTOKYPSELI S.A.	Aspropyrgos	Production of electric energy from Photovoltaic stations	97.5%	175,500	Full
PHOTOISXYS LTD	Aspropyrgos	Production of electric energy from Photovoltaic stations	100.00%	80,000	Full
THRACE GREENHOUSES S.A.	Xanthi	Production of agricultural products from glasshouse cultivations	49.09%	3,485,000	Equity
GAURA Ltd	Cyprus	Inactive	100.00%	7,650	Full

* The participation cost does not include any impairment. The impairment of participations is analytically presented in note 21.

A. Financial Development and Performance

The turnover of the Group decreased during the first half of the year and amounted to € 47.3 million from € 58.1 million last year. Gross profit amounted to € 5.3 million or 11.3% on sales, compared to € 5.7 million or 9.8% on sales in the first half of 2019. Earnings before taxes and interest (EBIT) amounted to € 0.2 million compared to € 0.3 million last year, whereas the earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to € 1.4 million compared to € 1.8 million in the 1st half of 2019. The results before taxes were negative at € 0.8 million compared to also negative results of € 0.8 million in the same period of the previous year, whereas the results after taxes improved and amounted to losses of € 0.9 million against losses of € 1.3 million in the first half of 2019.

On the parent company level, the turnover decreased and settled at € 46.6 million compared to € 57.4 million last year, while the gross profit accounted for € 4.9 million or 10.4% on sales, compared to € 5.3 million or 9.3% on sales in the first half of 2019. The earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to € 0.9 million compared to € 1.5 million, whereas the results before taxes were negative at € 0.9 million compared to negative results of € 0.7 million in the corresponding six-month period of 2019. Finally, the results after taxes improved and amounted to losses of € 0.9 million against losses of € 1.0 million last year.

Following and with the objective to provide additional and complete information, the table below depicts the financial figures of the Group and the Company as of 30/06/2020 & 31/12/2019:

	Group		Company	
(a) FINANCIAL STRUCTURE	**30.06.2020**	**31.12.2019**	**30.06.2020**	**31.12.2019**
Non-current assets / Total assets	0.58	0.53	0.58	0.52
Current assets / Total assets	0.42	0.47	0.42	0.48
Equity / Total Liabilities	1.22	1.03	1.29	1.08
Current assets / Short-term liabilities	2.24	2.35	2.28	2.42
(b) EFFICIENCY AND PERFORMANCE				
Net earnings before taxes / Sales	N/A	N/A	N/A	N/A
Net earnings before taxes / Equity	N/A	N/A	N/A	N/A
Sales / Equity	0.75	1.73	0.74	1.72
(c) CAPITAL STRUCTURE				
Net liabilities / Equity	0.78	0.75	0.74	0.71
Net bank liabilities / Equity	0.50	0.36	0.50	0.36
Net bank liabilities / EBITDA	23.06	6.68	33.89	7.98

* N/A denotes that there is no such case.

B. Alternative Performance Measures

The European Securities and Markets Authority (ESMA) issued guidance with regard to the application of the Alternative Performance Measures. The aim of the guidance is to promote the usefulness and transparency of the financial ratios included in the published financial statements as well as in other reports referring to the figures of the financial statements. Alternative Performance Measures (henceforth APM) are financial ratios and indicators which are used for the measurement of the performance and financial position of the company, ratios which however are not required and analyzed in the provisions of the International Financial Reporting Standards.

The Management Teams of the Company and the Group use APM in the context of monitoring their financial performance, decision making and compliance with the terms of the financing agreements. Some of the APM used by the Management are the following:

Earnings before interest, taxes, depreciation and amortization and investment results (EBITDA). It depicts the operating results of the company and the group that derive from their business activity as well as the ability to repay their debt and tax obligations. It is calculated as follows: Turnover plus operating income minus operating expenses with the exception of the depreciation of fixed assets and the amortization of grants. EBITDA margin (%) derives from the division of EBITDA by the turnover.

Net Debt. It depicts the total bank debt obligation of the company and the group. It is calculated as follows: Total (short-term and long-term) debt minus total cash and cash equivalents. When the calculation extracts a negative result, it means that the company and the group are able to fulfill in excess their debt obligations.

C. Information on Environmental and Labor Issues

a) Information on Environmental Issues

The environmental policy of the Company demonstrates the Management's commitment to operate with absolute respect to the environment whereas it promotes the environmental conscience and also aims at promoting the environmental responsibility in both its human resources and the other stakeholders.

The Group recognizes its obligations against the environment and the need to continuously improving its environmental performance. This in turn allows the Group to attain a balanced economic growth aligned with the environmental protection.

Elastron Group operates PV stations on the roofs of its production facilities in Aspropyrgos, Attica with a total capacity of 5.05 MWp. These stations increase the share of renewable energy sources in the Company's energy mix, while also helping to reduce carbon dioxide emissions.

ELASTRON SA has been certified accordingly and thus applies a total environmental management system as it is specified in accordance with the international environmental management system EN ISO 14001 targeting the protection of the environment and strong savings in natural resources.

The Group cares about the continuous update as well as education of the personnel in environmental issues and takes care for the training of its employees in environmental protection issues.

b) Information on Labor Issues

The respect to the human being and safety constitute an indispensable part of the Group's policy. For this reason the minimization of the probability of accidents and the creation of a work environment that respects the health, the integrity and the personality of the employees constitute fundamental values and principles for the Group.

The Group complies fully with the effective legislation and regulations whereas at the same time it applies a detailed framework of rules, safety, professional behavior, prevention and management of accidents, which is constantly being revised and reviewed so that it responds to its current operating needs and is aligned with the international best practices of the sector which it activates in.

At the same time, the Group places strong emphasis on the training of personnel in the issues of hygiene, safety and prevention, whereas systematic audits and inspections take place in order to ensure the application and compliance of the relevant safety rules.

The promotion of the principle of equal opportunities and the protection of diversity constitute top priorities for the Group. The Management does not make any discrimination in hiring, the selection, the remuneration, the assignment of duties or in any other labor activity. The factors exclusively taken into consideration comprise the experience, the personality, the educational background, the efficiency and the skills of the individuals.

The Group encourages and recommends to all employees to respect the diversity of each employee or partner, and also not to accept any kind of behavior which may be associated with discrimination of any type.

D. Significant Events of the First Half 2020

Developments in the Group's Sectors

The activity and course of the financial results of the Group's steel sector during the first half of the year were inevitably affected by the implementation of the Covid-19 pandemic related measures in both the Greek and the European market, with the main consequence being the fall in demand and the decline in prices of raw materials. In this context, the group's turnover fell by 19%, mainly affected by the sales activity abroad which dropped by 33%. On the other hand, the gross and operating profit margins posted signs of improvement and stabilization respectively as a result of the implementation of a significant outstanding balance of orders and targeted purchases of raw materials that improved production costs. In addition, the effort to reduce financial costs continued with the trend expected to improve further during the 2nd half of the year.

Regarding the course of the Group in the current third quarter of 2020, the level of business activity shows signs of improvement with a significant increase in demand, driven mainly by the sectors of energy, infrastructure, shipbuilding, construction, as well as new foreign markets. At the same time, the rise in raw material prices since the end of second quarter has contributed to the improvement in operating profit margins.

In the agricultural sector of the group, all production facilities of the company Thrace Greenhouses SA located in Xanthi, Greece, were put into operation within the year 2020. The total land area accounts for 18.5 hectares, making the company the largest player in Greece that uses geothermal energy as a means of heating, ensuring stable growing conditions in a more environmentally friendly way. The total production of the company is absorbed by the largest retail chains of the Greek market, supporting Greek production, substituting imports, and utilizing the domestic production workforce.

Regarding the energy sector of the Group, a new 1.5 MWp photovoltaic power station was completed and was placed into operation within the first half of the year. The station will be operating under an energy offsetting scheme and will contribute to the further reduction of energy costs of production units. The total power capacity of the Energy sector of the Group settles now at 5.05 MWp.

Implementation of Investment Plans

The Company submitted in June 2013 to the Ministry of Development and Competitiveness a new subsidized investment program under the auspices of L. 3908/2011 for the modernization of the mechanical and building machinery, amounting to € 3.4 million. The rate of subsidy in this program is set at 15%. In May 2014, the parent Company’s investment plan was approved and included in the category of General Entrepreneurship of the General Business Plans of article 6 of Law 3908/2011. In November 2017, the Company filled an audit request with regard to the completion and certification of the commencement of the production activity in relation to the particular investment, whereas in February 2018, the Company collected an amount of 146.5 thousand Euros which corresponds to 2/7 of the respective grant. Within fiscal year 2019, the certification audit concerning the completion of the investment’s financial and physical objective was completed and the relevant announcements are expected.

The affiliated company THRACE GREENHOUSES S.A. (as it emerged from the merger of the companies ELASTRON AGRICULTURAL SA and THRACE GREENHOUSES SA) completed the investment which concerned the expansion of the existing unit of hydroponic cultivation of glasshouse agricultural products, amounting to 12.2 million Euros in total. The particular investment plans (one plan per each company) have been classified under the provisions of the investment Law 3908/2011 which provides for a 40% grant of the total investment cost. Until today, the Company has collected part of the corresponding grant amounting to € 1,858 thousand. Within year 2019, the validation audit concerning the completion of 50% of the financial and physical objective of the investment was fulfilled, whereas at the same time the entire investment was completed and the company filed a request for the audit and certification in order to commence the production process for the entire 100% of the investment.

Annual Ordinary General Meeting

On 25.06.2020 the Annual Ordinary General Meeting of the shareholders was held at the offices and headquarters of the Company. Given the Company's effort to protect shareholders, employees and the general public from Covid-19 pandemic, it was made possible for entitled parties to participate in the Annual Ordinary General Meeting and to vote by teleconference in accordance with the provisions of the 20-3-2020 Act Legislative Content (Government Gazette A '68), Article 33 which stipulated that from March 20, 2020 until June 30, 2020, any General Meeting of shareholders or partners, of any legal entity, may be held by teleconference in relation to certain and/or all its members.

19 shareholders attended the General Meeting (either in person or via a legal representative), who own 11,722,101 shares or 63.67% of the paid up share capital.
The General Meeting proceeded with the following resolutions:

1. Approval of the management reports of the Board of Directors and Certified Auditor on the Parent and Consolidated Financial Statements for financial year 2019.
2. Approval of the Parent and Consolidated Financial Statements for financial year 2019. Moreover the decision was made to not distribute any dividend to the shareholders.
3. Approval of the Total Administration of the company by the Board of Directors and release of the Certified Auditor from all liabilities for compensation regarding the audit of the financial year 2019.
4. The remuneration report of the members of the Board of Directors of the company was approved, which has been prepared in accordance with article 112 of Law 4548/2018.
5. The remuneration - compensation of the members of the Board of Directors for the year 2019 was approved and their remuneration for the year 2020 was pre-approved.
6. Approval of the election of Mr. Efst. Karalis of Ioannis as Ordinary Certified Auditor and Mr. Verg. Valassas as Deputy Certified Auditor from the audit firm SOL S.A. for the financial year 2020 and determination of their fees.
7. Granting of permission, based on article 98, paragraph 1 of Law 4548/2018, to the members of the Board of Directors and the Company's directors to participate in the Management of the Group's companies and affiliated entities.
8. The Meeting approved the stock repurchase plan the company according to article 49 of Law 4548/2018, concerning the purchase of shares at a rate of up to 10% of the paid-up share capital, i.e. up to 1,841,084 shares, with a purchase price range from twenty cents (0.20) up to two (2.00) Euros and within a period of 24 months from the day following the approval of the General Meeting.
9. The amendment of Article 8 of the Articles of Association was approved with the introduction of new regulations for the possibility of holding a General Assembly through teleconferencing and remote voting prior to the General Assembly.
10. No other announcement was made.

All the issues on the daily agenda were approved unanimously, namely with a percentage of 97.94% of those present.

Treasury shares

As of June 30, 2020 the Company did not hold any treasury shares. According to the decision of the Ordinary General Meeting of the Company as of June 25, 2020, the stock repurchase plan of the Company was approved in accordance with article 49 of Law 4548/2018 and concerned the purchase of shares up to 10% of the paid-up share capital, i.e. up to 1,841,084 shares, with a purchase price range from twenty cents (0.20) up to two (2.00) Euros and within a period of 24 months from the day following the approval of the General Meeting.

Tax audit

Since the fiscal year 2011, ELASTRON SA and METAL-PRO SA, and also since the year 2014 all Group companies, have been included in the tax audit of the Certified Auditors as it is provided by the clauses of article 65A of Law 4174/2013, as they were amended by the article 56 of Law 4410/2016. For the companies and the fiscal years which were not included in the tax audit of the Certified Auditors, it is estimated that there is no reason for the formation of any provision. As result, on 30.06.2020 the company and the group have formed no provisions regarding tax-unaudited fiscal years.

For the fiscal year 2019, ELASTRON SA, METAL-PRO SA, THRACE GREENHOUSES SA and the photovoltaic companies of the Group have been subject to the tax audit by the Certified Auditors as stipulated by the provisions of article 65a, L. 4174/2013. The tax audit for the fiscal year 2019 was performed from SOL SA and its completion is expected in the following period (the "Tax Compliance Report" will be issued within October 2020) without any major adjustments or deviations concerning the tax expense and the corresponding tax provision that have been already recorded in the financial statements.

E. Risks and Uncertainties

According to the Act of Legislative Content (Gov. Gaz. 65 A'/28-06-2015) the Greek banking system entered into a bank holiday whereas capital controls were imposed in the country concerning the free transfer of capital domestically as well as abroad. Specifically, special authorization processes concerning the payments toward suppliers abroad were imposed which in turn generated significant delays in the processing of transactions, whereas the financial results of the companies were affected by additional operating and administrative costs.

The article 86 of Law 4624/2019 terminated as of 1st September 2019, the capital controls which had been imposed with the first article of the Act of Legislative Content as of 18/07/2015 "Urgent Regulation for imposing certain limits in cash withdrawal and transfer of capital" (A' 84), which was validated by the article 4 of Law 4350/2015 (A' 161), as it is in effect and therefore from the above date onward there is no such risk in relation to the transfer of capital.

In the context of its ordinary business activities, the Group is exposed to the following financial risks within the scope of its basic activity:

- Credit risk
- Liquidity risk
- Market risk

The risk management policy is focused on the volatility of financial markets with the objective of minimizing the factors that may negatively affect its financial performance.

The risk management policies are applied in order to recognize and analyze risks which the Group faces, to set limits on risks assumed and to apply controls to such limits. The systems and policies applied are periodically reviewed to incorporate changes observed in market conditions and the Group's activities.

The risk management is performed by the Company's Finance Department, in cooperation with the Group's other departments and according to the guidelines and approvals of the Company's Board of Directors.

Adherence to risk management policies and procedures is controlled by the Internal Audit Department, which performs ordinary and extraordinary audits on the application of procedures, the findings of which are disclosed to the Board of Directors.

1) Credit risk

Due to the great dispersion of its clientele (no client exceeds 5% of total sales), the Group does not have a significant concentration of credit risk. Based on the credit policy approved by the Group companies' Board of Directors, all new clients are examined on an individual basis in terms of their creditworthiness prior to the proposal of the standard payment terms. Credit limits are set for each client; these are reviewed depending on ongoing conditions and, if necessary, the sales and collection terms are adjusted. As a rule, customer credit limits are determined on the basis of the insurance limits set for them by the insurance companies. While monitoring credit risk of customers, such are grouped according to their credit profile, the maturity of their receivables and any prior collection problems that may have emerged. Customer receivables mainly include the Group's wholesale clients.

Clients characterized as "high risk" are placed in a special client list and future sales are to be pre-collected and approved by the Board of Directors. At the same time, the Group makes impairment provisions which reflect its estimation on losses related to clients and other receivables. This provision mainly consists of impairment loss of specific receivables which are estimated on the basis of given conditions that such will be collected, but have not yet been finalized.

The amount of the impairment loss is estimated as the difference between the book value of receivables and the present value of estimated future cash flows, discounted by the initial effective interest rate. The impairment loss amount is accounted for as an expense in the results. Receivables which are assessed as bad debts are written off.

The credit risk is limited to 20% of the total trade receivables, on the basis of the Group's insurance policies. The margin of this risk is limited even further as tangible or other guarantees (such as letters of guarantee) are requested wherever deemed necessary.

2) Liquidity risk

Liquidity risk is the risk that the Group might be unable to meet its financial liabilities when these become due. The approach adopted by the Group to manage liquidity is to secure the necessary cash and sufficient credit limits from the banks with which it cooperates, so that there is the appropriate liquidity for the fulfillment of the financial liabilities, under standard as well as unfavorable conditions without incurring unacceptable loss or risking its reputation. In order to minimize the liquidity risks, the finance division of the Group makes an annual provision for cash flows for the fiscal year when preparing its annual budget and a monthly rolling three-month provision so as to secure that it has sufficient cash to meet its operating needs, including its financial liabilities. This policy does not take into account the impact of extreme conditions, which cannot be foreseen. For this reason, the Management of the Group, by assessing the market conditions each time, maintains a certain amount of cash reserves for defensive purposes, in order to face any extreme or extraordinary situations.

It is noted that for the entire debt obligations of the Group no tangible asset has been placed as collateral in favor of the banks, an element which indicates the especially high creditworthiness of the Group.

On 30/06/2020, the company and the group held cash and cash reserves of € 2.3 million and € 2.4 million respectively.

3) Market risk

Market risk is the risk of change in prices of raw materials procured by the Group, the risk of change in the foreign exchange rates that the Group conducts transactions in and the risk of change in interest rates that the Group borrows at and which can affect the Group's results. The purpose of risk management against market conditions is to determine and control the Group's exposure to those risks, within the context of acceptable parameters while at the same time optimizing its performance.

- **Metal (iron, steel, etc.) Raw Material Price Volatility Risk**

The Group conducts its purchases mainly in the global steel market under normal market terms. Each change in the market price of raw materials is discounted for in the sales price, resulting in changes in the Group's profit margin during periods of big price fluctuations for raw materials in the world market. More specifically, in periods during which prices follow an upward trend, the Group's profit margins improve, as the upward trend is transferred to the sales prices. Accordingly, when raw material prices follow a declining trend, the Group's profit margins decrease.

The Group does not apply hedging to cover its basic operating reserve, which means that any increase/decrease of metal prices may affect its results accordingly through depreciation or appreciation of inventories.

- **Foreign exchange risk**

The Group is exposed to foreign exchange risk from the purchase of inventories it makes in $ (US Dollar), from the deposits denominated in $ (US Dollar) as well as from the joint venture BALKAN IRON GROUP SRL, based in Romania, whose operating currency unit is the RON.

The Group's borrowings are euro denominated in their entirety while there are no receivables denominated in foreign currency.

Foreign currency is purchased in advance in order for the Company to limit its foreign exchange risk emerging from inventory purchase. The total liabilities of the Group as of 30.06.2020, as well as the liabilities that will arise from the agreements signed until 30.06.2020, are covered by equivalent purchases in advance of foreign currency and as a result there is no foreign exchange risk associated with the fluctuations of the US Dollar.

An increase by 10% of the Euro versus the US$ and of the Euro versus the RON on 30 June would affect the equity and the results by negligible amounts for the Company.

- **Interest rate risk**

Interest rate risk arises mainly from long-term and short-term bank loans in € at the floating rate of Euribor.

The Group finances its investments, as well as its need for working capital, through equity, short-term bank loans, long-term and bond loans and as a result is burdened by interest expenses. Increasing trends in interest rates shall negatively affect results, as the Group incurs the additional borrowing cost.

The impact on the Results and Equity of the Group and Company would be as follows, if the interest rates of loans (Euribor) would be 1% higher/lower on average during the first half of 2020:

Amounts in € million	Loans 30.06.2020	Effect on results before tax (+ / -)
Group	34.2	0.17
Company	33.8	0.17

This would occur due to the higher/lower financial cost of bank borrowing with a floating rate in euro.

A smaller effect results from interest related income, from term deposits in euro.

The impact on the Results and Equity of the Group and Company would be as follows, if the interest rate on term deposits would be 1% higher/lower on average during the first half of 2020:

Amounts in € million	Sight and term deposits 30.06.2020	Effect on results before tax (+ / -)
Group	2.4	0.01
Company	2.3	0.01

This would occur due to the higher/lower financial income from term deposits.

- **Risk of Capital**

The purpose of the management in relation to capital management is to ensure the smooth and uninterrupted operation of activities with the objective of providing satisfactory returns to shareholders, and to maintain as much as possible an ideal capital structure, thus reducing the cost of capital. For this reason, the management, according to the prevailing conditions, may adjust its dividend policy, increase its share capital or sell assets in order to reduce debt.

Amounts in €

Company Data	30.06.2020	30.06.2019
Total debt	33,829,000.01	38,270,000.01
Minus: Cash and cash equivalents	2,281,943.07	9,083,570.61
Net debt	**31,547,056.94**	**29,186,429.40**
Total equity	63,251,961.12	65,487,745.60
EBITDA	930,874.16	1,468,327.97
Equity / Net debt	**2.01**	**2.24**
Net / EBITDA	**33.89**	**19.88**

Amounts in €

Group Data	30.06.2020	30.06.2019
Total debt	34,190,419.01	39,141,343.01
Minus: Cash and cash equivalents	2,432,721.76	9,170,795.21
Net debt	**31,757,697.25**	**29,970,547.80**
Total equity	63,383,179.64	65,021,800.80
EBITDA	1,377,072.79	1,796,668.55
Equity / Net debt	**2.00**	**2.17**
Net / EBITDA	**23.06**	**16.68**

- **Risks and impact due to COVID-19**

It is a fact that the unprecedented conditions that the world economy is experiencing due to the Covid-19 pandemic have affected the financial results of many companies. In Greece, through the protection measures taken in a very short time, the resumption of economic activity was faster compared to other countries, but the time required for full recovery may be longer due to the multi-year economic crisis and the dependence of the Greek economy on sectors significantly affected. In addition, the possibility of taking new measures in the near future is expected to have an economic impact, the magnitude of which will depend on the extent and duration of such measures and cannot be accurately determined at this stage. The steel industry in Greece in the first quarter of 2020 and until the implementation of the protection measures, showed positive signs with improved demand and rising prices of raw materials. In this context, the steel sector of the group showed an increase in activity in Greece and abroad, but also a significant improvement in its results compared to the same period last year. However, the course of the results during the second quarter of the year was reversed by a fall in demand and a decline in raw material prices following the international and domestic contraction of economic activity as a result of strict measures to reduce the effects of Covid-19 pandemic. With regard to the course of the Group during the 3rd quarter of 2020, it is noted that the level of activity shows an improvement with a significant increase in demand, driven mainly by the sectors of energy, infrastructure, shipbuilding, construction, as well as new foreign markets. At the same time, the rise in raw material prices since the end of the second quarter contributed to the significant improvement in operating profit margins. Concerning the last 3 months of the year, the Management cannot proceed with reliable forecasts due to the changing conditions regarding the development of the pandemic, the measures that may be taken and the extent to which they will affect the growth of economic activity. However, the improvement in demand is expected to continue, provided that there are no further negative effects on the continuation of economic activity from the intensity and duration of the pandemic. In this context, Elastron group has taken all necessary measures, while it has the required capital adequacy, liquidity, but also access to financing lines to deal with the current negative conditions. At the same time, it continues the implementation of investments that are deemed necessary and are expected to contribute to the improvement of the product range and also to the reduction of operating costs. Finally, having made significant investments in the past years, the Group has the necessary production capacity to meet the increased demand it expects in the coming years.

