

Annual Financial Report 31.12.2020

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

“ELASTRON S.A. – STEEL SERVICE CENTERS” GROUP

**According to article 4 of L. 3556/2007 and the executive Decisions
issued by the Board of Directors of the Hellenic Capital Market
Commission**

April 2021

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**STATEMENT BY REPRESENTATIVES OF THE BOARD OF DIRECTORS
(Pursuant to article 5 Law 3556/2007)**

We hereby certify and declare that, to the best of our knowledge, the annual financial statements of the S.A. company 'ELASTRON S.A. – STEEL SERVICE CENTERS' for the period 01.01.2020 – 31.12.2020, which were prepared in accordance with the applicable International Financial Reporting Standards, truly reflect the assets and liabilities, the equity and the Company's results, as well as those of companies included in the consolidation, which are considered aggregately as a whole, according to the provisions of paragraphs 3 to 5 of article 4, 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 Annual Management Report of the Board of Directors truly reflects the information required according to paragraph 6, article 4 of Law 3556/2007 and the authorized decisions issued by the Hellenic Capital Market Commission's Board of Directors.

Aspropyrgos, 16 April 2021

The signatories

Simos Panagiotis

Kalpinis Athanasios

Manesis Vasileios

Chairman of the Board

Chief Executive Officer

Chief Financial Officer
Executive Member

ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS for the period from January 1st to December 31st 2020

The annual Financial Report of the fiscal year 2020 was prepared according to the provisions of L. 4548/2018, L. 3556/2007 and the executive Decisions issued by the Board of Directors of the Hellenic Capital Market Commission.

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 SA	Aspropyrgos	Production of electric energy from Photovoltaic stations	98.6%	325,500	Full
PHOTODIODOS SA	Aspropyrgos	Production of electric energy from Photovoltaic stations	98.3%	265,533.70	Full
PHOTOENERGY SA	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 SA	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%	7,650.00	Full

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

A. Financial Development and Performance

The turnover of the Group decreased, settling at € 104.0 million from € 111.4 million last year. Gross profit amounted to € 13.9 million or 13.3% on sales, compared to € 11.4 million or 10.2% on sales in

2019. The results before interest and taxes (EBIT) amounted to € 3.4 million compared to € 0.9 million last year, while the results before interest, taxes, depreciation and amortization (EBITDA) amounted to € 6.0 million compared to € 3.5 million in 2019. Finally, the results before taxes amounted to profits of € 2.1 million compared to losses of € 1.2 million last year.

On the parent company level, the turnover decreased and settled at € 102.7 million compared to € 110.1 million last year, while the gross profit amounted to € 13.1 million or 12.7% on sales, compared to € 10.6 million or 9.6% on sales in 2019. The results before interest and taxes (EBIT) amounted to € 3.3 million compared to € 0.8 million last year, while the results before interest, taxes, depreciation and amortization (EBITDA) amounted to € 5.3 million compared to € 2.9 million in 2019. Finally, the results before taxes amounted to profits of € 1.6 million compared to losses of € 1.7 million last year.

Following and with the objective to provide additional information, the Group's and the Company's financial ratios with regard to major financial figures are presented below:

	Group		Company	
(a) FINANCIAL STRUCTURE	2020	2019	2020	2019
Noncurrent assets / Total assets	0.54	0.53	0.54	0.52
Current assets / Total assets	0.46	0.47	0.46	0.48
Equity / Total Liabilities	1.05	1.03	1.09	1.08
Current assets / Short-term liabilities	2.34	2.35	2.35	2.42
(b) EFFICIENCY AND PERFORMANCE				
Net earnings before taxes / Sales	0.02	N/A	0.02	N/A
Net earnings before taxes / Equity	0.03	N/A	0.02	N/A
Sales / Equity	1.58	1.73	1.57	1.72
(c) CAPITAL STRUCTURE				
Net liabilities / Equity	0.81	0.75	0.77	0.71
Net bank liabilities / Equity	0.48	0.36	0.49	0.36
Net bank liabilities / EBITDA	5.29	6.68	6.03	7.98

* N/A stands for Non Applicable.

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 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:

Results 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, the amortization of grants and the impairments. 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 towards 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 photovoltaic stations on the roofs of its facilities in Aspropyrgos, Attiki, Greece, with a total capacity of 5.05 MWp. These stations increase the share of renewable energy sources in the 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 during the Financial Year 2020

Developments in the Group's Sectors

The year 2020 was inevitably overshadowed by the outbreak of Covid-19 pandemic and the burden on the public health system, but the effects of the pandemic were also particularly pronounced in all areas of economic activity with declining demand, consumption and disposable income. The steel products sector was comparatively less affected than other sectors, with the conditions affecting the companies' results up to the middle of the second mainly quarter of the year. During this period, uncertainty over the management of the pandemic and the imposition of measures to curb dispersion forced steel factories around the world to reduce employment and therefore production, while there were delays in the cross-border transport of raw materials due to national pandemic control measures, hindering to some extent the smooth flow of supply of companies. At the same time, the implementation of private investments mainly has stagnated, reflecting uncertainty over the outcome of the pandemic and the magnitude of its economic impact. In this context, both demand and prices of raw materials declined significantly, thus reducing the profit margins of the sector companies. On the other hand, there was a recovery in the second half of the year with demand moving upwards both domestically and internationally given the experience acquired in the management of pandemic. In the Greek market, the sectors of energy, infrastructure, metal construction and shipbuilding showed a positive growth rate, raising the degree of absorption of steel products. Sale prices also followed an upward trend due to the improved demand as well as the shortage observed in some categories of raw materials.

The above were the main drivers that shaped the course of the group's activity and results, with the effects of pandemic affecting the turnover at a rate of less than 5%, with most of the decrease being mainly due to lower demand from the foreign markets. On the contrary, both the operating profitability and the net profits of the group improved significantly, as a result of the notable improvement of the level of activity as well as the prices during the 2nd half of the year.

In the agricultural sector of Elastron Group, the entire spectrum of production facilities of Thrace Greenhouses SA in Xanthi, with a total area of 185,000 square meters, were put into operation within the year 2020, making the company the largest in Greece that uses the geothermal approach as a means of heating, ensuring stable cultivation conditions with the most 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. At the same time, it demonstrates the high quality of the products produced but also the ability of the group towards a successful dispersion of its business activities into new sectors. Furthermore within the current year, the balance of the corresponding investment grant amounting to € 2.4 million was collected, reducing the company's liabilities by an equal amount.

Regarding the energy sector of the Group, with the aim of increasing its contribution to the results, as well as reducing the carbon footprint of the production process, a new investment in a 1.5 MWp photovoltaic power station was completed in year 2020. This station, which operates based on the concept of energy offsetting, will help to further reduce energy costs and consequently production costs. The total power capacity of the energy sector of the Group currently amounts to 5.05 MWp.

In March 2020, the World Health Organization (WHO) declared the Covid-19 pandemic, while its rapid spread raised significant concerns about the magnitude of the impact on the global economy and the economy of each country. Unlike other countries both in the European Union and in the rest of the world, our country has so far managed to limit the potential occurrence of an uncontrolled spread of the virus. The effects of the pandemic, the measures taken and the impact assessment for the future are described in Chapter E.

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. Within the year 2020, the certification audit of the completion of the financial and physical object of the investment was completed, while in the first quarter of 2021, the balance of the corresponding grant of € 2.4 million was collected. Therefore the company has received the total of the corresponding grant amounting to € 4.8 million.

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 December 31, 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, the companies 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 31.12.2020 the Company and the Group have formed no provisions regarding tax-unaudited fiscal years.

For the financial year 2020, 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. This audit is in progress and the relevant tax certificate is expected to be issued after the publication of the financial statements for the year 2020. If additional tax liabilities arise until the completion of the tax audit, these are not expected to have a material impact on the financial statements.

E. Risks and Uncertainties

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 10% 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.

Amounts in €

Maturity of Trade Receivables	Group	Company
Up to 30 days	7,145,182.00	7,049,746.00
31 to 90 days	5,019,914.11	4,855,995.00
91 to 180 days	4,393,544.56	4,311,585.00
Over 180 days	4,141,231.69	3,983,015.60
Intra-group transactions	-13,476.44	0.00
Total	20,686,395.92	20,200,341.60
Provisions – impairments for doubtful receivables	-3,391,073.39	-3,212,249.22
Total	17,295,322.53	16,988,092.38

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.