Regarding the Covid-19 pandemic, the following should be noted:

Evaluation of the effect of Covid-19

The rapid spread of Covid-19 as well as the declaration of a pandemic by the World Health Organization have raised significant issues regarding the magnitude of the impact on the global economy and the economy of each country individually. Unlike other countries both in the European Union and in the rest of the world, our country has moved quickly, coordinated and carefully planned, succeeding to date in reducing the uncontrolled spread of the virus and preventing the overload of the public health system.
On the front of the economy in Greece, many companies were forced to cease operations as a result of state planning to limit the spread of the disease, while an equally significant number of companies were materially affected by a sharp decline in business activity and turnover in Greece and abroad.
Taking into account the above, the management of the group and the company proceeded with a series of actions for the risk assessment, the planning and the implementation of specific measures in order to shield the company and to ensure the smooth continuation of its business activity.
The company's strategy for dealing with the effects of Covid-19 is based on the following three areas and is regularly reviewed:

- Health & safety of employees and partners
- Continuation of the business activity
- Protection of financial position & liquidity

Health & safety of employees and partners

To protect the health & safety of both its personnel and partners, the company has taken a series of measures which are summarized as follows:

- Temporary suspension of all business trips of the personnel within the country, as well as reduction of the frequency of visits of third parties within the company's facilities to the absolutely necessary ones, with simultaneous application of all defined protection measures.
- Temporary restriction of all corporate meetings and their replacement with teleconferences.
- Provision and placement of personal means of protection and hygiene in conspicuous places of the company (protective masks, antiseptic liquids), application of hand disinfection measures and heat measurement when the personnel enters the workplaces.
- Disinfection of the company's facilities by specialized disinfection crews at regular basis.
- Implementation of measures in order to avoid overcrowding and maintain a safe distance between employees in accordance with the recommendations of the competent bodies.
- Organizing and encouraging “work from home” wherever or whenever possible, through the provision of appropriate PC equipment.
- Carrying out a mandatory preventive test for Covid-19 on all staff after returning from summer leave, at the expense of the company.

Continuation of activity

The main activity of the group is that of trading and processing of steel products. The management of Elastron in collaboration with the competent departments, carries out continuous evaluation of market data, taking the necessary measures to ensure the continuation of its business activity in an ever-changing environment. It is a fact that a significant part of geographical markets, professions and customers absorbing steel products were significantly affected mainly during the second quarter, by the mandatory restrictions imposed in Greece and abroad to limit the spread of the disease, with a direct impact on the level of economic activity of the steel industry in particular. By the date of publication of the semi-annual financial report, the demand for steel products shows signs of recovery, however, it is not possible to accurately predict its course in the coming months. The company has the necessary amount of raw materials and available stocks to serve both existing and new orders. The supply of raw materials continues normally through well-known international steel mills and with the necessary geographical dispersion, in order to ensure the smooth continuation of the supply chain and production activity of the company. With the existing market conditions, there are no indications that point towards a breach of agreements in both quantities and delivery times of raw materials until the end of the year. At the same time, in order to ensure the continuous and smooth flow of the production process, precautionary hygiene measures are taken in the production facilities, regular health protection briefing is implemented, “distancing” measures are implemented between the employees, while an operational plan is in place to deal with possible or confirmed Covid-19 cases.

Financial Position & Liquidity

At the date of release of the Semi-Annual Financial Report, the group has sufficient cash and access to the necessary credit lines from the cooperating banks, which ensures the necessary liquidity to deal with possible emergencies in the coming months. It is noted that the approved financing lines are fully operational and within the context of the normal business activity of the group, while compliance with the contractual terms for all loan obligations as of 31.12.2019 guarantee the smooth continuation of the financing of all activities. Regarding the impact on the trade receivables of the group, it is noted that there has been no significant delay in their repayment timeline, despite the support measures provided to the issuers of such claims belonging to the sectors of the affected companies, according to the relevant codification system. In any case, the terms of cooperation with both existing and new customers are evaluated, while the absorption of about 30% of sales volume from Western European markets reduces the exposure to any credit risk issues deriving from the Greek market. It is emphasized that the management of the group in collaboration with the financial division has prepared various scenarios of cash flow sensitivity to address the situation in the coming months.

F. Future Outlook

Regarding the course of the Group in the current third quarter of 2020, the level of business activity shows signs of improvement with a significant increase in demand, driven mainly by the sectors of energy, infrastructure, shipbuilding, construction, as well as new foreign markets. At the same time, the rise in raw material prices since the end of second quarter has contributed to the improvement in operating profit margins. The Management cannot proceed with reliable forecasts for the last 3 months of year 2020 due to the changing conditions regarding the course of the Covid-19 pandemic, the measures that may be taken and the extent to which such measures might affect the growth of economic activity. However, the improvement in demand is expected to continue, provided that there are no further negative effects on the smooth continuation of business activity from the intensity and duration of the pandemic.

G. Transactions with Related Parties

The amounts of the Group's and Company's sales and purchases, from and towards related parties, as well as the balances of receivables and liabilities, are analyzed as follows:

(a) Intra-company sales / purchases on 30.06.2020 and 30.06.2019 respectively:

Amounts in €	SALES 30.06.2020			
PURCHASES 30.06.2020	**ELASTRON S.A.**	**THRACE GREENHOUSES SA**	**NORTHERN GREECE METAL PRODUCTS S.A.**	**TOTAL**
ELASTRON S.A.	0.00	0.00	0.00	**0.00**
THRACE GREENHOUSES S.A.	26,686.40	0.00	0.00	**26,686.40**
PHOTOENERGY S.A.	24,800.00	0.00	0.00	**24,800.00**
PHOTODEVELOPMENT S.A.	55,700.00	0.00	0.00	**55,700.00**
PHOTODIODOS S.A.	49,060.00	0.00	0.00	**49,060.00**
PHOTOKYPSELI S.A.	16,900.00	0.00	0.00	**16,900.00**
ILIOSKOPIO S.A.	23,350.00	0.00	0.00	**23,350.00**
PHOTOISHIS LTD	5,750.00	0.00	0.00	**5,750.00**
NORTHERN GREECE METAL PRODUCTS S.A.	0.00	0.00	0.00	**0.00**
TOTAL	**202,246.40**	**0.00**	**0.00**	**202,246.40**

Amounts in €	SALES 30.06.2019			
PURCHASES 30.06.2019	**ELASTRON S.A.**	**THRACE GREENHOUSES SA**	**NORTHERN GREECE METAL PRODUCTS S.A.**	**TOTAL**
ELASTRON S.A.	0.00	0.00	0.00	**0.00**
THRACE GREENHOUSES S.A.	7,613.14	0.00	0.00	**7,613.14**
PHOTOENERGY S.A.	25,800.00	0.00	0.00	**25,800.00**
PHOTODEVELOPMENT S.A.	58,200.00	0.00	0.00	**58,200.00**
PHOTODIODOS S.A.	51,360.00	0.00	0.00	**51,360.00**
PHOTOKYPSELI S.A.	17,400.00	0.00	0.00	**17,400.00**
ILIOSKOPIO S.A.	24,300.00	0.00	0.00	**24,300.00**
PHOTOISHIS LTD	6,900.00	0.00	0.00	**6,900.00**
TOTAL	**191,573.14**	**0.00**	**0.00**	**191,573.14**

(b) Intra-company receivables / liabilities on 30.06.2020 and 31.12.2019 respectively:

Amounts in €	RECEIVABLES 30.06.2020			
LIABILITIES 30.06.2020	**ELASTRON S.A.**	**THRACE GREENHOUSES SA**	**NORTHERN GREECE METAL PRODUCTS S.A.**	**TOTAL**
ELASTRON S.A.	0.00	50,460.61	0.00	**50,460.61**
THRACE GREENHOUSES S.A.	33,091.14	0.00	0.00	**33,091.14**
PHOTOENERGY S.A.	154,500.00	0.00	0.00	**154,500.00**
PHOTODEVELOPMENT S.A.	434,500.00	0.00	0.00	**434,500.00**
PHOTODIODOS S.A.	384,500.00	0.00	0.00	**384,500.00**
PHOTOKYPSELI S.A.	74,500.00	0.00	0.00	**74,500.00**
ILIOSKOPIO S.A.	144,500.00	0.00	0.00	**144,500.00**
PHOTOISHIS LTD	309,422.04	0.00	0.00	**309,422.04**
NORTHERN GREECE METAL PRODUCTS S.A.	336,090.32	0.00	0.00	**336,090.32**
BALKAN IRON GROUP SRL	155,700.00	0.00	0.00	**155,700.00**
KALPINIS SIMOS BULGARIA EOOD	810,000.00	0.00	0.00	**810,000.00**
TOTAL	**2,836,803.50**	**50,460.61**	**0.00**	**2,887,264.11**

Amounts in €

LIABILITIES 31.12.2019	RECEIVABLES 31.12.2019			
	ELASTRON S.A.	THRACE GREENHOUSES SA	NORTHERN GREECE METAL PRODUCTS S.A.	TOTAL
ELASTRON S.A.	0.00	50,460.61	0.00	**50,460.61**
THRACE GREENHOUSES S.A.	93,000.59	0.00	0.00	**93,000.59**
PHOTOENERGY S.A.	154,500.00	0.00	0.00	**154,500.00**
PHOTODEVELOPMENT S.A.	434,500.00	0.00	0.00	**434,500.00**
PHOTODIODOS S.A.	384,500.00	0.00	0.00	**384,500.00**
PHOTOKYPSELI S.A.	74,500.00	0.00	0.00	**74,500.00**
ILIOSKOPIO S.A.	144,500.00	0.00	0.00	**144,500.00**
PHOTOISHIS LTD	354,422.04	0.00	0.00	**354,422.04**
NORTHERN GREECE METAL PRODUCTS S.A.	291,090.32	0.00	0.00	**291,090.32**
BALKAN IRON GROUP SRL	155,700.00	0.00	0.00	**155,700.00**
KALPINIS SIMOS BULGARIA EOOD	810,000.00	0.00	0.00	**810,000.00**
TOTAL	**2,896,712.95**	**50,460.61**	**0.00**	**2,947,173.56**

	GROUP		COMPANY	
	1.1-30.06		1.1-30.06	
Amounts in €	2020	2019	2020	2019
c) Transactions and remuneration of Board Members & senior executives				
Transactions and remuneration of Board Members	239,560.83	244,846.91	239,560.83	244,846.91
Transactions and remuneration of senior executives	44,341.67	44,341.67	44,341.67	44,341.67
Transactions and remuneration of other related entities	38,570.18	33,238.84	34,332.18	33,238.84
Receivables from senior executives and Board members	0.00	0.00	0.00	0.00
Liabilities to senior executives and Board members	0.00	0.00	0.00	0.00

Senior executives according to IAS 24 are those individuals that have the authority and responsibility for the planning, management and control of the entity's activities, directly or indirectly, and include all members of the Board of Directors (executive and non-executive) of the entity, as well as all other senior executives according to the above definition.

H. Announcement of interim financial statements

The interim Financial Report of ELASTRON Group including the Management Report of the Board of Directors as integral part of the report for the period ended on 30/06/2020 have been uploaded in the webpage of the company at http://www.elastron.gr .

I. Significant Events after the reporting date of the Statement of Financial Position

There are no events after the reporting date of 30/06/2020 that may significantly affect the financial position and the results of the company and the group.

Review Report of Independent Certified Auditor - Accountant

To the Board of Directors of the Company “ELASTRON S.A. – STEEL SERVICE CENTERS”

Review Report on Interim Financial Information

Introduction

We have reviewed the accompanying separate and consolidated statement of financial position of the Company “ELASTRON S.A. – STEEL SERVICE CENTERS”, as at 30 June 2020 and the relative separate and consolidated statements of income and other comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes, that constitute the condensed interim financial information, which is an integral part of the six-month financial report under the L.3556/2007.

Management is responsible for the preparation and presentation of this condensed interim financial information, in accordance with International Financial Reporting Standards, as adopted by the European Union (EU) and which apply to Interim Financial Reporting (International Accounting Standard “IAS 34”). Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that have been incorporated into the Greek Legislation and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard “IAS 34”.

Report on other Legal and Regulatory Requirements

Our review did not identify material inconsistency or error in the statements of the members of the Board of Directors and the information of the six-month Financial Report of the Board of Directors as these are defined in article 5 and 5a of L. 3556/2007, with respect to the condensed interim separate and consolidated financial information.

Athens, 25 September 2020

EFSTATHIOS I. KARALIS
Certified Public Accountant Auditor
Institute of CPA (SOEL) Reg. No. 40311

SOL S.A.
Member of Crowe Global
3, Fok. Negri Str., 112 57 Athens, Greece
Institute of CPA (SOEL) Reg. No. 125

ELASTRON
STEEL SERVICE CENTERS

1. Statement of Financial Position

(Amounts in €)	Note	GROUP 30.06.2020	GROUP 31.12.2019	COMPANY 30.06.2020	COMPANY 31.12.2019
ASSETS					
Non Current Assets					
Self-used tangible assets	6	60,131,351.57	60,228,167.81	45,999,604.70	45,805,651.82
Investment property	6,7	2,997,514.61	3,029,345.46	2,997,514.61	3,029,345.46
Intangible assets	6	52,163.26	60,829.79	52,163.26	60,829.79
Investment in associates, subsidiaries and joint ventures	2.3. 21	4,196,652.04	4,185,135.31	13,218,183.70	13,215,379.04
Long term receivables	8	200,688.63	191,641.38	2,606,254.59	2,514,879.88
Total Non Current Assets		**67,578,370.11**	**67,695,119.75**	**64,873,720.86**	**64,626,085.99**
Current Assets					
Inventories	9	26,778,965.83	28,320,114.07	26,778,965.83	28,320,114.07
Customers	8	15,412,266.66	14,735,383.84	14,975,205.76	14,503,807.65
Other receivables	8	3,104,831.83	1,908,671.50	3,133,282.81	1,929,430.70
Investments	10	265,231.11	24,290.00	265,231.11	24,290.00
Cash and cash equivalents	12	2,432,721.76	14,163,404.82	2,281,943.07	13,990,542.99
Total Current Assets		**47,994,017.19**	**59,151,864.23**	**47,434,628.58**	**58,768,185.41**
Total Assets		**115,572,387.30**	**126,846,983.98**	**112,308,349.44**	**123,394,271.40**
EQUITY					
Shareholders' equity					
Share capital	13	18,410,839.00	18,410,839.00	18,410,839.00	18,410,839.00
Share premium	13	11,171,177.70	11,171,177.70	11,171,177.70	11,171,177.70
Other reserves	13	21,311,142.40	21,284,193.14	21,296,233.39	21,269,284.13
Retained earnings	13	12,490,020.54	13,352,316.87	12,373,711.03	13,270,481.01
Total shareholders' equity		**63,383,179.64**	**64,218,526.71**	**63,251,961.12**	**64,121,781.84**
Minority interest	13	31,584.39	28,645.67	0.00	0.00
Total Equity		**63,414,764.03**	**64,247,172.38**	**63,251,961.12**	**64,121,781.84**
LIABILITIES					
Long-Term liabilities					
Loans	15	22,127,000.00	28,588,000.00	22,127,000.00	28,588,000.00
Provisions for employee benefits	17	706,148.52	698,521.58	702,905.59	695,578.65
Grants (deferred income)	27	3,783,157.98	3,890,812.59	2,804,638.29	2,896,476.26
Liabilities from financial leases	28	736,808.06	966,134.20	395,456.70	614,473.09
Deferred income tax	16	3,353,870.35	3,283,151.59	2,178,266.80	2,166,090.88
Provisions		42,000.00	42,000.00	0.00	0.00
Total Long-term Liabilities		**30,748,984.91**	**37,468,619.96**	**28,208,267.38**	**34,960,618.88**
Short-Term Liabilities					
Suppliers	14	7,537,838.87	14,022,529.58	7,492,614.71	13,982,205.48
Other liabilities	14	1,140,646.24	1,422,472.93	1,007,062.66	1,266,483.17
Liabilities from financial leases	28	664,247.82	717,284.03	643,957.14	697,640.47
Derivatives	11	2,486.42	56,901.39	2,486.42	56,901.39
Short-Term Loans	15	12,063,419.01	8,912,003.71	11,702,000.01	8,308,640.17
Total Short-Term Liabilities		**21,408,638.36**	**25,131,191.64**	**20,848,120.94**	**24,311,870.68**
Total Liabilities		**52,157,623.27**	**62,599,811.60**	**49,056,388.32**	**59,272,489.56**
Total Equity and Liabilities		**115,572,387.30**	**126,846,983.98**	**112,308,349.44**	**123,394,271.40**

ELASTRON
STEEL SERVICE CENTERS

2. Statement of Income and Other Comprehensive Income

(Amounts in €)		GROUP		COMPANY	
	Note	1.1 – 30.06.20	1.1 – 30.06.19	1.1 – 30.06.20	1.1 – 30.06.19
Sales	19	47,318,380.08	58,112,931.90	46,615,346.19	57,446,929.72
Cost of sales	20	-41,983,618.30	-52,390,133.58	-41,751,598.42	-52,119,633.06
Gross profit / (loss)		**5,334,761.78**	**5,722,798.32**	**4,863,747.77**	**5,327,296.66**
Other income	20	1,033,042.04	952,783.89	1,137,209.05	1,064,012.16
Distribution expenses	20	-4,805,802.92	-4,813,372.87	-4,805,802.92	-4,813,372.87
Administration expenses	20	-1,221,219.19	-1,352,957.62	-1,123,380.65	-1,233,469.72
Other expenses	20	-172,455.22	-224,637.18	-74,410.65	-68,954.93
Earnings / (losses) before interest and taxes (EBIT)		**168,326.49**	**284,614.54**	**-2,637.40**	**275,511.30**
Financial income	20	92,898.48	125,373.51	151,385.51	188,247.43
Financial cost	20	-1,069,890.84	-1,184,571.86	-1,041,852.46	-1,144,416.07
Income/(expenses) of companies consolidated with the equity method	20	18,063.97	-40,444.96	0.00	0.00
Earnings / (losses) before taxes (EBT)		**-790,601.90**	**-815,028.77**	**-893,104.35**	**-680,657.34**
Income Tax	16, 20	-62,208.47	-437,392.69	-3,665.63	-304,634.14
Earnings / (losses) after taxes (EAT) (a)		**-852,810.37**	**-1,252,421.46**	**-896,769.98**	**-985,291.48**
Attributed to:					
Shareholders of the parent		-855,749.09	-1,253,773.84	-896,769.98	-985,291.48
Minority interest		2,938.72	1,352.38	0.00	0.00
Other comprehensive income / (expenses) after taxes (b)	20	20,402.02	363.34	26,949.26	363.42
Total comprehensive income/ expenses after taxes (a) + (b)		**-832,408.35**	**-1,252,058.12**	**-869,820.72**	**-984,928.06**
Attributed to:					
Shareholders of the parent		-835,347.07	-1,253,410.50	-869,820.72	-984,928.06
Minority interest		2,938.72	1,352.38	0.00	0.00
Earnings / (losses) after taxes per share – basic (in €)	22	-0.0465	-0.0681	-0.0487	-0.0535
Earnings / (losses) before interest, tax, depreciation and amortization (EBITDA)		**1,377,072.79**	**1,796,668.55**	**930,874.16**	**1,468,327.97**

ELASTRON
STEEL SERVICE CENTERS

3. Statement of Changes in Equity

(A) STATEMENT OF CHANGES IN GROUP'S EQUITY

(Amounts in €)	Note	Corresponding to shareholders of the parent			Minority interest	Total Equity
		Share Capital	Share Premium	Reserves & Retained earnings		
Balance on 01.01.2019	13	**18,410,839.00**	**11,171,177.70**	**36,761,615.30**	**31,891.44**	**66,375,523.44**
Net Profit / (Loss) for the period recorded in total	13	0.00	0.00	-1,997,530.44	3,028.64	-1,994,501.80
Hedging result	13	0.00	0.00	-26,232.02	0.00	-26,232.02
Foreign exchange differences from consolidation	13	0.00	0.00	-32,922.04	0.00	-32,922.04
Effect from IFRS 16	13	0.00	0.00	-68,420.79	-6,274.41	-74,695.20
Balance on 31.12.2019	13	**18,410,839.00**	**11,171,177.70**	**34,636,510.01**	**28,645.67**	**64,247,172.38**
Net Profit / (Loss) for the period recorded in total	13	0.00	0.00	-855,749.09	2,938.72	-852,810.37
Hedging result	11,13	0.00	0.00	26,949.26	0.00	26,949.26
Foreign exchange differences from consolidation	13	0.00	0.00	-6,547.24	0.00	-6,547.24
Balance on 30.06.2020	13	**18,410,839.00**	**11,171,177.70**	**33,801,162.94**	**31,584.39**	**63,414,764.03**

(B) STATEMENT OF CHANGES IN COMPANY'S EQUITY

(Amounts in €)	Note	Corresponding to shareholders of the parent			Total Equity
		Share Capital	Share Premium	Reserves & Retained earnings	
Balance on 01.01.2019	13	**18,410,839.00**	**11,171,177.70**	**36,897,186.37**	**66,479,203.07**
Net Profit / (Loss) for the period recorded in total	13	0.00	0.00	-2,324,659.80	-2,324,659.80
Effect from IFRS 16	13	0.00	0.00	-6,529.41	-6,529.41
Hedging result	13	0.00	0.00	-26,232.02	-26,232.02
Balance on 31.12.2019	13	**18,410,839.00**	**11,171,177.70**	**34,539,765.14**	**64,121,781.84**
Net Profit / (Loss) for the period recorded in total	13	0.00	0.00	-896,769.98	-896,769.98
Hedging result	11.13	0.00	0.00	26,949.26	26,949.26
Balance on 30.06.2020	13	**18,410,839.00**	**11,171,177.70**	**33,669,944.42**	**63,251,961.12**

ELASTRON
STEEL SERVICE CENTERS

4. Statement of Cash Flows

(Amounts in €)	GROUP		COMPANY	
	1.1-30.06.2020	1.1-30.06.2019	1.1-30.06.2020	1.1-30.06.2019
Operating Activities				
Earnings before Tax (EBT)	-790,601.90	-815,028.77	-893,104.35	-680,657.34
Plus / minus adjustments for:				
Depreciation & amortization	1,316,400.91	1,554,823.87	1,025,349.52	1,213,404.80
Depreciation of grants	-107,654.61	-42,769.86	-91,837.97	-20,588.13
Provisions	7,626.94	17,390.51	7,326.94	17,090.51
Impairment of assets	14,619.02	52,850.75	14,619.02	47,001.12
Results (income, expenses, profit and loss) from investment activity	-20,597.32	-43,009.89	-2,533.37	-2,564.93
Debit interest and related expenses	1,069,890.84	1,184,571.86	1,041,852.46	1,144,416.07
	1,489,683.88	1,908,828.47	1,101,672.25	1,718,102.10
Plus/minus adjustments for changes in working capital accounts or those related to operating activities				
Decrease / (increase) of inventories	1,541,148.24	8,849,409.41	1,541,148.24	8,845,597.79
Decrease / (increase) of receivables	-1,888,697.85	2,759,780.11	-1,773,228.23	7,203,299.08
(Decrease) / increase of liabilities (apart from banks)	-6,907,099.18	-1,049,297.36	-6,831,106.00	-1,079,035.81
Minus:				
Debit interest and related expenses paid	-1,019,042.52	-1,272,227.95	-1,048,492.62	-1,230,416.07
Taxes paid	-8,011.57	-12,085.04	-8,015.72	-12,085.04
Total inflows/(outflows) from operating activities (a)	**-6,792,019.00**	**11,184,407.64**	**-7,018,022.08**	**15,445,462.05**
Investment Activities				
Acquisition of subsidiaries, associates, joint ventures and other investments	0.00	-785,000.00	-2,804.66	-5,135,000.00
Purchase – Sale of Securities	-239,445.29	0.00	-239,445.29	0.00
Purchase of tangible and intangible fixed assets	-1,036,941.98	-824,696.04	-1,036,659.72	-824,696.04
Proceeds from sales of tangible and intangible assets	4,100.00	16,000.00	4,100.00	16,000.00
Interest received	25.62	13.52	25.62	13.52
Total cash inflows/(outflows) from investment activities (b)	**-1,272,261.65**	**-1,593,682.52**	**-1,274,784.05**	**-5,943,682.52**
Financial Activities				
Proceeds from share capital increase	25,500,000.00	28,411,000.00	25,500,000.00	28,411,000.00
Loan repayments	-28,801,946.00	-32,251,946.00	-28,561,000.00	-32,011,000.00
Repayment of liabilities from financial leases	-364,456.41	-349,648.93	-354,793.79	-340,592.82
Total cash inflows/(outflows) from financial activities (c)	**-3,666,402.41**	**-4,190,594.93**	**-3,415,793.79**	**-3,940,592.82**
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	**-11,730,683.06**	**5,400,130.19**	**-11,708,599.92**	**5,561,186.71**
Cash and cash equivalents at the beginning of the period	14,163,404.82	3,770,665.02	13,990,542.99	3,522,383.90
Cash and cash equivalents at the end of the period	**2,432,721.76**	**9,170,795.21**	**2,281,943.07**	**9,083,570.61**

Notes on the Financial Statements

1. General Information

The Company "ELASTRON S.A.- STEEL SERVICE CENTERS" was founded in 1958 as a Limited Liability Company and in 1965 was converted to an S.A. Company. It has its headquarters in Aspropyrgos Municipality (Ag. Ioannou venue, Stefani) and it is registered with the Ministry of Development, General Secretariat of Commerce, Corporations and Credit Directorate, under S.A. Company Registration Number 7365/06/B/86/32.

The Company's main activity is the import, processing, and trade of steel, steel plates, iron and metal goods, and similar goods.

The Company's shares are listed and traded on the Athens Exchange since 1990.

The Company has no disputes in litigation or in arbitration, nor are there any decisions by judicial or arbitration bodies that may have a significant impact on its financial position situation or operation.

The Company's website is **http://www.elastron.gr.**

The Semi-Annual Financial Statements of 30.06.2020 was approved by the Company's Board of Directors on 23.09.2020.

2. Significant accounting principles used by the Group

2.1 New standards, interpretations and amendments to existing standards

New standards, amendments of standards and interpretations have been issued and are mandatory for annual accounting periods beginning on or after 1st January 2020.
Unless it is otherwise started, all other amendments and interpretations that are in effect for the first time in year 2020do not affect the Group's consolidated financial statements. The Group did not proceed with early adoption of any standards, interpretations or amendments issued by the IASB and adopted by the European Union and which are not mandatory in the year 2020.

<u>Standards and Interpretations mandatory for the current fiscal year 2020</u>

Amendments to References to the Conceptual Framework in IFRS (released on 29th March 2018)

On 29th March 2018, the International Accounting Standards Board released the revised conceptual framework which redefines:
-the purpose of the financial information,
-the quality features of the financial statements,
-the definitions of the asset, the liability, the net worth as well as the income and expenses,
-the recognition criteria and the guidance with regard to the time of the write-off of the assets and liabilities in the financial statements,
-the basis of valuation and the guidance concerning the manner by which they should be used, and
-Concepts and guidance with regard to the presentation and the disclosures.

The scope of the revision of the conceptual framework is to assist in the preparation of the financial statements based on the adoption of consistent accounting policies for transactions and other events which are not governed by the scope or the application of existing standards or when a standard provides the option to select from a set of accounting policies. Furthermore, the scope of the revision is to assist all involved parties to further and better comprehend and interpret the standards.

The IASB (International Accounting Standards Board) also issued an attached document, Amendments to References of the Conceptual Framework, which determines the amendments of the standards affected, in order to update these references to the conceptual framework.

The amendment is applicable from the parties applying accounting policies based on the conceptual framework in the annual accounting periods beginning on or after 1st January 2020.

IAS 1 and IAS 8 (Amendments) "Definition of Material"

On October 31, 2018, the IASB, in the framework of the disclosures initiative, issued amendments to IAS 1 and IAS 8, which clarify the definition of what is material and how it should be implemented, including guidance on the definition that has so far been reported in other IFRSs. The new provision stipulates that information is material if the fact of omission, concealment or inaccurate disclosure is reasonably intended to affect the decisions taken by the main users of the financial statements based on those statements. The amendments include examples of circumstances that may lead to the concealment of material information. The definition of material, which is an important accounting concept in IFRS, helps companies to decide whether the information should be included in their financial statements. The updated definition amends IAS 1 "Presentation of Financial Statements" and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". The amendment ensures that the definition of material is consistent across all IFRS standards. The amendment shall apply from or after 1 January 2020.

Amendments to IFRS 9, IAS 39 and IFRS 7 – "Interest rate benchmark reform"

On 26 September 2019, the Council adopted amendments to IFRS 9, IAS 39 and IFRS 7 in order to address the impact on financial reporting of the reform of interest rate benchmarks over the period prior to the replacement of an existing benchmark rate with an alternative interest rate. The amendments provide temporary and limited exceptions to the requirements of the international accounting standard (IAS) 39 "Financial Instruments: Recognition and measurement" and of the International Financial Reporting Standard (IFRS) 9 "Financial Instruments" so that companies can continue to meet the requirements, assuming that the existing interest rate reporting criteria do not change due to the reform of the interbank lending rate.

Exceptions apply to the following provisions:
- The requirement of a very high probability of fulfillment with regard to cash flow hedging,
- The evaluation of the economic relationship between the hedged item and the hedging instrument,
- Identifying a component of an item as a hedged item.

The amendment applies to the annual accounting periods beginning on or after 1 January 2020.

IFRS 3 (Amendment) "Business Combinations"

The amendment concerns the improvement of the company's definition in order to help companies determine whether or not they are acquiring a business or group of assets. The modified business definition focuses on the output of a business, which is the supply of goods and services to customers, while the former definition focused on returns in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants.
In addition, the amendment adds guidance for assessing whether an acquired procedure is substantial and introduces an optional fair value collection exercise with illustrative examples.
Companies are required to apply the amended definition of the entity to acquisitions on or after 1 January 2020.

Standards and Interpretations mandatory for subsequent periods that have not been applied earlier by the Company (or the Group) and have not been adopted by the EU:

The following amendments are not expected to have a material impact on the financial statements of the Company (or the Group) unless otherwise stated.

IFRS 17 "Insurance Contracts"

On May 18, 2017, the IASB issued the IFRS 17 which supersedes the existing standard IFRS 4. IFRS 17 establishes the principles for the recording, valuation, presentation and the disclosures of the insurance contracts with the aim to provide a more unified approach in terms of valuation and presentation for all insurance contracts.

According to the requirements of IFRS 17 the valuation of insurance obligations is not performed at the historic cost but instead at the current value in a prudent manner and with the use of:

- unbiased expected weighted estimates of future cash flows based on updated assumptions,
- discount rates that reflect the characteristics of the contracts' cash flows,
- estimates with regard to financial and non-financial risks that emerge from the issuance of insurance contracts.

The new standard is applicable for annual accounting periods beginning on or after 1 January 2021.
It is also noted that in November 2018 the IASB proposed the transfer of the date for the mandatory implementation of the new standard setting 1.1.2023 as the new date.

IAS 1 (Amendment) "Classification of liabilities into short-term or long-term ones"
The amendment only affects the presentation of liabilities in the statement of financial position. The amendment clarifies that the classification of liabilities should be based on existing rights at the end of the reporting period. The amendment also clarified that the Management's expectations for the events that are expected to occur after the balance sheet date should not be taken into account and clarified the cases that constitute a settlement of the obligation.
The amendment shall apply to the annual accounting periods beginning on or after 1 January 2022.

IFRS 16 Leases (Amendment) "Covid-19-Related Rent Concessions" (issued on 28 May 2020)

The International Accounting Standards Board, responding to the effects of the COVID-19 pandemic, issued an amendment to IFRS 16 Leases to enable the lessee not to account for lease reductions as a lease amendment if they are a direct consequence of COVID-19 and meet certain conditions.
The amendment applies to annual accounting periods beginning on or after 1 June 2020.

IFRS 4 Insurance Contracts – (Amendment) Deferral of effective date of IFRS 9 (issued on 25 June 2020)

This amendment postponed the implementation date by two years, to annual reporting periods beginning on or after 1 January 2023 in order to allow time for the smooth adoption of the amended IFRS 17 by jurisdictions worldwide. This will allow more insurers to apply the new Standard at the same time. In addition, IFRS 4 has been amended so that insurance entities can apply IFRS 9 Financial Instruments in parallel with IFRS 17.

IAS 16 (Amendment) "Property, Plant and Equipment: Proceeds before Intended Use (issued on 28 May 2020)

The amendment prohibits an entity from deducting from the cost of property, plant and equipment any revenue received from the sale of items produced while the entity prepares the asset for its intended use. It also requires entities to disclose separately the amounts of revenue and expense associated with such items produced that are not the result of the entity 's normal operation.
The amendment applies to annual accounting periods beginning on or after 1 January 2022.

IAS 37 (Amendment) :Onerous Contracts – Cost of fulfilling a contract" (issued on 28 May 2020)

The amendment clarifies that "the cost of fulfilling a contract" includes the directly related costs of fulfilling that contract and the allocation of other costs directly related to its performance. The amendment also clarifies that, before recognizing a separate provision for an onerous contract, an entity recognizes an impairment loss on the assets used to perform the contract, and not on assets that were solely committed to that contract.
The amendment applies to annual accounting periods beginning on or after 1 January 2022.

IFRS 3 (Amendment) "Reference to the Conceptual Framework" (issued on 28 May 2020)

The amendment updated the standard to refer to the Conceptual Framework for the Financial Reporting issued in 2018, when it should be determined what constitutes an asset or liability in a business combination. In addition, an exception was added for certain types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognize any assets, as defined in IAS 37, at the acquisition date. The amendment has not yet been adopted by the European Union.
The amendment applies to annual accounting periods beginning on or after 1 January 2022.

Annual improvements in the International Financial Reporting Standards 2018 - 2020

On May 14, 2020, the **International Accounting Standards Board** issued the annual improvements containing the following amendments to the following International Financial Reporting Standards, which apply to annual periods beginning on or after 1 January 2022:

IFRS 1 "First time adoption of international financial reporting standards" – First time application of IFRS in a subsidiary company

The amendment allows the subsidiary to apply paragraph D16 (a) of IFRS 1 to measure cumulative foreign exchange differences using the amounts reported by its parent company, which are based on the parent's transition date to IFRS.

IFRS 9 "Financial Instruments Fees and the 10% test for de-recognition of financial liabilities"

The amendment specifies what fees an entity should include when applying the 10% test in paragraph B.3.3.6 of IFRS 9 to determine whether it should write off a financial liability. An entity includes fees paid or received between the entity (borrower) and the lender, including fees paid or received either by the entity or the lender on behalf of another party.

IFRS 16 "Leases – Lease Incentives"

The amendment to Example 13 accompanying IFRS 16 removes from the example the compensation granted for improvements to the leased property made by the lessor in order to avoid any confusion regarding the accounting treatment of the lease incentives that may arise from the way the lease incentives are presented in the example.

IAS 41 "Agriculture – Taxation in Fair Value Measurements"

The amendment removes the requirement in paragraph 22 of IAS 41 that entities should not include taxable cash flows when measuring biological assets using the present value technique. This amendment ensures consistency with the requirements IFRS 13.

2.2 Basis for Preparation of the Financial Statements

ELASTRON S.A Company and Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and Interpretations, as such have been adopted by the European Union. The transition date of the Group to IFRS was set as January 1st 2004, during which the Opening Balance Sheet was prepared.

The preparation of the financial statements in accordance with generally accepted accounting principles requires the use of evaluations and assumptions that affect the balances of asset and liabilities accounts, the disclosure of contingent receivables and payables on the preparation date of the financial statements, as well as the reported income during the financial periods in question. Even though these specific evaluations are based on the Management's (the Group's) best knowledge, the actual results may eventually differ from such estimates.

2.3 Consolidation

The consolidated financial statements consist of the financial statements of the parent Company ELASTRON S.A. and the other Group companies, which are the following:

Amounts in €

COMPANY	DOMICILE	BUSINESS ACTIVITY	PARTICIPATION STAKE	PARTICIPATION COST	CONSOLIDATION METHOD
NORTHERN GREECE METAL PRODUCTS S.A.	Thessaloniki	Commerce and processing of steel products	100.00%	10,718,000	Full
BALKAN IRON GROUP S.R.L.	Bucharest, Romania	Commerce and processing of steel products	33.33% (Joint Venture)	800,000	Equity
KALPINIS SIMOS BULGARIA EOOD	Sofia, Bulgaria	Commerce and processing of steel products	100.00%	10,000	Full
PHOTODEVELOPMENT S.A.	Aspropyrgos	Production of electric energy from Photovoltaic stations	98.6%	325,500	Full
PHOTODIODOS S.A.	Aspropyrgos	Production of electric energy from Photovoltaic stations	98.3%	265,533.70	Full
PHOTOENERGY S.A.	Aspropyrgos	Production of electric energy from Photovoltaic stations	97.5%	175,500	Full
ILIOSKOPIO SA	Aspropyrgos	Production of electric energy from Photovoltaic stations	97.5%	175,500	Full
PHOTOKYPSELI S.A.	Aspropyrgos	Production of electric energy from Photovoltaic stations	97.5%	175,500	Full
PHOTOISXYS LTD	Aspropyrgos	Production of electric energy from Photovoltaic stations	100.00%	80,000	Full
THRACE GREENHOUSES S.A.	Xanthi	Production of agricultural products from glasshouse cultivations	49.09%	3,485,000	Equity
GAURA Ltd	Cyprus	Inactive	100.00%	7,650	Full

* The participation cost does not include any impairment. The impairments of participations are analytically presented in Note 21.

The Extraordinary General Meeting of the shareholders on 28.03.2019 decided to increase the Share Capital of the company NORTHERN GREECE METAL PRODUCTS SA by euro 4,350,000 whereas the Extraordinary General Meeting of shareholders on 28.02.2019 decided to increase the Share Capital of the company THRACE GREENHOUSES SA. per euro 1,600,000 (participation of ELASTRON SA by euro 785,000).

The business interests held in companies that were consolidated according to the equity method in the financial statements of the Group as of 30/06/2020 are analyzed below:

	GROUP		COMPANY	
Amounts in €	30.06.2020	31.12.2019	30.06.2020	31.12.2019
BALKAN IRON GROUP SRL	362,582.13	383,667.24	700,000.00	700,000.00
THRACE GREENHOUSES SA	3,834,069.91	3,801,468.07	3,485,000.00	3,485,000.00
Total	**4,196,652.04**	**4,185,135.31**	**4,185,000.00**	**4,185,000.00**

Cross-company transactions, balances and unrealized profit from transactions between the companies of the Group are written-off. The unrealized losses are also written-off, unless the transaction provides indications of impairment of the transferred asset. During the acquisition of a company, the assets, liabilities as well as contingent obligations acquired are estimated at fair value on the acquisition date.

The acquisition cost, by the amount that exceeds the fair value of the acquired net assets (assets – liabilities – contingent obligations), is recorded as goodwill in the financial year when the acquisition took place.

In the event that the acquisition cost is less than the above fair value, the difference is recorded in the results of the financial year when the acquisition took place. Minority interest is recorded according to its proportion on fair value. In subsequent financial years, any losses are proportionally distributed to the minority, in addition to minority interest.

The results of the acquired or sold subsidiaries within the financial year are included in the consolidated statement of results from or until the date of acquisition or sale, respectively. The accounting principles of the Group's companies have been amended so as to conform to those adopted by the Group. The participation of the above companies in the ELASTRON S.A. Company financial statements is measured at acquisition cost, minus any provision for impairment of their value.

2.4 Foreign Exchange translations

The reference currency of the Group is the Euro and therefore the financial statements are presented in Euro (€). Transactions in foreign currency are translated to Euro using the applicable exchange rates on the date of the transactions. Receivables and liabilities in foreign currency on the date the financial statements were prepared are adjusted so as to reflect the exchange rates prevailing during the preparation date. The profits and losses that arise from such transactions are recorded in the results.

The operating currency of foreign subsidiaries is the official currency of the country where each respective company operates. As regards to foreign subsidiaries which operate in a country with a currency other than the Euro, all balance sheet figures of such during the preparation of the Financial Statements, are translated to Euro using the spot exchange rate as at the financial statements date, while the revenues and expenses are translated using the average exchange rate during the reporting period. The cumulative difference that results from the aforementioned conversion is registered directly in equity until the sale, write-off or de-recognition of a subsidiary, in which case such are transferred to the results.

2.5 Consolidated Financial Statements

(a) Subsidiaries

Subsidiaries are companies over which the parent Company exercises control. The subsidiaries are fully consolidated using the full consolidation method from the date whereupon control over them is acquired and they stop being consolidated from the date upon which such control ceases to exist. The inter-company balances between the Group's companies, transactions between the Group's companies, as well as the unrealized profits are fully written-off in the consolidated financial statements. The consolidated financial statements are prepared using the same accounting principles, while necessary adjustments are made whenever deemed necessary. Investments in subsidiaries are registered at acquisition cost minus any impairment.

(b) Related – Associate Companies

Associated companies are those over which the parent Company exercises substantial influence and which are not considered subsidiaries or joint ventures. In general, ownership of 20% to 50% of voting rights indicates the existence of substantial influence. Investments in related companies are accounted for using the net equity method and are initially registered at acquisition cost.

(c) Joint Ventures (Entities under joint control)

The entity under joint control is a joint venture that consists of the incorporation of a Company in which each participant receives a share. It operates like any other entity except that there is a contractual arrangement between the participants that determines the joint control of the entity's financial activities. From 01.01.2013, the Company consolidates its stake in joint ventures using the equity consolidation method.

2.6 Tangible Fixed Assets

Tangible assets are recorded in the financial statements at their acquisition cost (historical cost) minus accumulated depreciation and any impairment in value. The acquisition cost of land plots and buildings/ building installations was determined on the transition date to market value. The Group assigned the appraisal of its properties to an independent appraiser in order to record such at fair value on the transition date. The acquisition cost includes all the expenses directly attributable to the acquisition of the assets. Subsequent additions and improvements are recorded as an increase in the cost of related assets, given that such increase the useful life or production capacity of the asset or decrease its operating cost. Repairs and maintenance are recorded as expenses in the period during which such were carried out.

Depreciation of tangible assets (apart from land plots, which are not depreciated) is calculated based on the straight-line method over their estimated useful (economic) life. The economic life is reviewed on annual basis.

The Management makes estimates regarding the economic lives of depreciable assets that represent the expected usefulness of the assets and are subject to periodic review. The Management in the year 2019 proceeded to a review and update of the useful life of the tangible fixed assets.