The following table presents an analysis of the Company's and Group's liabilities, based on their expiration and remaining duration as at 31.12.2020.

Amounts in €

Group	1 to 6 months	6 to 12 months	> 1 year	Total
Loans	10,375,195.44	2,069,000.00	29,016,000.00	41,460,195.44
Suppliers and other liabilities	12,356,334.42	277,532.37	5,063,951.57	17,697,818.36
Grants (deferred income)	0.00	0.00	3,679,082.95	3,679,082.95
Total	22,731,529.86	2,346,532.37	37,759,034.52	62,837,096.75

Amounts in €

Company	1 to 6 months	6 to 12 months	> 1 year	Total
Loans	10,412,528.00	1,911,000.00	29,016,000.00	41,339,528.00
Suppliers and other liabilities	12,067,106.31	267,052.80	3,484,419.86	15,818,578.97
Grants (deferred income)	0.00	0.00	2,716,182.66	2,716,182.66
Total	22,479,634.31	2,178,052.80	35,216,602.52	59,874,289.63

On 31.12.2020, the Company and the Group possessed cash and cash equivalents of € 9.4 and 9.8 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 related company 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 31.12.2020, as well as the liabilities that will emerge based on the contracts signed until 31.12.2020, 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 year 2020:

Amounts in € million	Loans 31.12.2020	Effect on results before tax (+ / -)
Group	41.5	0.41
Company	41.3	0.41

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 year 2020:

Amounts in € million	Sight and term deposits 31.12.2020	Effect on results before tax (+ / -)
Group	9.8	0.10
Company	9.4	0.09

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.

Company Data	31.12.2020	31.12.2019
Total debt	41,339,528.00	36,896,640.17
Minus: Cash and cash equivalents	9,436,262.12	13,990,542.99
Net debt	31,903,265.88	22,906,097.18
Total equity	65,374,612.01	64,121,781.84
EBITDA	5,292,384.04	2,868,888.37
Equity / Net debt	2.05	2.80
Net debt / EBITDA	6.03	7.98

Group Data	31.12.2020	31.12.2019
Total debt	41,460,195.44	37,500,003.71
Minus: Cash and cash equivalents	9,750,656.33	14,163,404.82
Net debt	31,709,539.11	23,336,598.89
Total equity	65,849,932.79	64,218,526.71
EBITDA	5,994,689.84	3,492,508.59
Equity / Net debt	2.08	2.75
Net debt / EBITDA	5.29	6.68

➤ Impact of the Pandemic on the Company's Operations

Undoubtedly, 2020 was a year marked by Covid-19 pandemic and its impact on the global economy. The outbreak of the pandemic in Greece in the first quarter of 2020 was dealt with in a quick and coordinated manner, resulting into the resumption of economic activity in a shorter period of time compared to other countries. However, uncertainty about tackling the pandemic, restrictions and recommendations to avoid movements in an effort to limit transmission of virus have reduced demand, consumption and therefore the financial performance in a significant number of sectors of the economy. However, cooperation at European Union level to tackle the economic impact of the pandemic has created greater scope for fiscal freedom, while the policy of easing the conditions for financing national economies has freed up resources aimed at reducing the recession and supporting economic activity. The effect of Covid-19 has been evaluated by the Group's Management and where necessary an impairment provision has been made (see chapter 5 of the notes on the Financial Statements).

The steel industry in Greece during the first quarter of 2020 and up 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 a stronger business activity in Greece and abroad, but also a significant improvement in its financial results. However, the course of the results in the second quarter of the year was reversed, with a drop in demand and a decline in raw material prices following the international and domestic contraction of economic activity, as a result of the strict measures to contain the pandemic. On the contrary, the group's financial performance in the second half of the year marked a significant improvement as a result of rising sale prices of steel products and stimulating demand, driven mainly by the sectors of energy, infrastructure, shipbuilding, construction, and of new foreign markets. Throughout the year 2020, turnover due to the effects of the pandemic is estimated to have decreased by less than 5%, with the largest decline coming from foreign markets. On the contrary, the gross profit margin marked a significant improvement settling at 13.3% compared to 10.2% in 2019, as a result of targeted purchases of raw materials in the first half that reduced production costs, combined with a significant increase in sale prices in the second of the year. Regarding the operation and the results of both the energy and the agricultural sector in which the Group activates, it is estimated that these were not affected by the respective impact and measures to stop the pandemic.

Regarding the supply of the necessary raw materials for the operation of production, it is noted that there was no delay or postponement of the agreed quantities and delivery times, which helped to meet the increased demand and improve the level of activity in the second half of the year 2020. In addition, due to the significant dispersion of the group's customers in sectors and geographic markets, it is noted that no breach of the agreed credit terms was observed. As of 31.12.2020, the balance of the trade receivables with regard to Group's customers that had been included in the measure of suspension of payments was considered non-essential, while to date all of these receivables have been collected.

➤ Measures taken to reduce the impact of the pandemic

Since the beginning of the pandemic, the management of the Group continuously evaluates the current conditions and follows the instructions and recommendations of the competent authorities, taking all the necessary measures to protect the health of its employees and associates. In particular, it applies a set of measures which can be summarized as follows:

- Restriction of all business trips of the personnel to the absolutely necessary, as well as reduction of the frequency of visits of third parties within the company's premises, with simultaneous application of all the defined protection measures.
- Reducing the frequency of all types of corporate meetings within the Company's premises and replacing them 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 at the entrance of personnel and third parties in the workplace.
- Disinfection of the company's facilities by specialized disinfection crew on a weekly basis.
- Implement measures 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 where possible, through the provision of appropriate computer equipment.
- Carry out a mandatory sampling test for Covid-19 on a weekly basis as well as a mandatory test on all personnel whenever deemed necessary according to the recommendations of the occupational physician.
- In case of suspicious symptoms or contact with a possible or confirmed case, it is necessary to remove the employee from the workplace and a medical opinion is required regarding the return time according to the instructions of E.O.D.Y. (National Public Health Organization).
- Continuous assessment of the company's liquidity and preparation of quarterly rolling cash flow forecasts in order to prepare for possible emergencies.
- Securing the necessary lines of credit from the cooperating banks to further facilitate the seamless financing of the group.

➤ **Assessing the impact of the pandemic in the future**

The start of the vaccination process at the beginning of the year, both globally and in our country, and the mass participation of the population in this program, is expected to gradually help reduce the pressure of the public health system, as well as to restore economic activity in the pre-pandemic levels. In this context, the steel industry sector, which was less affected compared to the other sectors of economic activity, is expected to show positive growth rates following the increase in demand and the improvement of market liquidity. With the first quarter of the year 2021 already unfolded, the ongoing pandemic had no effect on the Elastron Group. The Group demonstrates an increase in the level of activity in both Greece and foreign markets, as well as a significant improvement in its financial performance led mainly by the rise of prices of raw materials. For the rest of the year and under the condition of a gradual exit from the pandemic, the course of the business activity and financial results of Elastron Group are not expected to experience any further impact from the above mentioned conditions.

F. Future Outlook

With the first quarter of the year already unfolded and with the covid-19 pandemic in progress, the steel sector of the Group demonstrates an improvement of its financial performance led by the increase of the level of activity in Greece and abroad as well as by the further increase of the raw materials prices. At the same time, the implementation of the Group's investment plan continues, aiming at expanding the range of products manufactured and of the services offered, as well as at further reducing the operating costs. In anticipation of the developments regarding the final outcome of the pandemic and under the condition of the gradual de-escalation of the intensity of the pandemic, the demand for steel products is expected to continue to move upwards in the coming months. In this context, Elastron Group has the necessary production capacity in place but also the range of products in order to meet the higher level of demand that may arise.