The estimated useful life per class of fixed assets is as follows:

Fixed asset category	Economic Life
Buildings/ Building Installations etc.	25 - 50 years
Mechanical Equipment etc.	10 - 33 years
Vehicles	06 - 20 years
Other Equipment	03 - 20 years

When the book value of tangible assets exceeds their recoverable value, the difference (impairment) is recorded as an expense in the results. The related cost and accumulated depreciations of assets that are sold or withdrawn are written off from the corresponding accounts at the time of withdrawal or sale, and corresponding profits or losses are recorded in the period's results.

2.7 Intangible Assets

Intangible assets include software, which is valued at acquisition cost minus amortization. The amortization is estimated using the straight line method throughout the useful life of such assets, which is approximately up to 10 years. The expenditures required for the maintenance of software are recorded as expenses when they occur. The expenditures made for the development of certain software products that are controlled by the Group (in-house developments) are recorded as intangible assets when the following conditions are fulfilled: a) a certain asset is generated; b) it is likely that the generated asset will result into future economic benefits; and c) the development cost can be reliably estimated. Such expenditures include personnel fees and proportional general expenses. In case of software replacement from a new product, if the old one is not being used any longer then it is deleted from the Registry of Fixed Assets and its net book value affects the results for the year. In case of software upgrade, the particular cost is added to the acquisition cost and the amortization is calculated in the new acquisition cost. The economic life is reviewed on annual basis.

2.8 Investment property

Investments property corresponds to property (land plots or buildings or part of a building or both) that are owned (by the owner or by the lessee with financial leasing) in order to yield rents or an increase in their value or both, and not for:

- Use in production (plants) or procurement of goods (warehouses) or for administrative purposes (office buildings);
- Sale in the regular course of the Company's business.

Investments property is valued according to the acquisition cost method (in the exact manner as operational property) and is recorded in the balance sheet at acquisition cost minus accumulated amortization and accumulated impairment losses.

2.9 Non-current assets held for sale and discontinued activities

Accounting treatment of the assets that are held for sale and presentation and disclosure of the discontinued activities:

The non-current assets held for sale are classified as held for sale if their net book value is going to be recovered through their sale and not through their continuous use. This condition is considered to be valid only if the sale is very likely to occur and the asset is readily available for sale in its existing condition. The Management must be willing to make the sale which is expected to occur either based on the time period defined in the contractual commitment or within a year from the above classification.

a) assets that fulfill the classification criteria of being held for sale should be valued at the lowest value between the book value and the fair market value minus the sales cost, while the amortization of these assets should cease, and

b) The assets that fulfill the classification criteria of being held for sale should be separately presented in the statement of financial position and the results of the discontinued operations should be separately presented in the results.

A discontinued activity comprises part of an economic entity that has been either allocated or classified as held for sale and:

a) Represents a separate and significant part of business activities or a geographic area of business operations,
b) Comprises part of a unified and coordinated program in the liquidation (sale) of a large part of activities or a geographic area of operations or
c) It is a subsidiary which was acquired exclusively with the prospect to be resold.

2.10 Impairment review of tangible and intangible assets

Assets that are depreciated are subject to an impairment review when there are indications that their book value is not recoverable. Recoverable value is the larger value between the net sale value (selling price less selling expenses) and value in use. Loss due to impairment of assets is recognized when the book value of these items or the cash-flow generating units is greater than their recoverable amount.

2.11 Segment reporting

The Management adopts the approach of presenting segment information, based on the manner in which such is presented internally to those that make decisions for the allocation of resources and the audit of the effectiveness of the company’s operations. The segments constitute parts of an entity that are reviewed regularly by the entity’s CEO / Board of Directors and are presented in the financial statements according to this internal categorization.
A business segment is defined as a group of assets and operations which include products and services that are subject to different risks and returns than those of other business segments. A geographic segment is defined as a geographic area where products and services are provided and which is subject to different risks and returns than other areas.

2.12 Borrowing Cost

The underwriting, legal, and other direct costs incurred related to the issue of a loan, readjust the borrowing amount recorded in the Results based on the effective interest rate method for the duration of the loan agreement. The borrowing costs are recorded in the results on the date they are incurred. The amount of the borrowing cost that corresponds to the construction period of tangible fixed assets is recognized as an increase to the latter’s value.

2.13 Financial Assets (instruments)

A financial instrument constitutes any contract which generates a financial asset in a company and a financial liability or an equity participation in another company.

Initial Recognition

The Group measures the financial assets and financial liabilities during the initial recognition at fair value plus/minus the transaction costs which are related to the acquisition of financial assets or the issuance of financial liabilities respectively. The Group initially recognizes the trade receivables which do not incorporate any significant financing part in their transaction price.

The financial assets are being classified according to the business model of the economic entity concerning the management of the financial assets and their contractual cash flows.

The Group has a business model via which it manages the financial assets whereas this model reflects the manner by which the Group manages the assets in order to generate cash flows. In order for a financial asset to be classified and valued at the net book value or at the fair value via the comprehensive income, cash flows should emanate from them and be "solely payments of interest and principal" (SPPI) on the initial capital. This assessment is referred to as SPPI test and is reviewed at the level of financial items. The business model defines whether the cash flows will derive from the collection of contractual cash flows, sale of financial assets or from both. The Group reassesses the business model at each reporting period in order to determine if the business model has changed in comparison with the previous reporting period. For the current reporting periods of the current fiscal year, the Group did not detect any change in its business model.

Subsequent Measurement

The financial assets are being classified in one of the following three categories, which in turn determine their subsequent measurement:

- The net depreciated cost
- The fair value via the other comprehensive income and
- The fair value via the results

A financial asset is measured at the amortized or net depreciated cost whenever the following two conditions are simultaneously in effect:

- The financial asset is owned for holding purposes and for the collection of the contractual cash flows embedded in the asset, and
- The contractual terms of the asset lead, in certain dates, into cash flows which are exclusively payments of capital and interest on the outstanding balance of the capital.

A financial asset is measured at fair value via the other comprehensive income whenever the following two conditions are simultaneously in effect:

- The asset is being held for both the collection of the contractual cash flows embedded in this and its sale, and
- The contractual terms of the asset lead in certain dates into cash flows which are exclusively payments of capital and interest on the outstanding balance of the capital.

A financial asset is measured at fair value via the results when it is not classified under the two previous categories. However upon the initial recognition, an economic entity may select irrevocably for certain investments in participating securities to depict subsequent changes in their fair value through the other comprehensive income. Otherwise, these would have been measured at fair value and would have been accounted for via the results.

There is also the option, upon the initial recognition, for the economic entity to determine irrevocably a financial asset as being measured at fair value through the results if by this manner the entity is in position to either reduce notably or to eliminate an inconsistency in the measurement or the recognition (sometimes referred to as "accounting inconsistency") which otherwise would have emerged from the

measurement of the financial assets or liabilities, or from the recognition of the profits or losses on these according to different bases.
The economic entity reclassifies financial assets whenever it modifies the business model it applies for their management.

Embedded Derivatives

According to IFRS 9, if the host contract in a financial item that also includes embedded derivatives is a financial asset, then the principles of classification and measurement described above are being applied for the entire hybrid contract. In other words, there is no requirement for separating the derivative from the host contract as it was the case by IAS 39.
A separation may be required under certain conditions when the host contract is not a financial asset.

Impairment of Financial Assets

IFRS 9 introduces a new impairment model for financial assets, which is the one of the expected credit losses.
A loss allowance or provision against the expected credit losses is recognized in the financial assets which are measured at the net amortized cost or at fair value through the other comprehensive income.
The economic entity should recognize a loss provision equal with the expected credit losses of the 12-month period. If the credit risk of a financial instrument significantly increases as compared to the initial recognition, then the economic entity recognizes a loss provision at an amount equal to the expected credit losses during the entire life of the financial instrument (lifetime expected credit losses).

The Group and the Company for the purposes of measuring the expected credit losses of trade receivables throughout their lifetime applies a statistical method that evaluates the maturity of other customers, the frequency of delays (probability of default PD) and the occurrence of permanent damage (delay beyond 12 months - Loss Given Default - LGD). At each balance sheet date, the Group performs an impairment test of receivables by using a table for the calculation of expected credit losses (ECL). As result, the Group recognizes a percentage loss based on the ECL during the entire life, at each reporting period. This percentage is calculated on the basis of historic data, current market conditions as well as future estimates at the end of each reporting period taking into account the terms of the credit insurance of trade receivables as well as other insurances (pledges written on the ownership of debtors, personal guarantees and bank letters of guarantee).

In order to measure the expected credit losses, customers have been evaluated individually and at the level of their transaction with the Company, assessing at a depth of three years the cases in which payments are made with a delay of more than 90 days beyond the agreed payment terms. From this assessment, the possibility of delays (PD) is obtained, and then the percentage of the overdue balance is accurately measured, which is finally collected within 12 months from the time of the delay. On the one hand, these two measurements give the possibility of delay (PD), on the other hand they also assess the severity of damage during failure (LGD), allowing the calculation of ECL in a reliable statistical way. Before a new customer is accepted, the Group uses external credit information to assess the new customer's creditworthiness and solvency and thus set its credit limit. Credit limits are reviewed and, if necessary, revised periodically.

Termination of recognition of financial assets and liabilities
The de-recognition model of IFRS 9 remains the same with the one of IAS 39. If the contractual rights of the economic entity on the cash flows of an asset cease to exist or the contractual obligations have been fully repaid, then the economic entity will de-recognize the financial instrument or the financial liability from the statement of financial position.

Hedge Accounting
The new hedge accounting model offered by IFRS 9 relates the hedge accounting (which continues to be optional as in the case of IAS 39) with the risk management activities undertaken by the companies during the hedging process of the financial and non-financial risks.
IFRS 9 offers more options regarding the hedging instruments as it includes the use of non-derivative financial assets or financial liabilities, which are being measured at fair value through results.
IFRS 9 allows for the hedging of a component item of a financial instrument if this item is distinctly recognizable and the changes in the cash flows or the fair value can be reliably measured and estimated.

With regard to the hedge effectiveness control, IFRS 9 introduces principle-based criteria without certain arithmetic limits. According to the new standard, a hedging relation should cover the entire requirements of effectiveness as per below:

- There is economic relation between the hedged item and the hedging instrument,
- The effect of the credit risk does not exceed the changes in the value arising from the above relation, and
- The hedging coefficient is determined according to the actual quantities of the hedged item and the hedging instrument.

The rebalancing of the hedging relation (adjustments made in predefined quantities of the hedged item or the hedging instrument within an existing hedging relation) according to IFRS 9 is being treated on an accounting basis as continuation of the hedging relation.

2.14 Inventories

Inventories are measured at the lower value between acquisition or production cost and their net liquidation value.

The cost is determined by the weighted average cost method and includes expenses for acquiring the inventories or expenses for their production and the expenses for transporting them to their storage location. Borrowing cost is not included in the acquisition cost of inventories.

The net liquidation value is estimated based on the current selling price of inventories in the context of normal activity, minus the given distribution cost, where applicable.

2.15 Trade receivables

The trade receivables are initially recognized at fair value and then are being valued at the net cost minus provisions from impairments, by utilizing the effective (real) interest rate method.
The Group initially recognizes the trade receivables when the part of financing incorporated in their transaction price is not significant.

The trade receivables include bills of exchange and notes receivables from the customers.

The Group and the Company for the purposes of measuring the expected credit losses of trade receivables throughout their lifetime apply a statistical method that evaluates the maturity of other customers, the frequency of delays (probability of default PD) and the occurrence of permanent damage (delay beyond 12 months - Loss Given Default - LGD). At each balance sheet date, the Group performs an impairment test of receivables by using a table for the calculation of expected credit losses (ECL). As result, the Group recognizes a percentage loss based on the ECL during the entire life of the trade receivables at each reporting period. This percentage is calculated on the basis of historic data, current market conditions as well as future estimates at the end of each reporting period taking into account the terms of the credit insurance of trade receivables as well as other insurances (pledges written on the ownership of debtors, personal guarantees and bank letters of guarantee).

In order to measure the expected credit losses, customers have been evaluated individually and at the level of their transaction with the Company, assessing at a depth of three years the cases in which payments are made with a delay of more than 90 days beyond the agreed payment terms. From this assessment, the possibility of delays (PD) is obtained, and then the percentage of the overdue balance is accurately measured, which is finally collected within 12 months from the time of the delay. On the one hand, these two measurements give the possibility of delay (PD), on the other hand they also assess the severity of damage during failure (LGD), allowing the calculation of ECL in a reliable statistical way. Before a new customer is accepted, the Group uses external credit information to assess the new customer's creditworthiness and solvency and thus set its credit limit. Credit limits are reviewed and, if necessary, revised periodically.

2.16 Cash and cash equivalents

Cash and cash equivalents include cash in hand as well as sight and term deposits.

2.17 Share capital and reserves

Share capital includes common registered shares of the company and reserves from the issue of shares above par (share premium). Expenses that were made for the issue of shares are recorded following the deduction of the relevant income tax, minus the issue product, in the share premium. The costs realized on the issue of shares, appear after deducting the related income tax in reduction of the issue proceeds, in the share premium. Each profit or loss from the sale of treasury shares, net of any transaction related costs and income tax, if provided by such a case, is recorded as reserve in the equity.

2.18 Loans

Loans are initially recorded at fair value minus by any direct costs for the implementation of the transaction. They are subsequently measured at the net book cost, using the effective interest rate method. Loans for which the Company is entitled to defer repayment for more than 12 months are considered long term.

2.19 Income Tax – Deferred Income Tax

The burden of the financial year with income tax includes current taxes and deferred taxes, namely taxes or tax deductions related to the economic benefits arising in the current period but which have already been accounted for or will be accounted for by the tax authorities in different periods.

Deferred tax is calculated upon all the temporary differences of the balance sheet (the difference between the book value of each asset and its corresponding recognized tax value).

Concerning readjustment for non-depreciated fixed assets (sports fields, etc.) at their fair value, the deferred tax is calculated upon their liquidation (selling) value.

The cost of deferred taxes burdens the results of the financial year in which such are accounted. However, in the event that the temporary differences have been recorded in equity, the corresponding deferred tax is directly recorded in equity.

Deferred tax is not recorded for a tax liability that may be created solely pursuant to a decision made by the Company.

Deferred tax assets and liabilities are valued based on the expected tax rates to be applied during the fiscal period when the asset or liability will be settled, after considering the tax rates (and tax laws) in effect up to the Balance Sheet date. In case where the reversal time of the temporary differences cannot be determined, the tax rate to be applied is the tax rate in effect as of the date following the Balance Sheet date.

The recording of an asset for deferred income tax occurs only when there is certainty that the Company will achieve profits in the future, in order to offset the present asset with the future tax liability.

The loss during a financial year that is carried forward to the next financial year in order to offset the taxable profits of a following financial year contains a tax asset equal to the income tax that will be to the benefit of the Company in the next financial year in which the offsetting will occur. This asset is recorded when it is deemed certain that the Company will achieve profits in the future in order for it to be possible to offset the liability.

When there is a change in tax legislation, the tax liabilities and assets recorded in the books are adjusted accordingly. The adjustment differences are accounted for in the financial year results.

The tax rates in the countries where the Group activates are the following:

Country	Tax Rates / Deferred Tax Rates
Greece	**24.00%**
Romania	**16.00%**
Bulgaria	**10.00%**

Chapter 24 hereof lists the Company's and its Subsidiaries' unaudited fiscal years from a taxation perspective.

2.20 Employee benefits

(a) Short-Term Benefits:

Short-term employee benefits in cash and in goods are recorded as expenses when such become accrued.

(b) Post-employment benefits

According to the clauses of L. 2112/1920, as it was amended by the article 74, paragraph 2, Law 3863/2010 and complemented by Law 3899/17–12–10, article 17, paragraph 5a and Law 4093/2012, the Greek companies of the Group pay indemnities to the pensioners, whereas the respective amount of these indemnities depends on the years of prior service and the level of remuneration. The program is viewed as a defined benefit plan. Post-employment benefits include both defined contribution plans as well as defined benefit plans.

The accrued cost of the defined contribution plans is recorded as expense in the period it refers to.
The liabilities emerging from the defined benefit plans to employees are calculated in the discounted value of the future benefits granted to the personnel and have been defined as accrued at the balance sheet date. The commitment for the defined benefit is calculated annually from independent actuarial professional with the use of the projected unit credit method.

The actuarial gains and losses emerging from empirical adjustments and from changes in the actuarial assumptions, are recognized in the other comprehensive income of the period they refer to.
The prior service cost is directly recognized in the results.

(c) Benefits of service termination

The benefits of service termination are payable when the Group either terminates the employment of employees prior to retirement, or following a decision made by employees to accept the benefits offered from the Group in exchange for their employment termination. The Group recognizes the benefits for employment termination as liability and expense during the earliest of the following dates: a) when the economic entity is not able any longer to withdraw the offer of these benefits and b) when the economic entity recognizes the restructuring cost which relates to the field of IAS 37 and results into the payment of benefits for service termination. Benefits for service termination which are due for 12 months after the balance sheet date are discounted.

(d) State Pension Plans

The human resources of the Group's Greek companies are mainly covered by the primary State Pension Fund which concerns the private sector (IKA) and grants pension and healthcare benefits. Each employee is obliged to contribute part of the monthly salary into the state pension fund, whereas another part of the insurance contribution is covered by the employer. At the time of retirement, the pension fund is responsible for granting the pension benefits to the employees. As result, the Group has no legal or implied obligation for the payment of the future benefits based on this program. The accrued cost of the contributions is recorded as an expense in the corresponding period. This program is considered and is accounted for as a defined contribution plan.

2.21 Provisions

Conditions for recording provisions:

- Legal Commitment

Contract, Legislation, or other application of the Law.

- or Constructive Obligation

This is an obligation that arises from past Company practice, published practices or a specific public statement.

- Reliable estimate of the amount
- Arises from past events (present obligation)
- Possible outflow of economic resources is possible from the settlement of the obligation.

The conditions for registration of provisions must apply cumulatively. A provision shall only be registered where the obligation exists, regardless of future Company actions. Where the Company can avoid the expense, no obligation exists and no provision is registered. A Board decision does not suffice for the registration of a provision, since the Board may revoke its decision. A provision may also represent future expenses necessary for the acquisition of future economic benefits. In these cases, the amount of the provision is capitalized as an asset.

Provisions are reviewed at the end of each period and are adjusted in order to reflect the best possible estimates and, where necessary, are discounted at a pre-tax discount rate.

2.22 De-recognition of financial assets and liabilities

Financial assets

The financial assets (or depending on the case, the part of a financial asset or the part of a group of financial assets) are being de-recognized when:

- The rights for the cash inflows have expired,
- The Group and the Company have transferred the right for the cash inflows emanating from the particular asset or they have undertaken at the same time a liability towards third parties to fully repay and without significant delay in the form of a transfer contract, while at the same time (a) they have either transferred essentially all related risks and benefits or (b) they have not transferred essentially all the risks and benefits but they have transferred to control of the particular asset.

Whenever the Group or the Company has transferred the rights for the cash inflows from the particular asset but at the same time has not essentially transferred all risks and benefits or the control of the particular asset, then this asset is recognized to the degree of the Group's or Company's continuing participation in the particular asset. The continuing participation which has the form of a guarantee on the transferred asset is being valued at the lowest value between the initial balance of the asset and the maximum amount which the Group or Company may be called to pay.

Financial liabilities

The financial liabilities are being de-recognized when the liability is being suspended, cancelled or expired. In the case of an existing liability being replaced by another one from the same lender but in essence with different terms, or in the case of material changes in the terms of an existing liability, then the initial liability is being de-recognized and a new liability is recognized, whereas the difference that may arise in the balances is recognized in the results.

2.23 Recognition of income

Income includes the fair value of sales of goods and the provision of services, net of VAT, custom duties and discounts and refunds.

Inter-Company income within the Group is written-off entirely.

Income recognition is carried out as follows:

(a) Income from sale of goods

The Group recognizes an income when it fulfills a contract-based obligation to a customer each time with the delivery of the good or the provision of the service (which coincides with the time where the control of the good or service is being transferred to the customer). If a contract includes more than one contractual obligation, the total value of the contract is allocated into the separate obligations based on the separate values of sale. The amount of the income which is being recognized is the amount that has been allocated into the respective contractual obligation which has been fulfilled, on the basis of the price consideration which the Group expects to receive based on the terms of the contract. Any variable price consideration is included in the amount of the revenue that is being recognized, to the extent that the particular amount will not be probably offset in the future.
The rights for future discounts based on the sales volume, are assessed by the company, in order to be determined whether they comprise essential or material rights which the customer would not have obtained if the customer had not previously signed a particular contractual agreement. For all these rights the company assesses the probability of their exercise and later on, the part of income which corresponds to the particular right is recognized when the right is either exercised or expires.
According to requirements of the new standard, the Group concluded that the future discounts on the sales volume generate a right for which a relevant provision must be made and recognized at the time of its exercise or expiration. The Group provides its customers with discounts on the sales volume depending on the limits defined in contracts signed between the two parties. All these discounts are accounted for within the financial year and therefore the application of the new standard has zero effect on the annual consolidated financial statements.

(b) Income from provision of services

Income from provision of services is recognized during the period when the service is rendered, during the period of the provision of service to the customer, always in relation with the completion rate of the service provided.

(c) Revenue from electricity generation

The revenue from the sale of electricity is recognized according to the monthly electricity production provided to the Greek grid network and is confirmed by LAGIE (Operator of Electricity Market) and ADMIE (Independent Power Transmission Operator) and which is considered to be the date on which the relevant risks are incurred. Revenue also includes revenue for ancillary services received by ADMIE.

(d) Interest income

Interest income is recognized proportionally on time basis (accruals principle) and with the use of the effective tax rate. Whenever there is an impairment of receivables, the book value of these receivables is reduced to their recoverable amount which is the present value of the expected future cash flows discounted with the initial effective tax rate where the discount is allocated as interest income.

(e) Income from dividends

Dividends are recognized as income whenever the right of the shareholders to collect them is being finalized (meaning after the approval granted by the General Meeting).

2.24 Leases

The Group as a Lessor has only operating leases while as a Lessee it has both operating and financial leases.

The Group has implemented IFRS 16 using the modified retroactive approach by recording the cumulative effect of the initial application of this Standard as an adjustment to the balance of profit carried forward on the first application date. The comparative information has not been restated and is still disclosed in accordance with IAS 17 and the Interpretation IFRIC 4.

The Group as Lessee

The Group recognizes a right to use an asset and a liability to lease at the beginning of the lease. The right of use is initially valued at the cost, which includes the amount of the initial recognition of the lease liability, any lease payments made at the beginning or before the start of the lease minus any lease incentives received, any initial direct costs and the valuation of the liability for any costs of restoring the right to use an asset.

After initial recognition, the right of use is valued at the cost of acquisition reduced by any cumulative depreciation and impairment losses and adjusted in the event of a reassessment of the lease liability.

The right of use is amortized by the straight line depreciation method until the end of the lease period, unless the contract provides for the transfer of ownership of the underlying asset to the Group at the end of the lease period. In this case, the right of use is amortized during the useful life of the underlying asset. In addition, the right of use is tested for impairment losses, if any, and is adjusted in cases where there is an adjustment of the lease liability.

The obligation to lease at initial recognition consists of the present value of future residual lease payments. The Group uses the imputed rental interest rate to discount the remaining future leases and, where this cannot be determined, uses the incremental borrowing rate (IBR).

Lease payments included in the valuation of lease liability comprise the following:

- fixed payments,
- variable payments depending on an indicator or an interest rate,
- amounts expected to be paid on the basis of residual value guarantees,
- the price of the exercise of the purchase right that the Company considers that it will also exercise, as well as penalties for termination of the lease, if the determination of the duration of the lease has taken into account the exercise of the right of complaint (renouncement) by the Company.

After the start date of the lease period, the liability to lease decreases with the payment of the leases, while it increases with the financial expense and is reassessed for any reassessments or modifications of the lease.

A revaluation is made when there is a change in future lease payments that may result from a change in an indicator or if there is a change in the Group's estimate of the amount expected to be paid for a residual value guarantee, a change in the lease and a change in the estimate of exercising the right to purchase the underlying item, if any. When the lease obligation is adjusted, a corresponding adjustment is made to the book value of the right of use or is recorded in the results when the book value of the right of use is reduced to zero.

According to the policy adopted by the Group, the right of use is recognized in the "Self-used fixed assets" and the liability to lease separately from the other liabilities in the items "Long-term lease liabilities" and "Short-term lease liabilities". In cases where the Company or the Group operates as a sub-lessor with an operating lease, the right of use concerning the main contract is included in the category "Investment Property".

The Group chose to use the exception provided by IFRS 16 and not to recognize the right to use and the lease liability for leases whose duration does not exceed 12 months or for leases in which the underlying asset is of low value (less than € 5,000 when new).

The Group as a Lessor

Financial Leases

In the case of financial leases, in which the Group operates as a lessor, the total amount of leases provided for in the lease is entered into the category of loans and receivables against customers. The difference between the present value (net investment) of leases and the total amount of leases is recognized as non-accrued interest and is recorded as subtraction of the receivables. Receipts of leases reduce the total receivables from leases, while financial income is recognized by the accrued method. Receivables from financial leases are being tested for any value impairment, according to IFRS 9.

Operating leases

In the case of operating leases, the Group classifies the leased fixed asset as an asset, performing an amortization charge based on its useful (economic) life. The amounts of leases, corresponding to the use of the leased fixed asset, are recognized as income, in the category of other income, according to the accrued method.

When the Company is an intermediate lessor, it evaluates the classification of the sublease by referring to the right to use of main lease, i.e. the Company compares the terms of the main lease with those of the sublease. Conversely, if the main lease is a short-term lease in which the Company applies the exception described above, then it classifies the sublease as an operating lease. In this case, the Company recognizes the amounts of the lease, corresponding to the sublease of the leased fixed asset as income, in the category of other income, by the accrued method.

2.25 Dividend distribution

Distribution of dividends to the parent Company's shareholders is recorded as a liability in the financial statements when distribution is approved by the shareholders' General Meeting.

2.26 Government Grants

Government grants are initially recognized in the Balance Sheet as deferred income, when the collection of the grant is fairly certain and the Group is expected to comply with all required conditions. Grants that concern the Group's expenses are recognized as other operating income on a regular base in periods when the respective expenses are recognized. Grants that concern the acquisition cost of the Group's assets are recognized as other operating income on a regular base according to the useful life of the corresponding assets.

2.27 Earnings per share

Basic earnings per share are calculated by dividing the net earnings after taxes with the weighted average number of shares during each financial year.

2.28 Long-term Receivables / Liabilities

Long term receivables and liabilities, which are without interest or bear an interest lower than the given market rates, appear at their net present value. The discount differences are presented as financial income / expenses in the Results of the given year in which they occur.

2.29 Related parties

Transactions and balances with related parties appear separately in the financial statements Such related parties basically concern the major shareholders and the management of a business and/or its subsidiary companies, companies with a joint ownership status and/or management with the business and the consolidated subsidiaries or subsidiaries of these companies.

2.30 Capital management

It is the Group's policy to maintain a strong capital base in order to retain investors' and creditors' confidence and so that its future development will be supported. Management monitors equity, which it considers aggregately, with the exception of minority interest, so that the debt equity ratio (except for Company deposits) will amount to less than between 2 and 2.5 to 1.
In accordance with Codified Law 4548/2018, regarding société anonymes (SAs), limitations are imposed in relation to equity, as follows:
The acquisition of treasury shares, with the exception of acquisition with the intent of distribution to employees, cannot exceed 10% of the paid share capital and cannot result in the decrease of equity to an amount less than the amount of the share capital augmented by (a) the reserves for which distribution is prohibited by Law or the Articles of Association, (b) the other credit items of the equity, which are not allowed to be distributed and (c) the amounts of the credit items in the statement of income which are not realized earnings.
In the event where the company's total equity amounts to less than ½ of share capital, the Board of Directors is obligated to convene a General Meeting, within a period of six months from the end of the financial year, which will decide on the dissolution of the Company or the adoption of another measure.

At least 1/20 of net earnings are deducted annually in order to form a statutory reserve, which is used exclusively to counterbalance, before any dividend distribution, any debit balance of the statement of income. The formation of this reserve is rendered optional when its amount reaches at least 1/3 of the share capital.

The payment of annual dividends to shareholders in cash, to an amount at least 35% of net earnings, after the deduction of the statutory reserve and the other credit items of the statement of income, which are not due to realized gains, is mandatory. Non dividend distribution is applicable if decided by a General Shareholders' Meeting with increased quorum and by a majority of at least 80% of the fully paid share capital represented in the meeting.

With the decision of the general meeting which is based on increased quorum and by majority, earnings which are distributable as a minimum dividend may be capitalized and allocated to all shareholders in the form of shares calculated at their nominal value.

3. Financial risk management

Risks & Uncertainties

According to the Act of Legislative Content (Gov. Gaz. 65 A'/28-06-2015) the Greek banking system entered into a bank holiday whereas capital controls were imposed in the country concerning the free transfer of capital domestically as well as abroad. Specifically, special authorization processes concerning the payments toward suppliers abroad were imposed which in turn generated significant delays in the processing of transactions, whereas the financial results of the companies were affected by additional operating and administrative costs.

Article 86 of Law 4624/2019 repealed from 1/9/2019 the capital restrictions imposed by its first article of 18.7.2015 of the Act of Legislative Content "Urgent Regulations for the imposition of restrictions on cash withdrawals and the movement of capital" (A΄ 84), which was ratified by article 4 of Law 4350/2015 (A '161), as it is therefore valid from this date and from now on there is no risk from the movement of capital.

In the context of its ordinary business activities, the Group is exposed to the following financial risks within the scope of its basic activity:

1) Credit risk
2) Liquidity risk
3) Market risk

The risk management policy of the Group is focused on the volatility of financial markets with the objective of minimizing the factors that may negatively affect its financial performance.

The risk management policy is applied in order to recognize and analyze risks which the Group faces, to set limits on risks assumed and to apply controls to such limits. The systems and policies applied are periodically reviewed to incorporate changes observed in market conditions and the Group's activities.

The risk management is performed by the Company's Finance Department, in cooperation with the Group's other departments and according to the guidelines and approvals of the Company's Board of Directors.

Adherence to risk management policies and procedures is controlled by the Internal Audit Department, which performs ordinary and extraordinary audits on the application of procedures, the findings of which are disclosed to the Board of Directors.

Credit risk

Due to the great dispersion of its clientele (no client exceeds 10% of total sales), the Group does not have a significant concentration of credit risk. Based on the credit policy approved by the Group companies' Board of Directors, all new clients are examined on an individual basis in terms of their creditworthiness prior to the proposal of the standard payment terms. Credit limits are set for each client; these are reviewed depending on ongoing conditions and, if necessary, the sales and collection terms are adjusted. As a rule, customer credit limits are determined on the basis of the insurance limits set for them by the insurance companies. While monitoring credit risk of customers, such are grouped according to their credit profile, the maturity of their receivables and any prior collection problems that may have emerged. Customer receivables mainly include the Group's wholesale clients.

Clients characterized as "high risk" are placed in a special client list and future sales are to be pre-collected and approved by the Board of Directors. At the same time, the Group makes impairment provisions which reflect its estimation on losses related to clients and other receivables. This provision mainly consists of impairment loss of specific receivables which are estimated on the basis of given conditions that such will be collected, but have not yet been finalized.

The amount of the impairment loss is estimated as the difference between the book value of receivables and the present value of estimated future cash flows, discounted by the initial effective interest rate. The impairment loss amount is accounted for as an expense in the results. Receivables which are assessed as bad debts are written off.

The credit risk is limited to 20% of the total trade receivables, on the basis of the Group's insurance policies. The margin of this risk is limited even further as tangible or other guarantees (such as letters of guarantee) are requested wherever deemed necessary.

Liquidity risk

Liquidity risk is the risk that the Group might be unable to meet its financial liabilities when these become due. The approach adopted by the Group to manage liquidity is to secure the necessary cash and sufficient credit limits from the banks with which it cooperates, so that there is the appropriate liquidity for the fulfillment of the financial liabilities, under standard as well as unfavorable conditions without incurring unacceptable loss or risking its reputation. In order to minimize the liquidity risks, the finance division of the Group makes an annual provision for cash flows for the fiscal year when preparing its annual budget and a monthly rolling three-month provision so as to secure that it has sufficient cash to meet its operating needs, including its financial liabilities. This policy does not take into account the impact of extreme conditions, which cannot be foreseen. For this reason, the Management of the Group, by assessing the market conditions each time, maintains a certain amount of cash reserves for defensive purposes, in order to face any extreme or extraordinary situations.
It is noted that for the entire debt obligations of the Group no tangible asset has been placed as collateral in favor of the banks, an element which indicates the especially high creditworthiness of the Group.

Market risk

Market risk is the risk of change in prices of raw materials procured by the Group, the risk of change in the foreign exchange rates that the Group conducts transactions in and the risk of change in interest rates that the Group borrows at and which can affect the Group's results. The purpose of risk management against market conditions is to determine and control the Group's exposure to those risks, within the context of acceptable parameters while at the same time optimizing its performance.

- **Metal (iron, steel, etc.) Raw Material Price Volatility Risk**

The Group conducts its purchases mainly in the global steel market under normal market terms. Each change in the market price of raw materials is discounted for in the sales price, resulting in changes in the Group's profit margin during periods of big price fluctuations for raw materials in the world market. More specifically, in periods during which prices follow an upward trend, the Group's profit margins improve, as the upward trend is transferred to the sales prices. Accordingly, when raw material prices follow a declining trend, the Group's profit margins decrease.

The Group does not apply hedging to cover its basic operating reserve, which means that any increase/decrease of metal prices may affect its results accordingly through depreciation or appreciation of inventories.

- **Foreign exchange risk**

The Group is exposed to foreign exchange risk from the purchase of inventories it makes in $ (US Dollar), from the deposits denominated in $ (US Dollar) as well as from the joint venture BALKAN IRON GROUP SRL, based in Romania, whose operating currency unit is the RON.

The Group's borrowings are euro denominated in their entirety while there are no receivables denominated in foreign currency.

Foreign currency is purchased in advance in order for the Company to limit its foreign exchange risk emerging from inventory purchase. The total liabilities of the Group as of 30.06.2020, as well as the liabilities that will arise from the agreements signed until 30.06.2020, are covered by equivalent purchases in advance of foreign currency and as a result there is no foreign exchange risk associated with the fluctuations of the US Dollar.

An increase by 10% of the Euro versus the US$ and of the Euro versus the RON on 30 June would affect the equity and the results by negligible amounts for the Company.

- **Interest rate risk**

Interest rate risk arises mainly from long-term and short-term bank loans in € at the floating rate of Euribor.

The Group finances its investments, as well as its need for working capital, through equity, short-term bank loans, long-term loans and bond loans and as a result is burdened by interest expenses. Increasing trends in interest rates shall negatively affect results, which will be burdened by the additional borrowing cost.

The impact on the Results and Equity of the Group and Company would be as follows, if the interest rates of loans (Euribor) would be 1% higher/lower on average during the first half of 2020:

Amounts in € million	Loans 30.06.2020	Effect on results before tax (+ / -)
Group	34.2	0.17
Company	33.8	0.17

This would occur due to the higher/lower financial cost of bank borrowing with a floating rate in euro.

A smaller effect results from interest income related to time deposits in euro.

The impact on the Results and Equity of the Group and Company would be as follows, if the interest rate on term deposits would be 1% higher/lower on average during the first half of 2020:

Amounts in € million	Sight and term deposits 30.06.2020	Effect on results before tax (+ / -)
Group	2.4	0.01
Company	2.3	0.01

This would occur due to the higher/lower financial income from term deposits.

- **Risk of capital**

The purpose of the management in relation to capital management is to ensure the smooth and uninterrupted operation of activities with the objective of providing satisfactory returns to shareholders, and to maintain as much as possible an ideal capital structure, thus reducing the cost of capital. For this reason, the management, according to the prevailing conditions, may adjust its dividend policy, increase its share capital or sell assets in order to reduce debt.

Amounts in €

Company Data	30.06.2020	30.06.2019
Total debt	33,829,000.01	38,270,000.01
Minus: Cash and cash equivalents	2,281,943.07	9,083,570.61
Net debt	**31,547,056.94**	**29,186,429.40**
Total equity	63,251,961.12	65,487,745.60
EBITDA	930,874.16	1,468,327.97
Equity / Net debt	**2.01**	**2.24**
Net / EBITDA	**33.89**	**19.88**

Amounts in €

Group Data	30.06.2020	30.06.2019
Total debt	34,190,419.01	39,141,343.01
Minus: Cash and cash equivalents	2,432,721.76	9,170,795.21
Net debt	**31,757,697.25**	**29,970,547.80**
Total equity	63,383,179.64	65,021,800.80
EBITDA	1,377,072.79	1,796,668.55
Equity / Net debt	**2.00**	**2.17**
Net / EBITDA	**23.06**	**16.68**

- **Risks and impact due to COVID-19**

It is a fact that the unprecedented conditions that the world economy is experiencing due to the Covid-19 pandemic have affected the financial results of many companies. In Greece, through the protection measures taken in a very short time, the resumption of economic activity was faster compared to other countries, but the time required for full recovery may be longer due to the multi-year economic crisis and the dependence of the Greek economy on sectors significantly affected. In addition, the possibility of taking new measures in the near future is expected to have an economic impact, the magnitude of which will depend on the extent and duration of such measures and cannot be accurately determined at this stage. The steel industry in Greece in the first quarter of 2020 and until the implementation of the protection measures, showed positive signs with improved demand and rising prices of raw materials. In this context, the steel sector of the group showed an increase in activity in Greece and abroad, but also a significant improvement in its results compared to the same period last year. However, the course of the results during the second quarter of the year was reversed by a fall in demand and a decline in raw material prices following the international and domestic contraction of economic activity as a result of strict measures to reduce the effects of Covid-19 pandemic. With regard to the course of the Group during the 3rd quarter of 2020, it is noted that the level of activity shows an improvement with a significant increase in demand, driven mainly by the sectors of energy, infrastructure, shipbuilding, construction, as well as new foreign markets. At the same time, the rise in raw material prices since the end of the second quarter contributed to the significant improvement in operating profit margins. Concerning the last 3 months of the year, the Management cannot proceed with reliable forecasts due to the changing conditions regarding the development of the pandemic, the measures that may be taken and the extent to which they will affect the growth of economic activity. However, the improvement in demand is expected to continue, provided that there are no further negative effects on the continuation of economic activity from the intensity and duration of the pandemic. In this context, Elastron group has taken all necessary measures, while it has the required capital adequacy, liquidity, but also access to financing lines to deal with the current negative conditions. At the same time, it continues the implementation of investments that are deemed necessary and are expected to contribute to the improvement of the product range and also to the reduction of operating costs. Finally, having made significant investments in the past years, the Group has the necessary production capacity to meet the increased demand it expects in the coming years.

Regarding the Covid-19 pandemic, the following should be noted:

Evaluation of the effect of Covid-19

The rapid spread of Covid-19 as well as the declaration of a pandemic by the World Health Organization have raised significant issues regarding the magnitude of the impact on the global economy and the economy of each country individually. Unlike other countries both in the European Union and in the rest of the world, our country has moved quickly, coordinated and carefully planned, succeeding to date in reducing the uncontrolled spread of the virus and preventing the overload of the public health system.
On the front of the economy in Greece, many companies were forced to cease operations as a result of state planning to limit the spread of the disease, while an equally significant number of companies were materially affected by a sharp decline in business activity and turnover in Greece and abroad.
Taking into account the above, the management of the group and the company proceeded with a series of actions for the risk assessment, the planning and the implementation of specific measures in order to shield the company and to ensure the smooth continuation of its business activity.
The company's strategy for dealing with the effects of Covid-19 is based on the following three areas and is regularly reviewed:

- Health & safety of employees and partners
- Continuation of the business activity
- Protection of financial position & liquidity

Health & safety of employees and partners

To protect the health & safety of both its personnel and partners, the company has taken a series of measures which are summarized as follows:

- Temporary suspension of all business trips of the personnel within the country, as well as reduction of the frequency of visits of third parties within the company's facilities to the absolutely necessary ones, with simultaneous application of all defined protection measures.
- Temporary restriction of all corporate meetings and their replacement with teleconferences.
- Provision and placement of personal means of protection and hygiene in conspicuous places of the company (protective masks, antiseptic liquids), application of hand disinfection measures and heat measurement when the personnel enters the workplaces.
- Disinfection of the company's facilities by specialized disinfection crews at regular basis.
- Implementation of measures in order to avoid overcrowding and maintain a safe distance between employees in accordance with the recommendations of the competent bodies.
- Organizing and encouraging “work from home” wherever or whenever possible, through the provision of appropriate PC equipment.
- Carrying out a mandatory preventive test for Covid-19 on all staff after returning from summer leave, at the expense of the company.

Continuation of activity

The main activity of the group is that of trading and processing of steel products. The management of Elastron in collaboration with the competent departments, carries out continuous evaluation of market data, taking the necessary measures to ensure the continuation of its business activity in an ever-changing environment. It is a fact that a significant part of geographical markets, professions and customers absorbing steel products were significantly affected mainly during the second quarter, by the mandatory restrictions imposed in Greece and abroad to limit the spread of the disease, with a direct impact on the level of economic activity of the steel industry in particular. By the date of publication of the semi-annual financial report, the demand for steel products shows signs of recovery, however, it is not possible to accurately predict its course in the coming months. The company has the necessary amount of raw materials and available stocks to serve both existing and new orders. The supply of raw materials continues normally through well-known international steel mills and with the necessary geographical dispersion, in order to ensure the smooth continuation of the supply chain and production activity of the company. With the existing market conditions, there are no indications that point towards a breach of agreements in both quantities and delivery times of raw materials until the end of the year. At the same time, in order to ensure the continuous and smooth flow of the production process, precautionary hygiene measures are taken in the production facilities, regular health protection briefing is implemented, “distancing” measures are implemented between the employees, while an operational plan is in place to deal with possible or confirmed Covid-19 cases.

Financial Position & Liquidity

At the date of release of the Semi-Annual Financial Report, the group has sufficient cash and access to the necessary credit lines from the cooperating banks, which ensures the necessary liquidity to deal with possible emergencies in the coming months. It is noted that the approved financing lines are fully operational and within the context of the normal business activity of the group, while compliance with the contractual terms for all loan obligations as of 31.12.2019 guarantee the smooth continuation of the financing of all activities. Regarding the impact on the trade receivables of the group, it is noted that there has been no significant delay in their repayment timeline, despite the support measures provided to the issuers of such claims belonging to the sectors of the affected companies, according to the relevant codification system. In any case, the terms of cooperation with both existing and new customers are evaluated, while the absorption of about 30% of sales volume from Western European markets reduces the exposure to any credit risk issues deriving from the Greek market. It is emphasized that the management of the group in collaboration with the financial division has prepared various scenarios of cash flow sensitivity to address the situation in the coming months.

4. Fair value of financial assets

There is no difference between the fair values and the respective book values of the financial items of assets and liabilities, namely the trade and other receivables, the cash equivalents, the suppliers and other liabilities, the derivatives financial products and the loans.

Fair value of a financial item is the amount which is received from the sale of a financial item or paid for the settlement of an obligation in a transaction under normal conditions between two trading parties at the date of its valuation. The fair value of the financial items on 31.12.2019 was based on the best possible estimate on behalf of the Company's Management.

The ranking levels of fair value are the following:

a) official stock exchange prices (without adjustment) in markets with significant trading volumes for similar assets or liabilities (Level 1)
b) inflows, other than stock exchange prices which are included in Level 1, which can be observed for the financial asset or the liability, either directly (for example prices) or indirectly (as derivative of prices) (Level 2), and
c) inflows for the financial asset or the liability which are not based on observable market data (non-observable inflows) (Level 3).
The levels in the ranking scale of fair value, within which the measurement of fair value is fully classified, is defined by the inflow of the lowest level which is deemed as significant for the measurement of the entire fair value.