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 31.12.2020 and 31.12.2019 respectively:

Financial Year 2020:

Amounts in €

PURCHASES	SALES			
	ELASTRON S.A.	THRACE GREENHOUSES SA	NORTHERN GREECE METAL PRODUCTS S.A.	TOTAL
THRACE GREENHOUSES S.A.	52,125.40	0.00	0.00	52,125.40
PHOTOENERGY S.A.	49,024.50	0.00	0.00	49,024.50
PHOTODEVELOPMENT S.A.	112,904.52	0.00	0.00	112,904.52
PHOTODIODOS S.A.	98,574.48	0.00	0.00	98,574.48
PHOTOKYPSELI S.A.	33,344.52	0.00	0.00	33,344.52
ILIOSKOPIO S.A.	46,014.48	0.00	0.00	46,014.48
PHOTOISHIS LTD	13,725.00	0.00	0.00	13,725.00
TOTAL	405,712.90	0.00	0.00	405,712.90

Financial Year 2019:

Amounts in €

PURCHASES	SALES			
	ELASTRON S.A.	THRACE GREENHOUSES SA	NORTHERN GREECE METAL PRODUCTS S.A.	TOTAL
THRACE GREENHOUSES S.A.	82,921.65	0.00	0.00	82,921.65
PHOTOENERGY S.A.	48,998.75	0.00	0.00	48,998.75
PHOTODEVELOPMENT S.A.	112,832.10	0.00	0.00	112,832.10
PHOTODIODOS S.A.	98,510.40	0.00	0.00	98,510.40
PHOTOKYPSELI S.A.	33,332.10	0.00	0.00	33,332.10
ILIOSKOPIO S.A.	45,990.40	0.00	0.00	45,990.40
PHOTOISHIS LTD	13,687.50	0.00	0.00	13,687.50
TOTAL	436,272.90	0.00	0.00	436,272.90

(b) Intra-company receivables / liabilities on 31.12.2020 and 31.12.2019 respectively:

Balances of 31.12.2020:

Amounts in €

LIABILITIES	RECEIVABLES			
	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.	15,772.18	0.00	0.00	15,772.18
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	238,476.44	0.00	0.00	238,476.44
NORTHERN GREECE METAL PRODUCTS S.A.	421,090.32	0.00	0.00	421,090.32
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	2,833,538.94	50,460.61	0.00	2,883,999.55

Balance of 31.12.2019:

Amounts in €		RECEIVABLES		
LIABILITIES	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		COMPANY	
		1.1-31.12		1.1-31.12	
		2020	2019	2020	2019
c) Transactions and remuneration of Board Members & senior executives					
Transactions and remuneration of Board Members	584,385.79	635,900.00	575,245.17	635,900.00	
Transactions and remuneration of senior executives	95,624.96	95,200.00	95,624.96	95,200.00	
Transactions and remuneration of other related entities	84,524.29	72,410.00	84,524.29	72,410.00	
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.

6. EXPLANATORY REPORT (Article 4, par. 7&8, L.3556/2007)

Annual Financial Report of 31.12.2020

a) Structure of the Company's share capital

On 31.12.2020 the Company's share capital amounted to 18,410,839 Euro and was divided into 18,410,839 common registered shares with a nominal value of 1.00 euro each.

The total shares are listed and traded freely on the Athens Exchange.

Based on the 10th subject of the General Meeting on 09.06.2016, it was approved the repurchase of up to 1,830,016 own shares which represent 9.93% of the Company's outstanding and paid in cash share capital. The range of the purchase price per share will be from twenty (20) cents to one euro and fifty cents (1.50) and will be implemented in a time period of twenty four (24) months beginning on the day following the approval by the General Meeting. Until the publication date of the annual financial report 2017, the Company proceeded with the purchase of 10,677 treasury shares with an average acquisition price of € 0.6582 per share.

Each Company share incorporates all the rights and obligations stipulated by Law and the Company's Memorandum of Association, which however does not include provisions that limit those provided by the Law. Ownership of a share implies ipso jure acceptance by the owner of such of the Company's Memorandum of Association and the legal decisions made by the General Meeting of shareholders.

The responsibility of shareholders is limited to the nominal value of shares owned. Shareholders participate in the Company management and earnings according to the Law and provisions of the Memorandum of Association. The rights and obligations that emanate from each share follow such to any universal or special beneficiary of the shareholders.

Shareholders exercise their rights in relation to the Company's Management only through the General Meetings. Shareholders have a pre-emptive right to each future increase of the Company's Share Capital, according to their participation in the existing share capital, as stipulated by the provisions of law 4548/2018.

Lenders of shareholders and their beneficiaries cannot in any case cause confiscation or sealing of any asset or the books of the Company, nor can they request the sale or liquidation of the Company, or be involved in any way in the Company's management or administration.

All shareholders, regardless of where such reside, are considered to have the Company's domicile as their legal residence and are subject to Greek Law, as regards to their relationship with the Company. Any difference between the Company on the one hand and shareholders or any third party on the other, is subject to the exclusive jurisdiction of ordinary courts, while the Company can be prosecuted only before courts of its domicile.

Each share provides one voting right. Co-owners of a share, in order to exercise their voting right, must submit to the Company in written one joint representative for the share, which will represent them in the General Meeting, while the exercise of their right is postponed until such a representative is assigned.

Each shareholder is entitled to participate in the General Meeting of the Company's shareholders, either in person or through a representative. All shareholders have the right to participate and vote in the General Meeting. The exercise of such rights does not require the blockage of the beneficiary's shares nor any other corresponding procedure, which limits the ability to sell and transfer shares during the period from the record date of beneficiaries and the date of the General Meeting. The individual or entity which has the capacity of shareholder at the beginning of the fifth (5th) day prior to the initial General Meeting date (record date) is entitled to participate in the General Meeting (first and repetitive meeting). The above record date is valid even in the case of a previously postponed or repetitive meeting provided that this previously postponed or repetitive meeting takes place no later than thirty (30) days from the record date. If such a condition does not occur or if, for the case of the repetitive general meeting, there is release of a new invitation according to the provisions of article 130, Law 4548/2018, then the individual or entity which has the capacity of shareholder at the beginning of the third (3rd) day prior to the previously postponed or repetitive general meeting date (record date) is entitled to participate in this general meeting. The proof of shareholders' capacity may be presented via any legal means and in any case through the information provided to the company from the central securities

depository if the latter offers registry services, or through the registered intermediary parties participating in the central securities depository in any other case.

Only those who carry the shareholder capacity during the record date are considered from the Company to have the right to participate and vote in the General Meeting.

The General Meeting of shareholders is also held by teleconference. The teleconference takes place online using a computer via a secure teleconferencing application and / or by telephone. In any case, the method to be followed will be notified to the shareholders by the relevant invitation. The invitation must include a reference to the stated manner of conducting the teleconference and the Company must take sufficient measures to comply with the conditions set forth in article 125, par. 1 of Law 4548/2018.

There is also provision of participating in the voting procedure by distance, by mail or by electronic means, held before the time of the General Meeting. The items of the agenda and the ballot papers can be available and their completion can be done electronically via internet or in printed form at the Company's headquarters. Shareholders who vote by mail or electronic means are counted for the formation of the quorum and the majority, provided that the relevant votes have been received by the Company no later than twenty-four (24) hours before the start of the General Meeting.

From the date the invitation to convene the General Meeting is released and until the General Meeting date, at least the following information is posted on the company's website:

- The invitation to convene the General Meeting.
- The total number of shares outstanding and voting rights during the date of the invitation, including subtotals per category of shares, if the company's share capital is allocated into more than one share category.
- The documents to be submitted to the General Meeting.
- The draft resolution on each issue on the daily agenda that is proposed or, if no decision is proposed for approval, then a commentary by the Board of Directors on each issue of the agenda and possible draft resolution proposed by shareholders, immediately following the receipt of such by the company.
- The documents that must be used to exercise voting rights via a delegate or proxy, or by mail or with electronic means, unless such documents are sent directly to each shareholder.

The method, location as well as payment date of dividends are announced by the Company through the Press, as defined by Law 3556/2007 and the relevant decisions issued by the Hellenic Capital Market Commission. The right to receive dividend is cancelled in favor of the Greek State after five (5) years from the end of the year during which the General Meeting approved its distribution.

b) Limits on transfer of Company shares

There are no limitations on the transfer of Company shares.

c) Significant direct or indirect holdings according to the definition of L. 3556/2007

The following table presents the Company's shareholders with significant holdings of its share capital, according to data from the last General Meeting of 25.06.2020 and the most recently published data:

SHAREHOLDER	TOTAL NUMBER OF SHARES 18,410,839	PERCENTAGE OF SHARE CAPITAL
KALPINIS ATHANASIOS	3,104,250	16.86%
KALPINI ELVIRA	2,070,500	11.25%
SIMOS N. PANAGIOTIS	1,583,687	8.60%
SAKELLARIOU NIKOLAOS	905,000	4.92%
SAKELLARIOU CHRISTOS	905,000	4.92%
SIMOS P. NIKOLAOS	900,000	4.89%
SIMOU DOMINIKI	900,000	4.89%

d) Shares providing special control rights

There are not such shares.

e) Limitations on voting rights

There are no limitations on voting rights.

f) Agreements among Company shareholders

The Company is not aware of any agreements among shareholders entailing limitations on the transfer of shares or limitations on voting rights.

g) Rules for the appointment and replacement of members of the Board of Directors and the amendment of the Memorandum of Association

There are no relevant rules that other than those stated by Law 4548/2018.

h) Responsibility of the Board of Directors or its members a) for the issue of new shares or b) the acquisition of treasury shares

a) According to article 24, paragraph 1b of L. 4548/2018, the Board of Directors has the right, following a relevant decision by the General Shareholder's Meeting that is subject to the disclosure requirements of L. 4548/2018, to increase the Company's share capital with the issue of new shares, through a decision by the Board of Directors that is made with a majority of at least 2/3 of its total members. In this case, the Company's share capital may be increased up to three times the share capital amount paid up on the date when the Board of Directors was granted such power by the General Meeting. This power of the Board of Directors has a 5-year effect and may be renewed. There is currently no such decision in effect.

According to article 113 of L. 4548/2018, by means of a decision by the General Meeting, a stock option plan can be issued to members of the Board of Directors and to staff, with the form of stock options according to the specific terms of such a decision. The General Meeting decision defines the maximum number of shares that may be issued, which according to law cannot exceed 1/10 of existing shares. Also, the price and sale terms towards beneficiaries are set as well as the maximum number of shares that can be acquired if beneficiaries exercise their rights. The Board of Directors, by means of a relevant decision, defines any other relevant detail not provided for by the General Meeting. There is currently no such decision in effect.

b) According to article 49 of L. 4548/2018, the Board of Directors may convene a General Meeting of shareholders, with the objective to decide on the purchase of treasury shares. In case of any relevant decision approved, the General Meeting will define the terms and conditions of the stock repurchases in accordance with the legislation in effect.

i) Important agreements which are put into effect, amended or terminated in case of a change in the Company's control following a public offer

There are no such agreements.

j) Agreements with members of the Board of Directors or employees of the Company

There are no agreements made between the Company and members of its Board of Directors or its employees, which define the payment of indemnity in the case of resignation or dismissal without reasonable cause or termination of their period of office or employment due to a public offer.

Introduction

Corporate governance includes the manner in which companies are managed and controlled. Specifically it is a system of relations between the Company's Management, the Board of Directors, shareholders and other interested parties. Essentially it constitutes the structure through which the Company's objectives are approached and set out, the basic risks the Company faces during its operation are identified, the means to achieve the company objectives are defined, the risk management system is organized and the monitoring of Management's performance while implementing the above is rendered possible.

In Greece, the corporate governance framework is defined through applying and adhering to mandatory regulations, such as:

- Law 3016/2002, which imposes the participation of non-executive and independent non-executive members in the Board of Directors of Greek listed companies, the establishment and operation of an internal control service, as well as the adoption of internal operation regulations.
- L. 4548/2018 concerning the reformation and amendment of societe anonyme law.
- Law 3873/2010, which incorporate the EU Directive 2206/46/EC in Greek law and operates as a reminder for the need to establish the Code and constitutes its "founding base".
- Law 4449/2017 (which replaced Law 3693/2008) which adjusted the Greek legislation according to the provisions of Directive 2014/56/EU of the European Parliament and the Council of 16th April 2014, regarding the establishment of the Audit Committee and its duties and responsibilities.
- Article 74 of Law 4706/2020 which amends the provisions of Law 4449/2017 regarding the composition and operation of Audit Committees.

ELASTRON S.A. fully complies with the provisions and stipulations of the above laws, which constitute the minimum content of any Corporate Governance Code. However, apart from the provisions of the above laws, the Company has compiled its own Corporate Governance Code taking into consideration the principles defined by the Corporate Governance Code prepared by the Hellenic Federation of Enterprises (SEV), as it was amended from the Hellenic Corporate Governance Council on 28 June 2013. The Company's code is available on the website: <http://www.elastron.gr>.

Information of article 10, par. 1, items c), d), f), h), i) of EU directive 2004/25/EC

c) The significant direct or indirect holdings of the company are the following:

- NORTHERN GREECE METAL PRODUCTS S.A. (subsidiary). The Company participates by 100%.
- BALKAN IRON GROUP SRL (joint venture). The company participates by 33.3%.
- KALPINIS – SIMOS BULGARIA EOOD (subsidiary). The company participates by 100.00%
- PHOTODEVELOPMENT SA (subsidiary). The company participates by 98.6%
- PHOTODIODOS SA (subsidiary). The company participates by 98.3%
- PHOTOENERGY SA (subsidiary). The company participates by 97.5%
- ILIOSKOPIO SA (subsidiary). The company participates by 97.5%
- PHOTOKYPSELI SA (subsidiary). The company participates by 97.5%
- PHOTOISXIS MEPE (subsidiary). The company participates by 100.00%
- THRACE GREENHOUSES SA (joint venture). The company participates by 49.09%

Moreover, according to article 4 par. 7 of L. 3556/2007 the direct or indirect participations in the company's share capital (number of shares at 18,410.839 according to the decision of 25.06.2020 by the Ordinary General Meeting of shareholders) are the following:

- Athanasios Kalpinis of Andreas with 3,104,250 shares (16.86% - direct participation)
- Elvira Kalpini of Andreas with 2,070,500 shares (11.25% - direct participation)
- Panagiotis Simos of Nikolaos with 1,583,687 shares (8.60% - direct participation)
- Sakellariou Nikolaos with 905,000 shares (4.92% - direct participation)
- Sakellariou Christos with 905,000 shares (4.92% - direct participation)
- Nikolaos Simos of Panagiotis with 900,000 shares (4.89% - direct participation)
- Dominiki Simou of Panagiotis with 900,000 shares (4.89% - direct participation)

There are no significant indirect participations.

d) There are no securities and therefore owners that provide special control rights.

f) There are no limitations on voting rights or systems through which with the cooperation of the company, financial rights emanating from securities are distinguished from the ownership of the securities. The time-frames for exercise of voting rights are mentioned in detail in the section "Shareholders' rights and their exercise".

h) The rules for appointment and replacement of Board members are those mentioned in L. 4548/2018 and are described in detail in the following section.

i) There are no authorities of Board members regarding the ability to issue of buy back shares.

General Meeting of Shareholders

The General Meeting of shareholders is the highest-level body of the Company and is entitled to decide on any corporate affair. Its legal decision also binds shareholders that are not present or who disagree. The General Meeting is the only one responsible to also decide on issues of article 117 of L. 4548/2018. The General Meeting of shareholders is convened by the Board of Directors and meets regularly at least once each financial year and always until the 10th day of the 9th month, at the latest, from the end of each financial year and as an Extraordinary meeting whenever deemed necessary by company needs. The Meeting takes place at the company's domicile or at any other location within the Attica periphery.

The General Meeting of shareholders is also held by teleconference. The teleconference takes place online using a computer via a secure teleconferencing application and / or by telephone. In any case, the method to be followed will be notified to the shareholders by the relevant invitation. The invitation must include a reference to the stated manner of conducting the teleconference and the Company must take sufficient measures to comply with the conditions set forth in article 125, par. 1 of Law 4548/2018.

The Chairman of the Board temporarily acts a Chairman of the General Meeting, or if he is unavailable his deputy or an individual appointed by such. Whoever is appointed by the temporary Chairman serves as secretary temporarily.

After the list of shareholders' that have a voting right in the meeting is approved, then the General Meeting proceeds with electing the formal Chairman and formal secretary of the meeting.

Shareholders with the right to participate in the General Meeting may be represented in such by a proxy.

The General Meeting, with the exception of the repeated General Meetings and equivalent to the latter meetings, is convened at least twenty days prior to the general meeting date. The invitation includes at least the location with the exact address, date and time of the meeting, the daily agenda issues clearly, the shareholders that have the right to participate, as well as exact information on the manner in which shareholders will be able to participate in the meeting and exercise their rights. Also the invitation includes information provided by article 121, paragraph 4, Law 4548/2018. Apart from the release of invitation in GEMI, the full text of the invitation is published in the company's website and is released in a manner that ensures the immediate and without any discretion access to it, via means which according to the judgment of the board of directors are deemed as reliable for the dissemination of the above information towards to the investor community, such as via printed or electronic means of a national or Pan-European range.