The methods and assumptions which were utilized for the estimation of the fair value are the following:

Cash and cash equivalents, trade and other receivables, suppliers and other liabilities: The accounting value is especially close to the fair value as the maturity of these financial items is in short-term and because there is no foreign exchange risk affecting the fair value.

Loans: The book value is the same with the fair value as these loans are in local currency and with the Euribor as floating interest rate.

5. Significant accounting estimations and judgments by management

The preparation of the Financial Statements based on IFRS requires the management to make assessments, assumptions and judgments. The management of the group makes assessments and assumptions about the evolution of future events which are based on past experience and other factors such as expectations for future events that are considered reasonable in the current circumstances, while constantly being re-evaluated based on available information. Assessments and assumptions that involve a risk of adjusting to the book values of assets and liabilities over the next 12 months are mainly:

- Litigation cases and tax unaudited fiscal years, as presented in note 24.

- Employee benefits after leaving the service, as presented in notes 2.20 and 17. The liability for staff compensation is calculated on the basis of actuarial methods whose application requires the management to estimate specific parameters such as discount rates, future salary increase rates, the future rate of employee departure and other factors such as the inflation rate
- Deferred tax receivables on tax losses, as presented in Note 16. Deferred tax receivable is recognized for all unused tax losses to the extent that it is likely that there will be sufficient taxable profits to be offset against those tax losses. Determining the amount of deferred tax receivables that can be recognized requires significant judgments and estimates by the Group and Company Management, which are based on future taxable profits in conjunction with future tax strategies to be followed.
- Recovery of receivables, as presented in note 8. The Group and the Company for the purpose of measuring the expected credit losses of trade receivables throughout their lifetime applies a statistical method which evaluates the maturity of other customers, the frequency of delays (Probability of Default PD) but also the occurrence of final damages (delay beyond 12 months - Loss Given Default - LGD). At each balance sheet date, the Group performs an impairment test on receivables by using a table based on which the expected credit losses (ECL) are calculated. It then recognizes a percentage of losses based on ECL throughout the life of assets in each reporting period. This percentage is calculated on the basis of historical data, current market conditions as well as future estimates at the end of each reporting period, taking into account the terms of credit insurance of trade receivables and any other collateral (encumbrances on debtor's property, personal guarantees and bank letters of guarantee).
- The estimated impairment of participations, as presented in note 21. The parent company on each balance sheet date examines the existence or non-existence of indications of impairment of investments in subsidiaries. Determining the existence of impairment indications requires the Management to make judgments regarding external and internal factors as well as the extent to which they affect the recoverability of such assets. If it is assessed that there are signs of impairment, the Company calculates the recoverable amount.
- The useful (economic) life of the tangible fixed assets as presented in note 2.6. The Management makes estimates regarding the useful (economic) life of the depreciable fixed assets which represent the expected use of the assets and are subject to periodic review.

6. Analysis of tangible fixed assets

The **Group's** fixed assets are analyzed as follows:

Amounts in €

MOVEMENT OF FIXED ASSETS	Land-plots & buildings	Vehicles & Mechanical Equipment	Furniture & other equipment	Assets under construction	Intangible assets	Investment property & fixed assets for sale	Rights-of-use of Tangible Assets	Total
Book value	43,015,250.88	49,993,277.08	1,507,592.63	804,517.80	615,989.72	4,842,627.67	1,274,031.22	102,053,287.00
Accumulated depreciation and impairment	-11,573,286.73	-22,779,131.40	-1,329,524.86	0.00	-555,159.93	-1,813,282.21	-684,558.81	-38,734,943.94
Net book value 31.12.2019	**31,441,964.15**	**27,214,145.68**	**178,067.77**	**804,517.80**	**60,829.79**	**3,029,345.46**	**589,472.41**	**63,318,343.06**
Book value	43,784,077.32	50,129,213.81	1,511,783.99	990,231.54	615,989.72	4,842,627.67	1,356,125.62	**103,230,049.67**
Accumulated depreciation and impairment	-11,778,501.15	-23,751,844.73	-1,356,882.48	0.00	-563,826.46	-1,845,113.06	-752,852.35	-40,049,020.23
Net book value 30.06.2020	**32,005,576.17**	**26,377,369.08**	**154,901.51**	**990,231.54**	**52,163.26**	**2,997,514.61**	**603,273.27**	**63,181,029.44**

Amounts in €

MOVEMENT OF FIXED ASSETS	Land-plots & buildings	Vehicles & Mechanical Equipment	Furniture & other equipment	Assets under construction	Intangible assets	Investment property & fixed assets for sale	Rights-of-use of Tangible Assets	Total
Net book value 01.01.2019	**31,827,280.51**	**27,256,694.79**	**245,503.35**	**1,079,812.21**	**78,162.97**	**3,093,007.16**	**0.00**	**63,580,460.99**
IFRS 16 01.01.2019	0.00	0.00	0.00	0.00	0.00	0.00	551,983.58	551,983.58
Additions	91,581.23	1,900,420.99	8,451.21	-275,294.41	0.00	0.00	195,238.27	1,920,397.29
Depreciations	-476,897.59	-1,919,630.51	-75,886.79	0.00	-17,333.18	-63,661.70	-157,749.44	-2,711,159.21
Sales - write-offs	0.00	-143,826.30	0.00	0.00	0.00	0.00	0.00	-143,826.30
Depreciation of assets sold/written-off	0.00	120,486.71	0.00	0.00	0.00	0.00	0.00	120,486.71
Net book value 31.12.2019	**31,441,964.15**	**27,214,145.68**	**178,067.77**	**804,517.80**	**60,829.79**	**3,029,345.46**	**589,472.41**	**63,318,343.06**
Additions	768,826.44	161,768.94	2,727.26	185,713.74	0.00	0.00	82,094.40	1,201,130.78
Depreciations	-205,214.42	-976,502.05	-25,893.52	0.00	-8,666.53	-31,830.85	-68,293.54	-1,316,400.91
Sales - write-offs	0.00	-25,832.21	0.00	0.00	0.00	0.00	0.00	-25,832.21
Depreciation of assets sold/written-off	0.00	3,788.72	0.00	0.00	0.00	0.00	0.00	3,788.72
Net book value 30.06.2020	**32,005,576.17**	**26,377,369.08**	**154,901.51**	**990,231.54**	**52,163.26**	**2,997,514.61**	**603,273.27**	**63,181,029.44**

The **Company's** fixed assets are analyzed as follows:

Amounts in €

MOVEMENT OF FIXED ASSETS	Land-plots & buildings	Vehicles & Mechanical Equipment	Furniture & other equipment	Assets under construction	Intangible assets	Investment property & fixed assets for sale	Rights-of-use of Tangible Assets	Total
Book value	30,140,662.15	42,524,918.62	1,279,699.29	804,517.80	484,749.56	4,842,627.67	788,976.93	80,866,152.02
Accumulated depreciation and impairment	-8,259,425.83	-19,872,103.82	-1,098,302.09	0.00	-423,919.77	-1,813,282.21	-503,291.23	-31,970,324.95
Net book value 31.12.2019	**21,881,236.32**	**22,652,814.80**	**181,397.20**	**804,517.80**	**60,829.79**	**3,029,345.46**	**285,685.70**	**48,895,827.07**
Book value	30,909,488.59	42,660,855.34	1,282,144.29	990,231.54	484,749.56	4,842,627.67	871,071.33	82,041,168.32
Accumulated depreciation and impairment	-8,371,306.45	-20,661,304.91	-1,121,993.28	0.00	-432,586.30	-1,845,113.06	-559,581.75	-32,991,885.75
Net book value 30.06.2020	**22,538,182.14**	**21,999,550.43**	**160,151.01**	**990,231.54**	**52,163.26**	**2,997,514.61**	**311,489.58**	**49,049,282.57**

Amounts in €

MOVEMENT OF FIXED ASSETS	Land-plots & buildings	Vehicles & Mechanical Equipment	Furniture & other equipment	Assets under construction	Intangible assets	Investment property & fixed assets for sale	Rights-of-use of Tangible Assets	Total
Net book value 01.01.2019	**22,079,885.12**	**22,328,207.59**	**244,621.08**	**1,079,812.21**	**78,162.84**	**3,093,007.16**	**0.00**	**48,903,696.00**
IFRS 16 01.01.2019	0.00	0.00	0.00	0.00	0.00	0.00	224,190.81	224,190.81
Additions	91,581.23	1,900,420.98	8,451.22	-275,294.41	0.00	0.00	195,238.27	1,920,397.29
Depreciations	-290,230.03	-1,552,474.18	-71,675.10	0.00	-17,333.05	-63,661.70	-133,743.38	-2,129,117.44
Sales - write-offs	0.00	-143,826.30	0.00	0.00	0.00	0.00	0.00	-143,826.30
Depreciation of assets sold/written-off	0.00	120,486.71	0.00	0.00	0.00	0.00	0.00	120,486.71
Net book value 31.12.2019	**21,881,236.32**	**22,652,814.80**	**181,397.20**	**804,517.80**	**60,829.79**	**3,029,345.46**	**285,685.70**	**48,895,827.07**
Additions	768,826.44	161,768.93	2,445.00	185,713.74	0.00	0.00	82,094.40	1,200,848.51
Depreciations	-111,880.62	-792,989.81	-23,691.19	0.00	-8,666.53	-31,830.85	-56,290.52	-1,025,349.52
Sales - write-offs	0.00	-25,832.21	0.00	0.00	0.00	0.00	0.00	-25,832.21
Depreciation of assets sold/written-off	0.00	3,788.72	0.00	0.00	0.00	0.00	0.00	3,788.72
Net book value 30.06.2020	**22,538,182.14**	**21,999,550.43**	**160,151.01**	**990,231.54**	**52,163.26**	**2,997,514.61**	**311,489.58**	**49,049,282.57**

There are no liens, collateral or other commitments on fixed assets of the Company and the Group's companies. Intangible assets mainly include acquired software and licenses for use of software.

7. *Investment Property*

The Group's and Company's investment property is analyzed as follows:

Amounts in €	COMPANY & GROUP	
	30.06.2020	31.12.2019
Property at 1 Palaska St., Skaramagkas	4,813,153.99	4,813,153.99
Apartment at Filippiados Str.	29,473.68	29,473.68
Total Value	**4,842,627.67**	**4,842,627.67**
Amortized	-1,845,113.06	-1,813,282.21
Net book value	**2,997,514.61**	**3,029,345.46**

Property investments are valued according to the acquisition cost method and are shown in the balance sheet at the cost of acquisition reduced by cumulative depreciation and cumulative impairment losses.

8. *Analysis of receivables*

The Group's and Company's trade receivables are analyzed as follows:

Amounts in €	GROUP		COMPANY	
	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Customers	16,011,924.99	14,742,407.09	15,421,140.91	14,344,050.03
Notes	2,933.11	2,933.11	0.00	0.00
Post-dated cheques	2,701,389.21	3,292,462.96	2,692,393.71	3,283,467.46
Provisions for bad debt	-3,303,980.65	-3,302,419.32	-3,138,328.86	-3,123,709.84
Total trade receivables	**15,412,266.66**	**14,735,383.84**	**14,975,205.76**	**14,503,807.65**

The Group and the Company for the purposes of measuring the expected credit losses of trade receivables throughout their lifetime applies a statistical method that evaluates the maturity of other customers, the frequency of delays (probability of default PD) and the occurrence of permanent damage (delay beyond 12 months - Loss Given Default - LGD). At each balance sheet date, the Group performs an impairment test of receivables by using a table for the calculation of expected credit losses (ECL). As result, the Group recognizes a percentage loss based on the ECL during the entire life, at each reporting period. This percentage is calculated on the basis of historic data, current market conditions as well as future estimates at the end of each reporting period taking into account the terms of the credit insurance of trade receivables as well as other insurances (pledges written on the ownership of debtors, personal guarantees and bank letters of guarantee).

In order to measure the expected credit losses, customers have been evaluated individually and at the level of their transaction with the Company, assessing at a depth of three years the cases in which payments are made with a delay of more than 90 days beyond the agreed payment terms. From this assessment, the possibility of delays (PD) is obtained, and then the percentage of the overdue balance is accurately measured, which is finally collected within 12 months from the time of the delay. On the one hand, these two measurements give the possibility of delay (PD), on the other hand they also assess the severity of damage during failure (LGD), allowing the calculation of ECL in a reliable statistical way. Before a new customer is accepted, the Group uses external credit information to assess the new customer's creditworthiness and solvency and thus set its credit limit. Credit limits are reviewed and, if necessary, revised periodically.

The following tables depict the credit risk profile of the customers based on the relevant provisions table of the Group and the Company. Given the fact that the Group’s experience in credit losses indicates that the credibility of its customers does not differentiate due to each customer’s business activity, the provision for the expected credit losses is based on the statistical measurement presented above, which takes into account the maturity of receivables and is not classified by any additional level.

GROUP

Amounts in €

Balance of trade receivables – Balances’ time delay					
30.06.2020	No time delay	1 – 90 days	91 – 180 days	>181 days	Total
Trade receivables	14,464,573.76	445,459.89	39,937.18	3,766,276.48	18,716,247.31
Expected % of credit loss	0.15%	0.07%	7.19%	87.05%	17.65%
Expected credit loss	22,150.20	301.49	2,871.99	3,278,656.97	3,303,980.65
Net balance	**14,442,423.56**	**445,158.40**	**37,065.19**	**487,619.51**	**15,412,266.66**

Amounts in €

Balance of trade receivables – Balances’ time delay					
31.12.2019	No time delay	1 – 90 days	91 – 180 days	>181 days	Total
Trade receivables	13,566,706.95	425,199.00	50,173.00	3,995,724.21	18,037,803.16
Expected % of credit loss	0.06%	1.22%	5.17%	82.26%	18.31%
Expected credit loss	7,801.03	5,169.36	2,594.00	3,286,854.93	3,302,419.32
Net balance	**13,558,905.92**	**420,029.64**	**47,579.00**	**708,869.28**	**14,735,383.84**

Amounts in €

Balance of trade receivables – Balances' time delay					
30.06.2020	**No time delay**	**1 – 90 days**	**91 – 180 days**	**>181 days**	**Total**
Trade receivables	14,021,121.18	445,459.89	39,937.18	3,607,016.37	18,113,534.62
Expected % of credit loss	0.11%	0.07%	7.19%	86.48%	17.33%
Expected credit loss	15,758.52	301.49	2,871.99	3,119,396.86	3,138,328.86
Net balance	**14,005,362.66**	**445,158.40**	**37,065.19**	**487,619.51**	**14,975,205.76**

Amounts in €

Balance of trade receivables – Balances' time delay					
31.12.2019	**No time delay**	**1 – 90 days**	**91 – 180 days**	**>181 days**	**Total**
Trade receivables	13,328,737.96	425,199.00	50,173.00	3,823,407.53	17,627,517.49
Expected % of credit loss	0.01%	1.22%	5.17%	81.46%	17.72%
Expected credit loss	1,408.23	5,169.36	2,594.00	3,114,538.25	3,123,709.84
Net balance	**13,327,329.73**	**420,029.64**	**47,579.00**	**708,869.28**	**14,503,807.65**

The movement of the provision - impairments for doubtful trade receivables is analyzed in the following table:

	GROUP		**COMPANY**	
Amounts in €	**30.06.2020**	**31.12.2019**	**30.06.2020**	**31.12.2019**
Opening balance	3,302,419.32	3,218,980.72	3,123,709.84	3,046,630.50
Additional provision (results)	14,619.02	84,581.57	14,619.02	77,079.34
Transfer from/to other categories of provisions	0.00	-1,142.97	0.00	0.00
Transfer of provision (results)	-13,057.69	0.00	0.00	0.00
Total	**3,303,980.65**	**3,302,419.32**	**3,138,328.86**	**3,123,709.84**

The amortized receivables are monitored in transitory accounts and the probability for collection is reviewed.

The Group's and Company's other receivables are analyzed as follows:

	GROUP		**COMPANY**	
Amounts in €	**30.06.2020**	**31.12.2019**	**30.06.2020**	**31.12.2019**
Receivables from employees	35,682.20	40,481.10	35,682.20	40,481.10
Receivables from other partners - third parties	355,927.54	203,493.34	398,422.44	226,023.40
Greek State– income tax receivable	21,222.15	13,209.43	21,188.15	13,172.43
Greek State – receivable of other taxes	2,437,307.93	1,397,297.46	2,415,280.57	1,387,044.32
Grants receivable	366,312.21	366,312.21	366,312.21	366,312.21
Provision - impairment for doubtful receivables	-111,620.20	-112,122.04	-103,602.76	-103,602.76
Total	**3,104,831.83**	**1,908,671.50**	**3,133,282.81**	**1,929,430.70**

The movement of the provision - impairments for doubtful other receivables is analyzed in the following table:

	GROUP		COMPANY	
Amounts in €	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Initial balance	112,122.04	115,901.37	103,602.76	109,358.38
Transfer of provision (results)	-501.84	-5,005.12	0.00	0.00
Transfer from/to other categories of provisions	0.00	1,225.79	0.00	-5,755.62
Total	**111,620.20**	**112,122.04**	**103,602.76**	**103,602.76**

The long-term receivables of the Group and Company are analyzed as follows:

	GROUP		COMPANY	
Amounts in €	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Given guarantees	53,558.16	47,804.69	39,638.16	33,884.69
Receivables from associates	148,317.97	145,024.19	2,579,083.74	2,493,462.50
Provisions for impairment	-1,187.50	-1,187.50	-12,467.31	-12,467.31
Total	**200,688.63**	**191,641.38**	**2,606,254.59**	**2,514,879.88**

The given guarantees presented in long-term receivables concern guarantees and receivables that will be received in a period over twelve (12) months from the end of the reporting period. The fair value of such receivables does not differ substantially from that presented in the financial statements and is subject to a review annually. The given guarantees that will be received in the next year, are presented in other short-term receivables.

Receivables from affiliated companies concern loans granted from the parent company to the affiliated companies of the Group. The balances that appear on the Group level concern the companies of the Group that are being consolidated via the equity method.

The movement of forecasting - impairment of long-term receivables is analyzed as follows:

	GROUP		COMPANY	
Amounts in €	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Initial balance	1,187.50	411.23	12,467.31	6,641.62
Additional provision (results)	0.00	70.07	0.00	70.07
Transfer from/to other categories of provisions	0.00	706.20	0.00	5,755.62
Total	**1,187.50**	**1,187.50**	**12,467.31**	**12,467.31**

9. Analysis of inventories

The Group's and Company's inventories are analyzed as follows:

	GROUP		COMPANY	
Amounts in €	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Merchandise	18,041,958.79	21,333,006.84	18,041,958.79	21,333,006.84
Products	5,173,349.31	5,053,903.54	5,173,349.31	5,053,903.54
Orders	2,484,618.79	963,228.49	2,484,618.79	963,228.49
Raw materials – consumables	1,079,038.94	969,975.20	1,079,038.94	969,975.20
Total	**26,778,965.83**	**28,320,114.07**	**26,778,965.83**	**28,320,114.07**

The risk due to loss of inventory from natural disasters, theft etc., is extremely low due to the nature of inventories. There is however risk of impairment due to the volatility of prices globally. The Management of the Group continuously reviews the net liquidation value of inventories and makes the appropriate provisions in order to ensure that the value of inventory in the financial statements coincides with the real value.

10. Securities

The securities consist of portfolio of shares of companies listed and traded on the Athens Exchange and have been purchased with the objective to realize capital gains from the short-term price fluctuations of their prices. According to the principles of IFRS 9, the particular securities are recorded in the financial statements at fair value via the results (Level 1).

	GROUP		COMPANY	
Amounts in €	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Value of securities at the beginning	24,290.00	26,460.00	24,290.00	26,460.00
Additions for the period	239,445.29	0.00	239,445.29	0.00
Revaluation difference in the results	1,495.82	-2,170.00	1,495.82	-2,170.00
Balance	**265,231.11**	**24,290.00**	**265,231.11**	**24,290.00**

11. Derivatives

Derivatives concern forward foreign exchange contracts.

	GROUP		COMPANY	
Amounts in €	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Forward foreign exchange contracts (Current assets / short-term liabilities)	-2,486.42	-56,901.39	-2,486.42	-56,901.39
Amounts registered in the results (Losses)-Profits	18,955.42	-21,991.32	18,955.42	-21,991.32
Amounts registered in the equity through the statement of comprehensive income (Losses)-Profits	26,949.26	-26,232.03	26,949.26	-26,232.03

12. Analysis of cash reserves

The Group's and Company's cash & cash equivalents are analyzed as follows:

	GROUP		COMPANY	
Amounts in €	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Cash in hand	13,572.63	12,836.51	5,190.65	4,454.53
Sight & term deposits	2,419,149.13	14,150,568.31	2,276,752.42	13,986,088.46
Total	**2,432,721.76**	**14,163,404.82**	**2,281,943.07**	**13,990,542.99**

Term (or time) deposits refer to short-term placements, usually 3-month and monthly, at the banks which the Company and the Group co-operate with.

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13. Analysis of all equity accounts

The Group's and Company's equity are analyzed as follows:

	GROUP		COMPANY	
Amounts in €	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Share Capital	**18,410,839.00**	**18,410,839.00**	**18,410,839.00**	**18,410,839.00**
Share premium	**11,171,177.70**	**11,171,177.70**	**11,171,177.70**	**11,171,177.70**
Statutory reserve	3,549,983.05	3,549,983.05	3,535,074.04	3,535,074.04
Extraordinary reserves	866,308.15	866,308.15	866,308.15	866,308.15
Tax-exempt reserves subject to special legal provisions	12,086,025.87	12,086,025.87	12,086,025.87	12,086,025.87
Hedging reserves	417.61	-26,531.65	417.61	-26,531.65
Reserves of tax-exempt income	404,315.87	404,315.87	404,315.87	404,315.87
Special reserves	4,404,091.85	4,404,091.85	4,404,091.85	4,404,091.85
Total Reserves	**21,311,142.40**	**21,284,193.14**	**21,296,233.39**	**21,269,284.13**
Treasury shares	**0.00**	**0.00**	**0.00**	**0.00**
Retained earnings	13,352,316.87	15,451,190.14	13,270,481.01	15,601,670.22
Results for the year	-855,749.09	-1,997,530.44	-896,769.98	-2,324,659.80
Effect due to IFRS 16	0.00	-68,420.79	0.00	-6,529.41
Foreign exchange differences from consolidation	-6,547.24	-32,922.04	0.00	0.00
Accumulated Earnings	**12,490,020.54**	**13,352,316.87**	**12,373,711.03**	**13,270,481.01**
Total equity without minority interest	**63,383,179.64**	**64,218,526.71**	**63,251,961.12**	**64,121,781.84**
Minority interest	31,584.39	28,645.67	0.00	0.00
Total Equity	**63,414,764.03**	**64,247,172.38**	**63,251,961.12**	**64,121,781.84**

Purchase of Treasury Shares

As of June 30, 2020 the Company did not hold any treasury shares. According to the decision of the Ordinary General Meeting of the Company as of June 25, 2020, the stock repurchase plan of the Company was approved in accordance with article 49 of Law 4548/2018 and concerned the purchase of shares up to 10% of the paid-up share capital, i.e. up to 1,841,084 shares, with a purchase price range from twenty cents (0.20) up to two (2.00) Euros and within a period of 24 months from the day following the approval of the General Meeting.

Analysis of accumulated (retained) earnings of the Group and the Company:

Amounts in €	GROUP		COMPANY	
	30.06.2020	**31.12.2019**	**30.06.2020**	**31.12.2019**
Income from grants of L. 3299/04 & 3908/11	4,191,039.55	4,083,384.94	2,284,055.24	2,192,217.28
Foreign exchange difference due to consolidation	-242,151.83	-235,604.59	0.00	0.00
Actuarial gains (losses) from provision for personnel indemnities	-107,517.69	-107,517.69	-107,517.69	-107,517.69
Other accumulated (retained) earnings	8,648,650.51	9,612,054.21	10,197,173.48	11,185,781.42
Total accumulated (retained) earnings	**12,490,020.54**	**13,352,316.87**	**12,373,711.03**	**13,270,481.01**

The grants of L. 3299/2004 & L. 3908/2011 according to the provisions of the above laws are tax free and are not distributed. The company monitors grant income on a separate account of accumulated results, as tax free income. Government grants concerning expenditures are being deferred and recorded in the income statement when the subsidized expenditure is also recorded so that there is a correspondence between the income and the expenditure.

Pursuant to IAS 21, at the appropriation of the operations abroad, the accumulated amount of foreign exchange differences transferred to the separate equity account relating to that operation is recognized in the results when the profit or loss is also recognized.

The Company according to the Greek tax law, proceeded into the creation of tax exempt reserves in the past, with the objective to achieve tax reliefs.

The Company has not recognized any provision for potential income tax obligation in case of future distribution of such reserves to the shareholders, since such obligation is recognized at the same time with the dividend obligation corresponding to such distributions.

The purpose of the Company's and Group's management in relation to capital management is to ensure the smooth operation of activities with the objective of providing satisfactory returns to shareholders, and to maintain as much as possible an ideal capital structure, thus reducing the cost of capital. For this reason, the management, according to the prevailing conditions, may adjust its dividend policy, increase its capital by cash or sell assets in order to reduce debt.

The monitoring of the above is performed on the basis of the ratio "Net bank debt to operating earnings (EBITDA).

Amounts in €

Company Data	**30.06.2020**	**30.06.2019**
Total debt	33,829,000.01	38,270,000.01
Minus: Cash and cash equivalents	2,281,943.07	9,083,570.61
Net debt	**31,547,056.94**	**29,186,429.40**
Total equity	63,251,961.12	65,487,745.60
EBITDA	930,874.16	1,468,327.97
Equity / Net debt	**2.01**	**2.24**
Net / EBITDA	**33.89**	**19.88**

Amounts in €

Group Data	30.06.2020	30.06.2019
Total debt	34,190,419.01	39,141,343.01
Minus: Cash and cash equivalents	2,432,721.76	9,170,795.21
Net debt	**31,757,697.25**	**29,970,547.80**
Total equity	63,383,179.64	65,021,800.80
EBITDA	1,377,072.79	1,796,668.55
Equity / Net debt	**2.00**	**2.17**
Net / EBITDA	**23.06**	**16.68**

14. Analysis of suppliers and other liabilities

The Group's and Company's other liabilities are analyzed as follows:

	GROUP		COMPANY	
Amounts in €	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Insurance accounts & other taxes	316,882.29	529,582.88	310,996.09	502,445.92
Customer prepayments	463,382.68	776,840.95	463,382.68	763,576.62
Other liabilities / provisions	360,381.27	116,049.10	232,683.89	460.63
Total other liabilities	**1,140,646.24**	**1,422,472.93**	**1,007,062.66**	**1,266,483.17**
Suppliers	**7,537,838.87**	**14,022,529.58**	**7,492,614.71**	**13,982,205.48**

All the above liabilities are of short-term nature and there is no need to discount such to present value during the balance sheet date.

15. Analysis of loans

The Group's and Company's loan liabilities are analyzed as follows:

Long-term loans

	GROUP		COMPANY	
Amounts in €	30,06,2020	31,12,2019	30,06,2020	31,12,2019
Bank loans	22,127,000.00	28,588,000.00	22,127,000.00	28,588,000.00

Short-term loans

	GROUP		COMPANY	
Amounts in €	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Bank loans	498,713.64	4,290,003.71	94,179.02	3,686,640.17
Short-term part of long-term loans	11,564,705.37	4,622,000.00	11,607,820.99	4,622,000.00
Total	**12,063,419.01**	**8,912,003.71**	**11,702,000.01**	**8,308,640.17**

TOTAL LOANS	**34,190,419.01**	**37,500,003.71**	**33,829,000.01**	**36,896,640.17**

Amounts in €	GROUP		
	< 1 year	From 1 to 5 years	> 5 years
Bank loans 30.06.20	12,063,419.01	20,967,000.00	1,160,000.00

Amounts in €	GROUP		
	< 1 year	From 1 to 5 years	> 5 years
Bank loans 31.12.2019	8,912,003.71	28,588,000.00	0.00

Amounts in €	COMPANY		
	< 1 year	From 1 to 5 years	> 5 years
Bank loans 30.06.2020	11,702,000.01	20,967,000.00	1,160,000.00

Amounts in €	COMPANY		
	< 1 year	From 1 to 5 years	> 5 years
Bank loans 31,12,2019	8,308,640.17	28,588,000.00	0.00

The changes in the Company's and Group's loans are analyzed in the following table:

Amounts in €	GROUP		COMPANY	
	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Loans outstanding at beginning of the period	**37,500,003.71**	**43,041,913.10**	**36,896,640.17**	**41,956,000.01**
Loans received	25,500,000.00	60,750,000.00	25,500,000.00	60,750,000.00
Change in consolidation method	0.00	0.00	0.00	0.00
Interest for the period	794,645.95	1,630,554.14	780,551.09	1,580,979.70
Total	**63,794,649.66**	**105,422,467.24**	**63,177,191.26**	**104,286,979.71**
Loans repaid	-28,801,946.00	-66,171,892.00	-28,561,000.00	-65,690,000.00
Interest paid	-802,284.65	-1,750,571.53	-787,191.25	-1,700,339.54
Balance of Loans	**34,190,419.01**	**37,500,003.71**	**33,829,000.01**	**36,896,640.17**

16. Analysis of deferred taxes

Deferred tax assets and liabilities are calculated at the level of each individual Company of the Group. If both assets and liabilities arise, such are offset against one another at the individual Company level.

Deferred taxes are as follows:

a) For the Group

Amounts in €	01.01.2019	1.1 – 31.12.19	31.12.2019	1.1 – 30.06.20	30.06.2020
Intangible assets	16,927.98	-11,115.98	5,812.00	-4,537.87	1,274.13
Tangible assets	-4,751,261.99	-134,054.74	-4,885,316.73	-101,578.32	-4,986,895.05
Inventories	4,874.76	-3,237.92	1,636.84	2,861.13	4,497.97
Impairment of interest	651,237.50	68,762.50	720,000.00	0.00	720,000.00
Trade and other receivables	594,284.40	-259,682.62	334,601.78	-4,028.84	330,572.94
Employee benefits	163,977.63	3,667.55	167,645.18	1,830.44	169,475.62
Tax loss offset by taxable earnings of subsequent years	775,824.34	-583,824.34	192,000.00	0.00	192,000.00
Suppliers and other liabilities	624.96	159,669.65	160,294.61	48,153.28	208,447.89
Other (Derivatives and Securities)	6,247.50	13,927.23	20,174.73	-13,418.58	6,756.15
Total	**-2,537,262.92**	**-745,888.67**	**-3,283,151.59**	**-70,718.76**	**-3,353,870.35**
Directly to equity		-27,055.58		8,510.29	
In the results		**-772,944.25**		**-62,208.47**	

b) For the Company

Amounts in €	01.01.2019	1.1 – 31.12.19	31.12.2019	1.1 – 30.06.20	30.06.2020
Intangible assets	-5,271.32	1,013.70	-4,257.62	300.05	-3,957.57
Tangible assets	-3,660,219.16	1,366.88	-3,658,852.28	-51,035.22	-3,709,887.50
Inventories	4,480.00	-3,757.95	722.05	3,775.92	4,497.97
Impairment of interest	651,237.50	68,762.50	720,000.00	0.00	720,000.00
Trade and other receivables	549,325.41	-223,323.54	326,001.87	-4,028.85	321,973.02
Employee benefits	163,237.61	3,701.26	166,938.87	1,758.47	168,697.34
Tax loss offset by taxable earnings of subsequent years	690,000.00	-498,000.00	192,000.00	0.00	192,000.00
Suppliers and other liabilities	0.00	71,181.49	71,181.49	50,472.30	121,653.79
Other (Derivatives and Securities)	6,247.50	13,927.24	20,174.74	-13,418.59	6,756.15
Total	-1,600,962.46	**-565,128.42**	**-2,166,090.88**	**-12,175.92**	**-2,178,266.80**
Directly to equity		-10,767.11		8,510.29	
In the results		**-575,895.53**		**-3,665.63**	

The tax loss creates a tax receivable equal to the income tax that will, from which the Company will benefit in the next years when it will be offset against the respective taxable earnings. The recording of the receivable for deferred tax took place as the Management of the Company and the Group's companies considers that there is reasonable certainty for the realization of earnings in future years, whereas such earnings will be capable to offset the present receivable with the future tax liability.

Deferred tax assets and liabilities are offset when there is an applicable legal right to offset current tax assets against current tax liabilities and when deferred income tax refers to the same tax authority.

Regarding the calculation rates of deferred taxation, we note that in the paragraph of IAS 12 "Income Taxes" it is stipulated that: "Deferred tax assets and liabilities will be measured with the tax rates expected to be applied during the period in which the asset or liability will be settled, taking into account the tax rates (and tax laws) established or materially established until the balance sheet date".

17. Analysis of post-employment benefits

The Group has assigned an actuary to conduct a study in order to investigate and calculate the actuarial figures, based on the specifications set by International Accounting Standards (IAS 19), which must be recorded on the balance sheet and the statement of comprehensive income. When performing the actuarial estimate, all economic and population parameters related to the employees of the Group were taken into account.

	GROUP		COMPANY	
Amounts in €	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Balance Sheet liabilities	**706,148.52**	**698,521.58**	**702,905.59**	**695,578.65**
Charges to the Results	**82,813.01**	**63,565.18**	**82,513.01**	**63,265.18**
Actuarial gains / (losses	**0.00**	**0.00**	**0.00**	**0.00**
Present value of financed liabilities	0.00	0.00	0.00	0.00
Present value of non-financed liabilities	706,148.52	698,521.58	702,905.59	695,578.65
Balance Sheet Liability	**706,148.52**	**698,521.58**	**702,905.59**	**695,578.65**
Changes in the net liability recognized in the Balance Sheet				
Net liability at beginning of year	698,521.58	655,593.35	695,578.65	652,950.42
Benefits paid	-75,186.07	-20,636.95	-75,186.07	-20,636.95
Total expense recognized in the results	82,813.01	63,565.18	82,513.01	63,265.18
From merger with Corus Kalpinis Simos	0.00	0.00	0.00	0.00
Change of Cons. Method – Merger of Agric.	0.00	0.00	0.00	0.00
Actuarial gains / (losses)	0.00	0.00	0.00	0.00
Net liability at end of year	**706,148.52**	**698,521.58**	**702,905.59**	**695,578.65**
Analysis of expenses recognized in the results				
Cost of current employment	19,486.05	38,672.10	19,186.05	38,372.10
Financial cost	5,223.61	10,447.21	5,223.61	10,447.21
Prior service cost	58,103.35	14,445.87	58,103.35	14,445.87
Total expense recognized in the results	**82,813.01**	**63,565.18**	**82,513.01**	**63,265.18**
Allocation of Expense				
Cost of sales	31,668.74	44,420.91	31,668.74	44,420.91

Distribution expenses	45,631.51	13,631.51	45,631.51	13,631.51
Administrative expenses	5,512.76	5,512.76	5,212.76	5,212.76
Total	**82,813.01**	**63,565.18**	**82,513.01**	**63,265.18**

	30.06.2020				
Amounts in €	< 1 year	From 1 to 2 years	From 2 to 5 years	> 5 years	Total
Expected average expiration of the liability for employee benefits of company	0.00	0.00	0.00	702,905.59	**702,905.59**
Expected average expiration of the liability for employee benefits of group	0.00	0.00	0.00	706,148.52	**706,148.52**

	31.12.2019				
Amounts in €	< 1 year	From 1 to 2 years	From 2 to 5 years	> 5 years	Total
Expected average expiration of the liability for employee benefits of company	0.00	0.00	0.00	695,578.65	**695,578.65**
Expected average expiration of the liability for employee benefits of group	0.00	0.00	0.00	698,521.58	**698,521.58**

18. Analysis of tax liabilities

	GROUP		COMPANY	
Amounts in €	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Income tax liability	0.00	0.00	0.00	0.00
Credit balance of tax statements to be refunded	21,222.15	13,209.43	21,188.15	13,172.43
Tax duties from previous years	0.00	0.00	0.00	0.00
Total	**21,222.15**	**13,209.43**	**21,188.15**	**13,172.43**

19. Segment reporting

The Group is organized in three business segments, according to the manner in which such are presented internally to those that make decisions for the allocation of resources and the audit of the effectiveness of the group's operations.

The three business segments are as follows:

- Segment of steel products
- Segment of production & trade of electric energy from Photovoltaic stations

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STEEL SERVICE CENTERS

Amounts in €	01.01 – 30.06.2020				
	STEEL PRODUCTS	ENERGY SEGMENT	CONSOLIDATION IN THE EQUITY	CONSOLIDATION & ARRANGEMENT ENTRIES	CONSOLIDATED STATEMENT OF INCOME
Sales	46,615,346.19	703,033.89	0.00	0.00	47,318,380.08
Gross profit / (loss)	4,863,747.77	406,737.46	0.00	64,276.55	5,334,761.78
Earnings / (losses) before interest, taxes, depreciation and amortization (EBITDA)	884,497.28	626,135.51	0.00	-133,560.00	1,377,072.79
Earnings / (losses) before interest and taxes (EBIT)	-134,555.09	368,371.99	18,063.97	-65,490.41	186,390.46
Earnings / (losses) before taxes (EBT)	-1,041,171.96	209,816.95	0.00	40,753.11	-790,601.90
Earnings / (losses) after taxes	-1,060,070.11	171,582.24	0.00	35,677.50	-852,810.37

Amounts in €	01.01 – 30.06.2019				
	STEEL PRODUCTS	ENERGY SEGMENT	CONSOLIDATION IN THE EQUITY	CONSOLIDATION & ARRANGEMENT ENTRIES	CONSOLIDATED STATEMENT OF INCOME
Sales	57,446,929.72	666,002.18	0.00	0.00	58,112,931.90
Gross profit / (loss)	5,323,485.04	336,067.81	0.00	63,245.47	5,722,798.32
Earnings / (losses) before interest, taxes, depreciation and amortization (EBITDA)	1,212,538.95	570,432.35	0.00	13,697.25	1,796,668.55
Earnings / (losses) before interest and taxes (EBIT)	38,352.37	312,951.10	0.00	-66,688.93	284,614.54
Earnings / (losses) before taxes (EBT)	-931,096.57	132,173.68	-40,444.96	24,339.08	-815,028.77
Earnings / (losses) after taxes	-1,315,894.65	85,576.06	-40,444.96	18,342.09	-1,252,421.46

The geographic segment may be considered as the secondary reporting segment, and includes the following reporting sectors:

- Domestic Sales (approximately 66.7%)
- Foreign Sales (approximately 33.3%)

The Group's and Company's sales are analyzed as follows:

Amounts in €	GROUP		COMPANY	
	01.01-30.06		01.01-30.06	
	2020	2019	2020	2019
Sales of Merchandise	15,978,002.10	22,863,850.35	15,978,002.10	22,863,850.35
Sales of Products	31,329,117.34	35,207,292.90	30,626,083.45	34,541,290.72
Other Sales	11,260.64	41,788.65	11,260.64	41,788.65
Total Sales	**47,318,380.08**	**58,112,931.90**	**46,615,346.19**	**57,446,929.72**

Amounts in €	GROUP 01.01-30.06 2020	GROUP 01.01-30.06 2019	COMPANY 01.01-30.06 2020	COMPANY 01.01-30.06 2019
Domestic Sales	31,548,942.78	34,574,455.42	30,845,908.89	33,908,453.24
Foreign Sales	15,769,437.30	23,538,476.48	15,769,437.30	23,538,476.48
Total Sales	**47,318,380.08**	**58,112,931.90**	**46,615,346.19**	**57,446,929.72**

20. Analysis of other results

(a) Other income

The Group's and Company's other income are analyzed as follows:

Amounts in €	GROUP 01.01-30.06 2020	GROUP 01.01-30.06 2019	COMPANY 01.01-30.06 2020	COMPANY 01.01-30.06 2019
Income from transport & delivery expenses	799,967.53	862,793.93	799,967.53	862,793.93
Rental Income	300.01	450.00	133,860.00	133,860.00
Income from provision of services	3,916.85	9,864.00	3,916.85	9,864.00
Income from Grants	107,654.61	42,769.86	91,837.97	20,588.13
Income from previous years	4,286.38	16,009.06	4,286.38	16,009.06
Other income	116,916.66	20,897.04	103,340.32	20,897.04
Total	**1,033,042.04**	**952,783.89**	**1,137,209.05**	**1,064,012.16**

(b) Other expenses

The Group's and Company's other expenses are analyzed as follows:

Amounts in €	GROUP 01.01-30.06 2020	GROUP 01.01-30.06 2019	COMPANY 01.01-30.06 2020	COMPANY 01.01-30.06 2019
Doubtful trade and other receivables	14,619.02	52,850.75	14,619.02	47,001.12
Losses from sale of fixed assets	17,943.49	1,088.59	17,943.49	1,088.59
Previous years' expenses	76.70	9,310.42	74.40	8,483.68
Other expenses	41,789.59	12,931.65	41,773.74	12,381.54
Amortization (non-operating)	98,026.42	148,455.77	0.00	0.00
Total	**172,455.22**	**224,637.18**	**74,410.65**	**68,954.93**

(c) Expenses

The Group's and Company's expenses are analyzed as follows:

ELASTRON STEEL SERVICE CENTERS

Amounts in €	GROUP 01.01-30.06.2020 COST OF SALES	DISTRIBUTION EXPENSES	ADMINISTRATIVE EXPENSES
Employee fees & expenses	1,175,978.95	1,177,537.93	376,059.06
Third party fees & expenses	323,339.91	470,072.94	509,323.64
Third party benefits	389,797.07	328,334.54	194,147.20
Taxes - duties	34,311.56	43,187.87	20,629.15
Sundry expenses	389,451.17	2,490,861.48	64,925.85
Depreciation	866,432.04	295,808.16	56,134.29
Cost of inventories	38,804,307.60	0.00	0.00
Total	**41,983,618.30**	**4,805,802.92**	**1,221,219.19**

Amounts in €	GROUP 01.01-30.06.2019 COST OF SALES	DISTRIBUTION EXPENSES	ADMINISTRATIVE EXPENSES
Employee fees & expenses	1,114,708.90	1,093,741.09	357,006.63
Third party fees & expenses	337,953.39	416,973.05	527,711.63
Third party benefits	541,017.73	411,153.68	236,793.29
Taxes - duties	54,331.68	46,135.73	64,321.05
Sundry expenses	386,897.30	2,436,369.12	71,805.56
Depreciation	890,045.43	409,000.20	95,319.46
Cost of inventories	49,065,179.15	0.00	0.00
Total	**52,390,133.58**	**4,813,372.87**	**1,352,957.62**

Amounts in €	COMPANY 01.01-30.06.2020 COST OF SALES	DISTRIBUTION EXPENSES	ADMINISTRATIVE EXPENSES
Employee fees & expenses	1,175,978.95	1,177,537.93	360,005.09
Third party fees & expenses	305,799.91	470,072.94	465,551.07
Third party benefits	368,924.03	328,334.54	183,872.61
Taxes - duties	31,111.49	43,187.87	4,700.14
Sundry expenses	389,451.17	2,490,861.48	55,735.65
Depreciation	676,025.27	295,808.16	53,516.09
Cost of inventories	38,804,307.60	0.00	0.00
Total	**41,751,598.42**	**4,805,802.92**	**1,123,380.65**

Amounts in €	COMPANY 01.01-30.06.20σ19		
	COST OF SALES	DISTRIBUTION EXPENSES	ADMINISTRATIVE EXPENSES
Employee fees & expenses	1,114,708.90	1,093,741.09	346,216.38
Third party fees & expenses	310,853.39	416,973.05	494,350.05
Third party benefits	369,870.74	411,153.68	226,148.33
Taxes - duties	30,940.87	46,135.73	4,132.63
Sundry expenses	386,897.30	2,436,369.12	69,443.56
Depreciation	711,225.83	409,000.20	93,178.77
Cost of inventories	49,195,136.03	0.00	0.00
Total	**52,119,633.06**	**4,813,372.87**	**1,233,469.72**

(d) Financial expenses – income

The Group's and Company's financial expenses are analyzed as follows:

Amounts in €	GROUP 01.01-30.06		COMPANY 01.01-30.06	
	2020	2019	2020	2019
Debit interest	851,657.73	991,459.18	793,170.70	886,908.92
Other bank expenses and fees	218,233.11	193,112.68	248,681.76	257,507.15
Total	**1,069,890.84**	**1,184,571.86**	**1,041,852.46**	**1,144,416.07**

The Group's and Company's financial income is analyzed as follows:

Amounts in €	GROUP 01.01-30.06		COMPANY 01.01-30.06	
	2020	2019	2020	2019
Receivable interest from customers and other credit interest	55,898.31	83,345.45	114,385.34	146,219.37
Income from securities	0.00	441.00	0.00	441.00
Foreign exchange differences	18,044.75	41,587.06	18,044.75	41,587.06
Cash flow hedging results (Earnings from derivatives)	18,955.42	0.00	18,955.42	0.00
Total	**92,898.48**	**125,373.51**	**151,385.51**	**188,247.43**

(e) Income / expenses of companies consolidated via the equity method

Amounts in €	01.01-30.06.2020		
	Results for the period	Other	Total
THRACE GREENHOUSES SA	32,601.84	0.00	32,601.84
BALKAN IRON GROUP SRL	-14,537.87	0.00	-14,537.87
Total	**18,063.97**	**0.00**	**18,063.97**

Amounts in €	01.01-30.06.2019		
	Results for the period	Other	Total
THRACE GREENHOUSES SA	5,141.51	0.00	5,141.51
BALKAN IRON GROUP SRL	-16,411.32	-29,175.15	-45,586.47
Total	**-11,269.81**	**-29,175.15**	**-40,444.96**

(f) Income / expense of income tax

Amounts in €	GROUP		COMPANY	
	01.01-30.06		01.01-30.06	
	2020	2019	2020	2019
Income tax of current year / provision	0.00	0.00	0.00	0.00
Deferred taxation	-62,208.47	-437,392.69	-3,665.63	-304,634.14
Tax audit differences	0.00	0.00	0.00	0.00
Total	**-62,208.47**	**-437,392.69**	**-3,665.63**	**-304,634.14**

(g) Other comprehensive income / expenses after taxes

	GROUP		COMPANY	
	01.01-30.06		01.01-30.06	
	2020	2019	2020	2019
Result from hedging and foreign exchange differences (as table of changes in equity)	20,402.02	363.34	26,949.26	363.42
Total	**20,402.02**	**363.34**	**26,949.26**	**363.42**

21. Investment Results

The Investment Results of the Company concern impairments of participation in subsidiaries and joint ventures and are analyzed in the following table:

Amounts in €

COMPANY NAME	ETAIPIA			
	Impairments up to 31.12.2017	31.12.2018	31.12.2019	Total Impairments 30.06.2020
NORTHERN GREECE METAL PRODUCTS S.A.	1,300,000.00	1,300,000.00	300,000.00	2,900,000.00
BALKAN IRON GROUP S.R.L.	0.00	0.00	100,000.00	100,000.00
Total	**1,300,000.00**	**1,300,000.00**	**400,000.00**	**3,000,000.00**

The accumulated impairment arising from participation in subsidiaries and joint ventures until 30.06.2020 for the company amounted to 3,000,000.00 Euros.