The General Meeting is at quorum and meets in a valid manner on the daily agenda issues when shareholders that represent at least 1/5 of the paid up share capital are present or being represented at the meeting. If this quorum is not achieved during the first meeting, then a repeated meeting is convened in twenty (20) days from the day of the cancelled meeting, with a release of the invitation at least ten (10) full days prior to the new meeting. The repeated meeting is at quorum and meets validly on the issues of the initial daily agenda regardless of the portion of the paid up share capital represented in such. Furthermore a new invitation is not required if the initial invitation includes information about the place and the time of the repeated meeting, under the condition that the time period between the cancelled meeting and the repeated meeting is no shorter than five (5) days.

The decisions of the General Meeting are made with absolute majority of the votes represented in such.

Exceptionally, the General Meeting is at quorum and meets validly on the issues of the daily agenda if shareholders representing one half (1/2) of the paid up share capital are present or represented, when referring to decisions defined in article 130, paragraph 3, Law 4548/2018.

If the quorum of the previous paragraph is not achieved during the first meeting, then the first repeated meeting is convened according to paragraph 2 of the previous article, while the repeated meeting is at quorum and meets validly on the issues of the initial daily agenda when shareholders representing one fifth (1/5) of the paid up share capital are present or represented. Furthermore a new invitation is not required if the initial invitation includes information about the place and the time of the repeated meeting, under the condition that the time period between the cancelled meeting and the repeated meeting is no shorter than five (5) days.

Shareholders' rights and their exercise

Any shareholder has the right to participate and vote at the company's General Meeting. The exercise of such rights does not require the blockage of the beneficiary's shares or any other process, which limits the ability to sell and transfer shares during the period between the record date of beneficiaries and the date of the General Meeting. The individual or entity which has the capacity of shareholder at the beginning of the fifth (5th) day prior to the initial General Meeting date (record date) is entitled to participate in the General Meeting. The above record date is valid even in the case of a previously postponed or repetitive meeting provided that this previously postponed or repetitive meeting takes place no later than thirty (30) days from the record date. If such a condition does not occur or if, for the case of the repetitive general meeting, there is release of a new invitation according to the provisions of article 130, Law 4548/2018, then the individual or entity which has the capacity of shareholder at the beginning of the third (3rd) day prior to the previously postponed or repetitive general meeting date (record date) is entitled to participate in this general meeting. The proof of shareholders' capacity may be presented via any legal means and in any case through the information provided to the company from the central securities depository if the latter offers registry services, or through the registered intermediary parties participating in the central securities depository in any other case. Against the company, only the individual or entity which has the capacity of shareholder at the particular record date is entitled to participate in the General Meeting and vote on the daily agenda's items.

The shareholder participates in the General Meeting and votes either in person or through a proxy. Proxies that act on behalf of more than one shareholders may vote separately for each shareholder. Shareholders may appoint a proxy either for one or for as many meetings that may take place within a defined time period. Legal entities participate in the General Meeting through their representatives. The shareholder proxy is obliged to disclose to the Company, prior to the beginning of the General Meeting, any specific event that may be useful to shareholders in assessing the risk of the proxy serving other interests than those of the represented shareholder. According to the definition of the present paragraph, there might be conflict of interests specifically when the proxy:

- a) is a shareholder that exercises control on the Company or is another legal entity controlled by the shareholder,
- b) is a member of the Board of Directors or generally the management of the Company or of a shareholder that exercises control on the Company, or another legal entity that is controlled by a shareholder who exercises control on the Company,
- c) is an employee or certified public accountant of the Company or shareholder that exercises control on the Company, or another legal entity controlled by the shareholder who exercises control on the Company,
- d) is a spouse or first degree relative with one of the persons mentioned above in cases (a) through (c).

The appointment and revocation or replacement of a proxy or the shareholder's delegate is applied in written or through electronic mail and disclosed to the Company at least forty eight (48) hours prior to the date of the General Meeting.

Ten (10) days prior to the Ordinary General Meeting, the Company releases the annual financial statements and reports by the Board of Directors and auditor on its website.

With the request of shareholders that represent one twentieth (1/20) of the paid up share capital, the Board of Directors of the Company is obliged to convene an Extraordinary General Meeting of shareholders, setting the date of such, which cannot be more than forty five (45) days from the day the request was delivered to the Chairman of the Board. If a General Meeting is not convened by the Board

of Directors within twenty (20) days from the delivery of the relevant request, then the meeting takes place by the requesting shareholders, at the expense of the Company, by means of a decision by the court, which is issued during the injunction process. This decision states the place and time of the meeting, as well as the daily agenda.

With the request of shareholders that represent one twentieth (1/20) of the paid up share capital, the Board of Directors of the Company is obliged to list additional issues on the daily agenda of the General Meeting that has already been set, if the relevant request is received by the Board at least fifteen (15) days prior to the General Meeting. This request must be accompanied by a justification or by a draft resolution to be approved by the General Meeting and the revised daily agenda is published thirteen (13) days prior to the date of the General Meeting and at the same time provided to shareholders electronically on the company's website, together with the justification or draft resolution submitted by the shareholders, according to those stated in article 123 par. 4 of L. 4548/2018.

The Board of Directors provides shareholders, according to those stated by article 123, paragraph 3 of Law 4548/2018, at least six (6) days prior to the date of the General Meeting, access to the draft resolutions submitted by shareholders representing one twentieth (1/20) of the paid up share capital, on issues that have been included in the initial or revised daily agenda, if the relevant request is received by the Board of Directors at least seven (7) days prior to the date of the General Meeting.

The Board of Directors is not obliged to enlist the issues on the daily agenda or publish or disclose such together with the justification and draft resolutions submitted by shareholders according to the above paragraphs, if the content of such is apparently against the law or moral ethics.

With the request of shareholders that represent one twentieth (1/20) of the paid up share capital, the Chairman of the General Meeting is obliged to postpone the decision making process only once, for all or specific issues, by General Meeting, defining the day when the meeting will re-convene for decision making that is stated on the shareholders' request, which however cannot be more than twenty (20) days from the day of the postponement. The General Meeting that follows the postponement is considered a continuance of the previous and thus the disclosure requirements of the shareholders' invitation are not repeated and new shareholders cannot take part in the Meeting, according to the provisions of articles 124 paragraph 6 of L. 4548/2018.

Following a request of any shareholder that is submitted to the Company at least five (5) full days prior to the General Meeting, the Board of Directors is obliged to provide to the General Meeting the specifically required information on the Company's affairs, to the extent that such are relevant to the daily agenda issues. The Board of Directors may respond collectively to shareholders' requests that include the same content. There is no obligation to provide information when the relevant information is available on the company's website, especially in the form of questions and answers. Also, with the request of shareholders that represent one twentieth (1/20) of the paid up share capital, the Board of Directors is obliged to announce to the Ordinary General Meeting the amounts paid during the past two-years for any cause by the Company to Board Members or Managers or other employees, as well as any other benefits paid towards such individuals for any cause or for any contract of between the company and such. In all the above cases, The Board of Directors may decline the provision of such information for reasonable cause, stating the relevant justification in the minutes. Such a reasonable cause may consist according to the circumstances the representation of requesting shareholders in the Board of Directors, according to articles 79 or 80 of L. 4548/2018.

Following a request by shareholders that represent one tenth (1/10) of the paid up share capital, which is submitted to the Company within the time limit of the previous paragraph, the Board of Directors is obliged to provide to the General Meeting information on the development of corporate affairs and the financial position of the Company. The Board of Directors may decline the provision of such information for reasonable cause, which is stated in the minutes. Such a reasonable cause may consist according to the circumstances the representation of requesting shareholders in the Board of Directors, according to articles 79 or 80 of L. 4548/2018, given that the respective Board members have received the relevant information in an adequate manner.

Following a request by shareholders that represent one twentieth (1/20) of the paid of share capital, the voting process concerning any issue of the daily agenda is conducted by open voting.

Company Shareholders, that represent at least one twentieth (1/20) of the paid up share capital, have the right to request an audit of the Company by the Court. The audit is ordered if actions that violate the provisions of law or the Articles of Association or decisions by the General Meeting, are assumed. In any case, the audit request must be submitted within three (3) years from the approval of the financial statements of the year when the alleged actions took place.

Company Shareholders, that represent one fifth (1/5) of the paid up share capital, have the right to request audit of the Company by the relevant court, given that the overall developments of corporate affairs as well as certain evidence indicate in a plausible manner that Management of corporate affairs is not conducted as according to proper and prudent management. The Articles of Association may define the reduction, but not more than half, of the percentage of the paid up share capital required to exercise the right of the present paragraph.

Composition and operation of the Board of Directors

The Board of Directors consists of 3 to 15 members. The exact number of members is defined by the General Meeting.

The term of Board members is three-years (without excluding their re-election) and is extended automatically until the end of the term, during which the immediately next Ordinary General Meeting must convene and until the relevant decision is taken, which however cannot exceed four years.

Following its election, the Board of Directors convenes and is formed into a body by electing the Chairman, one or two Vice- Chairmen and one or two Chief Executive Officers of the company. The Chairman is substituted, when absent or unable, for all his responsibilities by the A' Vice-Chairman and the latter is substituted, when absent or unable, by a member that is appointed as such by a Board decision.

In case of resignation, death or in any other way loss of the capacity of Board member or members, the remaining Board members may continue the management and representation of the company without replacing the members absent, with the condition that the number of the remaining members is at least three (3) and is over half of total members, as such were numbered before the realization of the above events.

The remaining Board members, given that such are at least three (3), may elect members in replacement of those resigned, deceased or who lost their member capacity in any other way. The above election is effective for the remaining period of the term of the member that is replaced, while the decision of the election is submitted to the disclosure requirements and is announced by the Board of Directors at the immediately forthcoming General Meeting, which can replace the elected members, even if the issue has not been listed on the daily agenda.

In any case, the remaining Board members, regardless of their number, may convene a General Meeting with the exclusive objective of electing a new Board of Directors.

The Board of Directors meets at the company's domicile whenever deemed necessary by the company's needs, following an invitation from the Board's Chairman. During 2019, the company's Board of Directors convened 33 times. The executive Board members participated in the majority of meetings, while the non-executive members in about 1/3 of the meetings.

The Board of Directors is at quorum and convenes validly, when half plus one member are present or represented at the meeting, however the total number of members present cannot be less than three (3). To establish quorum possible fractions are omitted.

A member that is absent may be represented by another member. Each member can represent only one member absent.

The decisions by the Board of Directors are made validly with absolute majority of the present and represented members, excluding the case of article 5 par. 2 of the company's Articles of Association, but also the cases when stated otherwise by law.

The members of the company's Board of Directors that participate in any way in the management of the company, as well as its managers, are not permitted to act without the permission of the General Meeting on their own behalf or on behalf of third parties, on actions that are subject to one of the objectives aimed by the company and to participate as general partners or single partners or shareholders in companies that aim at such objectives. Exceptionally, the company's Board members that participate in any way in the management of the company, as well as its managers are permitted to participate in the board of directors and management of companies that are related to the company,

according to the provisions of law. In case of violation of the above limitation, the provisions of par. 2 and 3 of article 98 of L. 4548/2018, as currently in effect, apply.

Information about the Members of the Board of Directors

According to the decision of the Ordinary General Meeting of shareholders on 20.06.2019, a new ten-member Board of Directors was elected. On 05.08.2020, the Board of Directors after thanking Mr. Stylianos Koutsothanasis for his long-term contribution to the Company proceeded into his replacement by Mr. Vasileios Manesis and therefore the Board of Directors of the Company consists of the following members:

- 1) Panagiotis Simos, Chairman of the Board
- 2) Athanasios Kalpinis, Chief Executive Officer
- 3) Elvira Kalpini, Vice-Chairman of the Board
- 4) Andreas Kalpinis, Executive Board Member
- 5) Anastasios Mpiniotis, Executive Board Member
- 6) Vasileios Manesis, Executive Member of the Board of Directors
- 7) Eirini Simou, non-Executive Board Member
- 8) Konstantinos Gianniris, Independent non-Executive Board Member
- 9) Georgios Kouvaris, Independent non-Executive Board Member
- 10) Dimitrios Paparisteidis, Independent non-Executive Board Member

The term of the BOD commenced on 20.06.2019, is a three-year one, whereas it is automatically extended until the end of the deadline, during which the next Ordinary General Meeting must convene. The above deadline cannot however exceed the period of four years.

Condensed CVs of Board members

Andreas Kalpinis

Andreas Kalpinis is one of the two founders of the Company. He has extensive experience and knowledge of the international and domestic steel products market.

Athanasios Kalpinis

A graduate of the Economic Department of University of Piraeus. He has served as plant manager and head of the supervision and coordination of the production process, while from 2000 he holds the position of Chief Executive Officer.

Panagiotis Simos

He has served as commercial director of the Group, responsible for the planning and implementation of the commercial policy. From 2000 he is Chairman of the Board of Directors.

Elvira Kalpini

She is head of the company's Public Relations and Administrative Services, why she also serves as Vice-Chairman of the Board of Directors.

Vasileios Manesis

Executive Member of the Board of Directors of the Company, Chief Financial Officer and Head of Shareholder and Investor Relations. Graduate in Economics from the University of Piraeus and holder of an MSc in International Business and Finance from the University of Reading, England. He has been working for the Company since 2001 and since 2012 he holds the position of Chief Financial Officer.

Anastasios Mpiniotis

An executive with many years experience and knowledge of the steel product market. He is a graduate of the University of Piraeus with a masters in Business Administration. He has served as head of Sales and Marketing Divisions and as an advisor on Commercial and Administration organization issues for various companies.

Irini Simou

He is a graduate of the Department of Business Administration of TEI Piraeus and graduate of the Department of Business Administration of Piraeus University of Economics. Mrs. Simou is also the Managing Director of the company Steel Center SA.

Konstantinos Gianniris

A graduate of Business Administration from the University of Piraeus and the Athens University Law School. He has served as Chief Executive Officer, General Manager or Senior Management Executive at many Greek private sector companies (Iaso Group, Athens Euroclinic Group, Izola, Selman, A.G. Petzetakis, Soulis etc.). He has founded the Institute of Internal Auditors, at which he served as Chairman for seven years. He has also established the Association of Greek Clinics, for which he served as Chairman for 2 years. Finally he participates as member in the Audit Committee of the company THRACE PLASTICS S.A..

Georgios Kouvaris

Chemical engineer with over 30 years of experience in managerial positions of corporations belonging to the energy sector in Greece and abroad.

Dimitrios Paparisteidis

A graduate of the Athens Economic University with a Masters Degree from Glasgow University. He has served as manager in a large number of companies in the financial industry.

The following table includes the external professional commitments of Board members:

FULL NAME	PARTICIPATION IN COMPANIES APART FROM THE PARENT	PARTICIPATION PERCENTAGE OF ELASTRON SA – STEEL SERVICE CENTERS	POSITION IN THE COMPANY
PANAGIOTIS SIMOS	KALPINIS SIMOS BULGARIA EOOD	100.00%	MANAGER
ATHANASIOS KALPINIS	KALPINIS SIMOS BULGARIA EOOD	100.00%	MANAGER
KONSTANTINOS GIANNIRIS	THRACE PLASTICS SA	-	MEMBER OF AUDIT COMMITTEE
IRINI SIMOU - KALDI	STEEL SERVICE CENTER SA	-	CHAIRMAN AND CEO
ANASTASIOS BINIORIS	BALKAN IRON GROUP SRL	33.3%	MANAGER
	METAL-PRO SA	100.00%	CHAIRMAN AND CEO
VASILEIOS MANESIS	PHOTOKYPSELI SA	97.5%	CHAIRMAN OF THE BOARD
	PHOTODEVELOPMENT SA	98.6%	MEMBER OF THE BOARD
	PHOTOENERGY SA	97.5%	MEMBER OF THE BOARD
	METAL-PRO SA	100.00%	MEMBER OF THE BOARD
GEORGIOS KOUVARIS	TERNA ENERGY SA	-	MEMBER OF THE BOARD
	TERNA ENERGY FINANCE	-	MEMBER OF THE BOARD
	HERON THERMOELECTRIC SA	-	CHAIRMAN OF THE BOARD

Audit Committee

The Company's Audit Committee operates within the regulatory framework set by Law 3016/2002, Law 4706/2020 and Law 4449/2017, as amended, as well as the relevant circulars of the Hellenic Capital Market Commission with protocol numbers 1302 / 28.04 .2017 and 1508 / 17.07.2020.