22. Analysis of earnings per share

Amounts in €	GROUP		COMPANY	
	01.01-30.06		01.01-30.06	
	2020	2019	2020	2019
Net earnings corresponding to shareholders	-855,749.09	-1,253,773.84	-896,769.98	-985,291.48
Number of shares (W. Avg)	18,410,839	18,410,839	18,410,839	18,410,839
Earnings / (losses) per share (€)	**-0.0465**	**-0.0681**	**-0.0487**	**-0.0535**

23. Transactions with related parties

The amounts of the Group's and Company's sales and purchases, from and towards related parties, as well as the balances of receivables and liabilities, are analyzed as follows:

(a) Intra-company sales / purchases on 30.06.2020 and 30.06.2019 respectively

Amounts in €	SALES / REVENUES 30.06.2020			
PURCHASES 30.06.2020	**ELASTRON S.A.**	**THRACE GREENHOUSES SA**	**NORTHERN GREECE METAL PRODUCTS S.A.**	**TOTAL**
ELASTRON S.A.	0.00	0.00	0.00	**0.00**
THRACE GREENHOUSES S.A.	26,686.40	0.00	0.00	**26,686.40**
PHOTOENERGY S.A.	24,800.00	0.00	0.00	**24,800.00**
PHOTODEVELOPMENT S.A.	55,700.00	0.00	0.00	**55,700.00**
PHOTODIODOS S.A.	49,060.00	0.00	0.00	**49,060.00**
PHOTOKYPSELI S.A.	16,900.00	0.00	0.00	**16,900.00**
ILIOSKOPIO S.A.	23,350.00	0.00	0.00	**23,350.00**
PHOTOISHIS LTD	5,750.00	0.00	0.00	**5,750.00**
TOTAL	**202,246.40**	**0.00**	**0.00**	**202,246.40**

Amounts in €	SALES / REVENUES 30.06.2019			
PURCHASES 30.06.2019	**ELASTRON S.A.**	**THRACE GREENHOUSES SA**	**NORTHERN GREECE METAL PRODUCTS S.A.**	**TOTAL**
ELASTRON S.A.	0.00	0.00	0.00	**0.00**
THRACE GREENHOUSES S.A.	7,613.14	0.00	0.00	**7,613.14**
PHOTOENERGY S.A.	25,800.00	0.00	0.00	**25,800.00**
PHOTODEVELOPMENT S.A.	58,200.00	0.00	0.00	**58,200.00**
PHOTODIODOS S.A.	51,360.00	0.00	0.00	**51,360.00**
PHOTOKYPSELI S.A.	17,400.00	0.00	0.00	**17,400.00**
ILIOSKOPIO S.A.	24,300.00	0.00	0.00	**24,300.00**
PHOTOISHIS LTD	6,900.00	0.00	0.00	**6,900.00**
TOTAL	**191,573.14**	**0.00**	**0.00**	**191,573.14**

ELASTRON STEEL SERVICE CENTERS

(b) Intra-company receivables / liabilities on 30.06.2020 and 31.12.2019 respectively:

Amounts in €	RECEIVABLES 30.06.2020			
LIABILITIES 30.06.2020	**ELASTRON S.A.**	**NORTHERN GREECE METAL PRODUCTS S.A.**	**COMPANIES OF PHOTOVOLTAIC STATIONS**	**TOTAL**
ELASTRON S.A.	0.00	50,460.61	0.00	**50,460.61**
THRACE GREENHOUSES S.A.	33,091.14	0.00	0.00	**33,091.14**
PHOTOENERGY S.A.	154,500.00	0.00	0.00	**154,500.00**
PHOTODEVELOPMENT S.A.	434,500.00	0.00	0.00	**434,500.00**
PHOTODIODOS S.A.	384,500.00	0.00	0.00	**384,500.00**
PHOTOKYPSELI S.A.	74,500.00	0.00	0.00	**74,500.00**
ILIOSKOPIO S.A.	144,500.00	0.00	0.00	**144,500.00**
PHOTOISHIS LTD	309,422.04	0.00	0.00	**309,422.04**
NORTHERN GREECE METAL PRODUCTS S.A.	336,090.32	0.00	0.00	**336,090.32**
BALKAN IRON GROUP SRL	155,700.00	0.00	0.00	**155,700.00**
KALPINIS SIMOS BULGARIA EOOD	810,000.00	0.00	0.00	**810,000.00**
TOTAL	**2,836,803.50**	**50,460.61**	**0.00**	**2,887,264.11**

Amounts in €	RECEIVABLES 31.12.2019			
LIABILITIES 31.12.2019	**ELASTRON S.A.**	**NORTHERN GREECE METAL PRODUCTS S.A.**	**COMPANIES OF PHOTOVOLTAIC STATIONS**	**TOTAL**
ELASTRON S.A.	0.00	50,460.61	0.00	**50,460.61**
THRACE GREENHOUSES S.A.	93,000.59	0.00	0.00	**93,000.59**
PHOTOENERGY S.A.	154,500.00	0.00	0.00	**154,500.00**
PHOTODEVELOPMENT S.A.	434,500.00	0.00	0.00	**434,500.00**
PHOTODIODOS S.A.	384,500.00	0.00	0.00	**384,500.00**
PHOTOKYPSELI S.A.	74,500.00	0.00	0.00	**74,500.00**
ILIOSKOPIO S.A.	144,500.00	0.00	0.00	**144,500.00**
PHOTOISHIS LTD	354,422.04	0.00	0.00	**354,422.04**
NORTHERN GREECE METAL PRODUCTS S.A.	291,090.32	0.00	0.00	**291,090.32**
BALKAN IRON GROUP SRL	155,700.00	0.00	0.00	**155,700.00**
KALPINIS SIMOS BULGARIA EOOD	810,000.00	0.00	0.00	**810,000.00**
TOTAL	**2,896,712.95**	**50,460.61**	**0.00**	**2,947,173.56**

Amounts in €	GROUP 1.1-30.06		COMPANY 1.1-30.06	
	2020	2019	2020	2019
c) Transactions and remuneration of Board Members & senior executives				
Transactions and remuneration of Board Members	239,560.83	244,846.91	239,560.83	244,846.91
Transactions and remuneration of senior executives	44,341.67	44,341.67	44,341.67	44,341.67
Transactions and remuneration of other related entities	38,570.18	33,238.84	34,332.18	33,238.84
Receivables from senior executives and Board members	0.00	0.00	0.00	0.00
Liabilities to senior executives and Board members	0.00	0.00	0.00	0.00

Senior executives according to IAS 24 are those individuals that have the authority and responsibility for the planning, management and control of the entity's activities, directly or indirectly, and include all members of the Board of Directors (executive and non-executive) of the entity, as well as all other senior executives according to the above definition.

24. Contingent Liabilities - Receivables

Guarantees

The Group and the Company have contingent liabilities and receivables in relation to banks, suppliers, other guarantees and other issues which emerge from their ordinary activity as follows:

Amounts in €	30.06.2020	
	GROUP	COMPANY
Guarantees to secure trade receivables	1,902,155.00	1,902,155.00
Guarantees to secure obligations to suppliers	6,326,336.52	6,326,018.52
Other Guarantees	2,829,373.00	2,829,373.00
Total	**11,057,864.52**	**11,057,546.52**

Operating Leases

The Company and the Group as Lessor:

The future receivable leases collected by the Group as lessor of properties are presented in the table below and the future receivable leases collected by the Company as lessor of properties mainly relate to the Group's PV (photovoltaic) companies and are as follows:

Amounts in €	GROUP		COMPANY	
	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Until 1 year	600.00	600.00	267,720.00	267,720.00
From 2-5 years	1,815.00	2,115.00	1,070,595.00	1,070,595.00
After 5 years	0.00	0.00	3,182,880.00	3,316,740.00
Total	**2,415.00**	**2,715.00**	**4,521,195.00**	**4,655,055.00**

Tax unaudited financial years

The Company and its subsidiaries have not been audited for the following years and therefore their tax liabilities for those years have not been finalized:

COMPANY	DOMICILE	BUSINESS ACTIVITY	TAX UNAUDITED YEARS
ELASTRON SA	Aspropyrgos, Greece	Commerce and processing of steel products	2019
NORTHERN GREECE METAL PRODUCTS S.A.	Thessaloniki, Greece	Commerce and processing of steel products	2019
BALKAN IRON GROUP S.R.L.	Bucharest, Romania	Commerce and processing of steel products	2011-2019
PHOTODEVELOPMENT SA	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2019
PHOTODIODOS SA	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2019
PHOTOENERGY SA	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2019
ILIOSKOPIO SA	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2019
PHOTOKYPSELI SA	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2019
PHOTOISXYS LTD	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2019
GAURA LIMITED	Nicosia, Cyprus	Idle	2019
THRACE GREENHOUSES SA	Xanthi, Greece	Production of agricultural products from glasshouse cultivations	2019
KALPINIS SIMOS BULGARIA EOOD	Sofia, Bulgaria	Commerce and processing of steel products	2008-2019

In application of the relevant tax provisions : a) paragraph 1 of article 84 of Law 2238/1994 (unaudited cases concerning income tax), b) paragraph 1 of article 57 of Law 2859/2000 (unaudited cases related to VAT) and c) paragraph 5 of article 9 of Law 2523/1997 (penalties imposed for income tax cases), the right of the Greek State to impose any tax with regard to the fiscal years up to 2013 including, has been waived until 31/12/2019, with the exception of special or extraordinary provisions which may provide for a longer waiving period and under the respective conditions which these provisions stipulate.

Apart from these, based on the jurisprudence of the Council of State and the administrative courts, and in absence of a provision in the Code of Laws regarding Stamp Duties for the waiving of such case, the relevant claim made by the Greek State for imposing stamp duties is subject to a 20-year waiver according to the article 249 of the Civil Code.

The Company has not been audited for tax purposes for the fiscal year 2010. Up until 31/12/2019, the Company had not received any invitation concerning a tax audit from the pertinent tax authorities of Greece for the year 2010. As a result, the right of Greek State to submit audit sheets and tax determination acts, levies and penalties with the objective to impose a certain tax, has been elapsed for the years up to 2010 inclusive, in accordance with above mentioned provisions of law.

The Company has been notified of an audit invitation concerning a repeated tax audit for year 2012. It is noted that for the particular year, the Company has been tax audited in the context of the process of the issuance of the Annual Tax Certificate as it is provided by the paragraph 5 of article 82 of Law 2238/1994 and a respective Tax Compliance Report “without reservation” has been issued from the audit firm SOL SA.

For years 2011 up until 2018, ELASTRON SA, METAL-PRO SA and THRACE GREENHOUSES SA have been subject to the tax audit of the Certified Auditors according to the provisions of paragraph 5, article 82 of Law 2238/1994 (fiscal years 2011 up to 2013) and the provisions of article 65A of Law 4174/2013 (fiscal years 2014 until 2018) as they are in effect, whereas the relevant Compliance Reports were issued. Since 2014, the photovoltaic companies of the Group have been subject to the tax audit of the Certified Auditors as provided by the provisions of article 65A of Law 4174/2013 as it was amended by the article 56 of Law 4410/2016. For the companies and the fiscal years which were not subject to the tax audit of the Certified Auditors and remain tax-unaudited up until today, by the pertinent tax authorities, we estimate that any additional taxes that may emerge will not have any material impact on the financial statements. Therefore we view that there is no reason to proceed with any additional provision.

For the fiscal year 2019, ELASTRON SA, METAL-PRO SA, THRACE GREENHOUSES SA and the photovoltaic companies of the Group have been subject to the tax audit by the Certified Auditors as stipulated by the provisions of article 65a, L. 4174/2013. The tax audit for the fiscal year 2019 was performed from SOL SA and its completion is expected in the following period (the "Tax Compliance Report" will be issued within October 2020) without any major adjustments or deviations concerning the tax expense and the corresponding tax provision that have been already recorded in the financial statements.

Legal cases

There are no disputes in court or in arbitration, nor are there any decisions by judicial or arbitration bodies that may have a significant impact on the Company's and Group's financial position or operation.

25. Dividends

According to Greek commercial law, companies are obligated to distribute at least 35% of earnings after the deduction of taxes and the statutory reserve, to shareholders. The Ordinary General Meeting of Company's Shareholders on 25/06/2020 approved not to distribute any dividend for the financial year 2019.

26. Personnel information

(a) Number of personnel

The number of employees working for the Group and the Company is presented in the following table:

	GROUP		COMPANY	
	1.1-30.06		1.1-30.06	
	2020	2019	2020	2019
Regular staff	81	76	79	75
Staff on day-wage basis	113	116	113	116
Total staff	**194**	**192**	**192**	**191**

(b) Personnel's remuneration

The remuneration of the Group's and Company's employees is presented in the following table:

	GROUP		COMPANY	
	1.1-30.06		1.1-30.06	
Amounts in €	2020	2019	2020	2019
Employee remuneration	2,152,943.60	1,960,256.30	2,140,520.51	1,952,071.75
Employer contributions	474,439.80	460,126.63	471,108.92	457,820.93
Other benefits	102,192.54	145,073.69	101,892.54	144,773.69
Total	**2,729,575.94**	**2,565,456.62**	**2,713,521.97**	**2,554,666.37**

27. Government Grants

	30.06.2020		31.12.2019	
Amounts in €	GROUP	COMPANY	GROUP	COMPANY
Grants on completed investments	7,974,197.53	5,088,693.53	7,974,197.57	5,088,693.53
Grants on the income of the year 2020 / 2019	-107,654.61	-91,837.97	-69,742.48	-39,192.69
Grants on revenue from previous financial years	-4,083,384.94	-2,192,217.27	-4,013,642.50	-2,153,024.58
Balance on deferred income	**3,783,157.98**	**2,804,638.29**	**3,890,812.59**	**2,896,476.26**
Received Prepayment	7,607,885.32	4,722,381.32	7,607,885.36	4,722,381.32
Receivable from Grant	366,312.21	366,312.21	366,312.21	366,312.21

The decision no. 70161/28-06-2018 of the Deputy Minister of Finance and Development approved the completion of the business plan of ELASTRON SA which was submitted and accepted according to the inclusion decision no. 16985/ΔΒΕ 2029/22-12-2006/v.3299/2004 (Gov. Gaz. 421/B'/27-03-2007) as it is currently in effect in the framework of Law 3299/2007 (Article 3, paragraph 1, case e, sub-case xi). The amount of the investment accounted for 12.8 million Euros and the corresponding grant settled at 4.5 million Euros, with the full amount being received.

The parent Company submitted in June 2013 to the Ministry of Development and Competitiveness a new subsidized investment program under the auspices of L. 3908/2011 for the modernization of the mechanical and building machinery, amounting to € 3.4 million. The rate of subsidy in this program is set at 15%. In May 2014, the parent Company's investment plan was approved and included in the category of General Entrepreneurship of the General Business Plans of article 6 of Law 3908/2011. In November 2017, the Company filled an audit request with regard to the completion and certification of the commencement of the production activity in relation to the particular investment, whereas in February 2018, the Company collected an amount of 146.5 thousand Euros which corresponds to 2/7 of the respective grant. Within fiscal year 2019, the certification audit concerning the completion of the investment's financial and physical objective was completed and relevant announcements are expected to be made.

The investment cost grant is subject to limitations and conditions that are reasonably expected to be implemented in whole. For this reason the Company and Group account for grant receivables against completed investments. The government grants that refer to expenses are deferred and registered in the results when the granted expense is registered, in order to match the income with the expense.

28. Financial Leases

According to IFRS 16 which in turn replaced IAS 17 and the Interpretations 4, 15 and 27, all leasing contracts with duration longer than 12 months, unless the underlying asset is of insignificant value, are being recognized as an asset along with a respective liability at the date when the leased asset is available for use by the Group.

The time allocation of the leasing liabilities on 30.06.2020 and 31.12.2019 for the company and the group are as following:

GROUP

Amounts in €

30.06.2020

Amounts in €	Liabilities of Financial and Operating Leases	Minus: Future financial debits of financial and operating leases	Total
Within the following year	674,408.57	-10,160.75	664,247.82
From the 2nd until the 5th year	547,305.20	-59,286.84	488,018.36
After the 5th year	315,000.03	-66,210.33	248,789.70
Total	**1,536,713.80**	**-135,657.92**	**1,401,055.88**

Amounts in €

31.12.2019

Amounts in €	Liabilities of Financial and Operating Leases	Minus: Future financial debits of financial and operating leases	Total
Within the following year	784,443.60	-67,159.57	717,284.03
From the 2nd until the 5th year	807,795.06	-103,123.52	704,671.54
After the 5th year	336,000.00	-74,537.34	261,462.66
Total	**1,928,238.66**	**-244,820.43**	**1,683,418.23**

COMPANY

Amounts in €

30.06.2020

Amounts in €	Liabilities of Financial and Operating Leases	Minus: Future financial debits of financial and operating leases	Total
Within the following year	677,027.21	-33,070.07	643,957.14
From the 2nd until the 5th year	413,508.14	-18,051.44	395,456.70
After the 5th year	0.00	0.00	0.00
Total	**1,090,535.35**	**-51,121.51**	**1,039,413.84**

Amounts in €

31.12.2019

Amounts in €	Liabilities of Financial and Operating Leases	Minus: Future financial debits of financial and operating leases	Total
Within the following year	741,243.60	-43,603.13	697,640.47
From the 2nd until the 5th year	637,295.06	-22,821.97	614,473.09
After the 5th year	0.00	0.00	0.00
Total	**1,378,538.66**	**-66,425.10**	**1,312,113.56**

29. Exchange rates

The exchange rates used to translate the financial statements of the company "BALKAN IRON GROUP SRL", from foreign currency to € are the following:

30.06.2020

1 € = 4.8397RON (Exchange rate used in the Statement of Financial Position)
1 € = 4.8172RON (Exchange rate used in the Statement of Comprehensive Income)

31.12.2019

1 € = 4.7830 RON (Exchange rate used in the Statement of Financial Position)
1 € = 4.7453 RON (Exchange rate used in the Statement of Comprehensive Income)

30.06.2019

1 € = 4.7343 RON (Exchange rate used in the Statement of Financial Position)
1 € = 4.7418 RON (Exchange rate used in the Statement of Comprehensive Income)

30. Availability of Financial Reports

The Interim Financial Report of ELASTRON Group, including the Management Report of the Board of Directors as an integral part of it, for the period ended 30.06.2020, are posted on the company's website at http://www.elastron.gr

31. Events after the end of the reporting period

There are no other events after 30/06/2020 which may materially and significantly affect the financial position and the results of the Group.

Aspropyrgos, 22 September 2020

THE CHAIRMAN OF THE BOARD	THE CEO	THE CHIEF FINANCIAL OFFICER
PANAGIOTIS SIMOS	ATHANASIOS KALPINIS	VASILIS MANESIS
ID No. AE 063856	ID No. AH 062852	ID No. AE 008927
		Prof. License No. 0072242