The Audit Committee is established by a decision of the General Meeting of Shareholders or is appointed by the Board of Directors, when it is a committee of the Board and has as its main objective the support and assistance of the Board of Directors to fulfill its mission regarding the Financial Information process, Internal Audit Systems and Risk Management, the Internal Control Unit and the External Control Supervision.

The Commission may consist of:

- non-executive members of the Board of Directors (committee of the Board of Directors), appointed by the Board of Directors, or
- non-executive members of the Board of Directors and third parties (independent committee), appointed by the General Meeting of Shareholders of the Company, or
- only third parties (independent committee), who are appointed by the General Meeting of Shareholders of the Company.

The type of the Audit Committee (according to the above subcategories), the term, the number and the qualities of its members are decided by the General Meeting of Shareholders.

In any case, the majority of the members of the Audit Committee consist of members who meet the conditions of independence determined by the provisions of article 4 of Law 3016/2002, for the period that is still in force, and thereafter (starting on 17 July 2021) of article 9 of law 4706/2020.

All members of the Audit Committee have sufficient knowledge in the field in which the Company operates, while at least one independent member who has sufficient knowledge and experience in auditing and accounting is required to attend the meetings of the Committee concerning the approval of the financial statements. The Chairman of the Audit Committee is appointed by its members and is independent of the Company. The term of office of the members of the Audit Committee follows the term of the Board of Directors.

According to the decision of the Ordinary General Meeting of the shareholders on 20/06/2019, the Audit Committee consists of the following members:

- 1) Mr. Konstantinos Gianniris, independent non-executive Board member, with extensive experience on accounting and auditing issues, as chairman of the Audit Committee.
- 2) Mr. Dimitrios Paparisteidis, independent non-executive Board member, as member of the Audit Committee.
- 3) Mr. Georgios Valettas, as member of the Audit Committee.

Duties and Responsibilities of the Audit Committee

External Control - Audit

- i. Monitors and evaluates the performance of Certified Auditors Accountants and receives a report from the Certified Auditor Accountant on the audit findings. Conducts meetings with the Certified Auditor Accountant of the Company, without the presence of the members of the Management at least twice a year. Submits proposals to the Board of Directors regarding the appointment of Certified Auditor Accountants, the approval of their remuneration and monitors their selection process.
- ii. Ensures the independence of the Certified Auditor Accountant and the objectivity and efficiency of the audit process.
- iii. Examines the possibility of providing non-audit services by Certified Auditors Accountants.
- iv. It is informed by the Certified Auditor Accountant on the annual mandatory audit plan before its implementation. It conducts its evaluation and ensures that the annual mandatory audit plan covers the most important areas of audit, taking into account the main areas of business and financial risk of the Company.

v. It monitors the statutory audit of the annual and consolidated financial statements and in particular its progress, taking into account any findings and conclusions of the competent authority, in accordance with paragraph 6 of Article 26 of EU Regulation no. 537/2014. In this context, it informs the Board of Directors by submitting a relevant report on the issues that arose from the implementation of the mandatory audit, explaining in detail:

- i. the contribution of statutory audit to the quality and integrity of financial information, i.e. the accuracy, completeness and correctness of financial information, including the relevant disclosures, approved by the Board of Directors which are then made public,
- ii. the role of the Committee in the procedure under (i) above, i.e. recording the actions taken by the Committee during the statutory audit process.

vi. It shall take into account the content of the supplementary report submitted by the Certified Auditor Accountant, which shall contain the results of the statutory audit carried out and shall meet at least the specific requirements in accordance with the relevant regulatory framework (Article 11 of Regulation (EC) No 537 / 2014 of the European Parliament and of the Council as of 16 April 2014) and informs the Board of Directors of the Company. Finally, the Committee, whenever it deems appropriate, submits proposals on other important issues.

Financial Information Process

1. The Audit Committee is informed about the procedure and the schedule of preparation of the financial information and other published information (e.g. stock exchange related announcements, press releases, etc.) by the Management and monitors, examines and evaluates the process of preparation of the financial information, i.e. the mechanisms and the production systems, the flow and dissemination of the financial information produced by the involved organizational units of the Company.

2. Informs the Board of Directors of its findings on essential issues in its areas of responsibility, submits proposals for improving the process, if deemed appropriate and monitors the response of Company's Management on these issues.

3. Takes into account and examines the most important issues and risks that may have an impact on the financial statements of the Company, as well as the important judgments and estimates of the Management during their preparation.

4. The following are indicative issues that are being examined and evaluated in detail by the Audit Committee to the extent that they are important for the Company, indicating specific actions on the respective issues along the briefing process towards the Board of Directors:

- Valuation of assets at fair value.
- Assessment of asset recoverability.
- Accounting for acquisitions. Adequacy of disclosures about the significant risks faced by the Company.
- Significant transactions with related parties.
- Significant unusual transactions.

5. The communication of the Committee with the Certified Auditor Accountant in view of the preparation of the audit report and the supplementary report of the latter to the Committee must be essential or material.

6. In addition, the Committee reviews the financial reports (Annual and Semi-Annual) before their approval by the Board of Directors, in order to assess their completeness and consistency in relation to the information required by its own knowledge, as well as the accounting principles implemented by the Company and informs the Board of Directors accordingly.

Procedures of Internal Control Systems, Risk Management and Internal Control Unit Regarding the operation of the Internal Control System, the Committee:

1. Examines and notifies to the Board of Directors cases of conflicts of interest. Monitors, examines and evaluates the adequacy and effectiveness of all policies, procedures and internal controls of the Company regarding on the one hand the internal control system and on the other hand the quality assurance and risk assessment and management, in relation to financial information.

2. Monitors the effectiveness of internal control systems mainly through the work of the internal control unit and the work of the certified auditor accountant.

3. The Committee reviews the management of the main risks and uncertainties of the Company and their periodic revision. In this context, it evaluates the methods applied by the Company for the

identification and monitoring of risks, the treatment of the main risks through the internal control system and the internal control unit as well as their proper disclosure in the published financial information.

4. Examines the existence and content of those procedures, according to which the Company's personnel will be able, on the basis of confidence, to express their concerns about possible illegalities and irregularities in matters of financial information or other issues related to the operation of the company. The Committee must ensure that procedures are in place to effectively and independently investigate such issues and to address them appropriately.

Regarding the operation of the Internal Control Unit, the Committee:

1. Evaluates the staffing and organizational structure of the Internal Control Unit and identifies any weaknesses. It also monitors and inspects the proper functioning of the Internal Control Unit in accordance with professional standards as well as the current legal and regulatory framework and evaluates the delivered outcome, its adequacy and effectiveness, without however affecting its independence. If appropriate, the Committee shall submit proposals to the Board of Directors, so that the Internal Control Unit has the necessary means, is adequately staffed with sufficient knowledge, experience and training, has no restrictions on its work and has the required independence. Therefore, the appointment and dismissal of the head of the internal control unit is proposed by the Audit Committee to the Board of Directors. In the same context, the Committee determines and examines the operating regulations of the Company's internal control unit.

2. Approves the annual audit plan that is submitted by the Internal Control Unit and is prepared based on the risk assessment and the results of the previous audits. Renders an opinion on the preparation of the annual audit plan and suggests the conduct of extraordinary audits. Guides the Internal Control Unit so that it operates in accordance with current legislation and relevant circulars as well as in accordance with International Standards on Internal Audit, ensuring the independence and efficiency of its operation.

3. Evaluates the performance of the Internal Control Unit and receives at least every quarter a report with the results of the audits performed and presents it together with its own observations to the Board of Directors.

4. Evaluates the requirements of the necessary resources submitted by the Internal Control Unit, as well as the consequences of limiting the resources or the audit process in general. Holds regular meetings with the Internal Controllers to discuss issues of their competence, as well as problems arising from internal audits.

5. Takes note of the work of the internal control unit and its reports (regular and extraordinary) and monitors the briefing of the Board of Directors with regard to the respective content, in relation to the financial information of the Company.

6. Reviews the disclosed information regarding the internal control and the main risks and uncertainties of the Company, in relation to the financial information.

7. For the results of all the above actions, the Committee informs the Board of Directors of its findings and submits proposals for the implementation of corrective actions, if deemed appropriate. It is emphasized that the following applies to the above paragraphs a, b & c:

- The Committee has unhindered and full access to the information, records and data needed in the exercise of its responsibilities and has the resources necessary to carry out its work, including the use of external consultants.
- It is necessary to keep all the necessary information, including minutes of the meetings of the Committee, in which its actions and their results are recorded, regarding the implementation of its work.
- It is necessary to submit reports of the Committee towards the Board of Directors regarding its areas of responsibility with reference to the areas that the Audit Committee, after the completion of its work, considers that there are essential issues in relation to the financial information provided, and monitoring the response of the Management on the above issues.
- Submits an annual Activity Report to the Ordinary General Meeting of the Company and the Chairman of the Committee informs the shareholders at the annual Ordinary General Meeting about the activities of the Committee based on the aforementioned responsibilities, through the submission of the above Activity Report.

For the implementation of all the above, the Audit Committee is expected to hold meetings with the Management and the competent executives during the preparation of the financial reports, as well as with the Certified Auditor Accountant during the planning phase of the audit, during the implementation as well as during the stage of preparation of audit reports.

During the year 2020, the Audit Committee convened 11 times, during which all members were present.

Remuneration & Nomination Committee of executive Board members and senior executives and for Election of Nominee Board Members

The above committee convenes following an invitation by its chairman, and consists of the following members:

- 1) Mr. Konstantinos Gianniris, independent non-executive Board member, with substantial experience in accounting and auditing issues, as chairman of the committee
- 2) Mr. Vasileios Manesis, executive Board member, as member of the committee
- 3) Mr. Anastasios Mpinioris, executive Board member, as member of the committee.

The responsibilities and tasks of the committee are described in detail in the Operating Regulation, and in summary include the following:

- The definition of criteria and the planning of policy for the election of nominee Board members and Senior Executives.
- Defining the remuneration and any kind of benefits towards Board members and Senior Executives.
- The frequent review of remuneration, both of Board members and of Senior Executives, in combination with their professional qualifications, the conditions of the market and the company and their employment time.

During 2020, the Committee convened twice, during which all members were present.

Other management or supervisory bodies or committees of the company

There are no other management and supervisory bodies.

Policy of diversity for the managerial, administrative and supervisory bodies

The diversity in the Board of Directors as well as in the other administrative and supervisory bodies of the company is based on a series of elements which indicatively include the gender, the age, the cultural and educational background, the nationality, the professional experience, the skills, knowledge and time of prior service.

The appointment of the members of Board of Directors and the Senior Managers is based on meritocracy and the candidates are being evaluated according to objective criteria and with the aim to protect the assets, the strategic planning and the expansion of the company.

Internal control and risk management systems

Particularly large emphasis is given by the Board of Directors to the internal control system. Through the latter, the Board ensures the protection of the company's assets, reliability of financial statements and reports, handling of significant risks, as well as the adherence to laws and policies applied by the company.

The company's internal control system is based on processes and policies that are described in detail in the Internal Operation Regulation. Such processes and policies refer to monitoring deviations from the corporate policy, the correctness and completeness of financial statements, as well as maintaining financial and in general corporate data as confidential.

In this context, the Board of Directors implements regular audits and reviews on the internal control systems with the objective:

- to audit and evaluate the strategy, both on the company level as well as on the level of individual departments, in the context of the approval of the company's annual budget.
- to identify, assess, measure and manage risks to which the company is exposed.
- to monitor the company's financial performance and analyze, interpret and clarify deviations from the annual budget.
- to evaluate and improve the Internal Operation Regulation, which also constitutes the basis for applying internal control systems.

At the same time, with the objective of ensuring the correctness and accuracy of financial data, based on which the financial statements are prepared, the company develops the appropriate systems and safety nets. Such include:

- The use of specialized, accounting and financial software and applications, which ensure the prompt and accurate provision of information relating to the company's financial data. A limited and authorized number of users have access to such systems.
- The regular review of accounting policies and procedures and ensuring that such are applied fully.
- The existence of closing processes for the financial statements and informing the relevant individuals as regards to the obligations of the company that emanate from tax, labor, commercial and stock exchange legislation.
- The existence and adherence to policies on any significant corporate process, such as supplies, sales, payments, receipts, inventory etc.
- Applying reconciliation and audits on a regular basis as regards to customer, supplier, bank, cash balances, taxes etc.
- Monitoring and ensuring that the group's subsidiaries apply the same accounting policies and procedures as the parent company.
- Ensuring the correctness and accuracy of the financial statements of subsidiaries, as well as their prompt submission for purposes of preparing and publishing consolidated financial reports and statements.
- The monthly evaluation of deviations between real, comparative and estimated results, with the objective of providing management with information relating to possible extraordinary and unusual expenses and the development of results.

To achieve and apply the above, the company uses, ensures and maintains computer and IT systems that are customized to its needs and to the modern organization, administration and IT requirements> to protect both the systems and the data kept in such, the company applies strict audit processes, which are described in detail in the Internal Operation Regulation. Specifically:

- On a daily basis, the IT service creates back-ups of all computer files and software in the central computer system and peripheral computers, thus ensuring that business data is kept classified as well as the smooth operation of the company.
- Back-up files are kept in a specially formed space, covering thus the case of theft and natural disaster.
- Access to the area where the central computer system is located is provided only to authorized individuals from the IT service.
- The IT service audits and prints interventions – changes on the central computer and informs the head of the service as well as the internal auditor.
- Both the central and the peripheral computers are secured from external threats by using several modern methods, such as antivirus software, e-mail security and firewall.

The present Corporate Governance Statement forms an integral part of the Annual Management Report by the Board of Directors.

Aspropyrgos, 16 April 2021

THE CHAIRMAN OF BOD
PANAGIOTIS SIMOS

Report by Independent Certified Auditor / Accountant

Towards the Shareholders of the Company “ELASTRON S.A. – STEEL SERVICE CENTERS”

Audit Report on the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of the Company “**ELASTRON S.A. – STEEL SERVICE CENTERS**” (the Company), which consist of the separate and consolidated statement of financial position of 31 December 2020, the separate and consolidated statements of income and other comprehensive income, statements of changes in equity and cash flow statements for the year ended on the aforementioned date, as well as the summary of significant accounting principles and methods and other explanatory notes.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the company “ELASTRON S.A. – STEEL SERVICE CENTERS” and its subsidiaries (the Group) as at 31 December 2020 and their financial performance and consolidated cash flows for the year then ended in accordance with the International Financial Reporting Standards, as such have been adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as incorporated into the Greek Legislation. Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the separate and consolidated Financial Statements” section of our report. We are independent of the Company and its consolidated subsidiaries throughout our appointment in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code), as incorporated into the Greek Legislation and the ethical requirements that are relevant to the audit of the separate and consolidated financial statements in Greece, and we have fulfilled our other ethical responsibilities in accordance with the requirements of the current legislation and the above-mentioned IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the audited period. These matters and the associated risks of material inaccuracy were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Inventory (Valuation)

The Group's inventory on 31 December 2020 and 31 December 2019 amounted to 29,560 thous. Euros and 28,320 thous. Euros respectively representing approximately 23% and 22% of total assets respectively.

The Group values the inventories at the lowest value between the acquisition cost or the production cost and their net liquidation value. The net liquidation value is estimated according to the current sale prices of inventories.

The Group does not utilize any hedging strategies with regard to its main operating inventory. As result, any changes in the prices of metals may correspondingly affect the results via the depreciation or appreciation of inventories.

The Group's disclosures with regard to its accounting policy applied for the valuation of inventories are included in notes 2.14 and 9 of the separate and consolidated financial statements.

Our auditing approach included among others the following audit procedures:

- Assessment of the policies, the methodology and internal controls which support the inventory management policy adopted by the Group.
- Monitoring of the inventory accounting process in the Company's storage facilities and sample-based auditing of the materials
- Analytical procedures with regard to the movement of inventories and reconciliation of the accounting balance with the analytical warehouse balance
- Review of an inventory sample in order to confirm the correct calculation of the acquisition cost based on the invoices of purchases and audit of the proper allocation of the production expenses
- Based on the current selling prices, it was calculated the net liquidation value on a large sample basis and a comparison against the cost of the final inventory was made
- Confirmation of the adequacy and appropriateness of disclosures in notes 2.14 and 9 of the financial statements

Trade Receivables (Recoverability)

The trade receivables of the Group on 31st December 2020 amounted to € 17,295 thousand (€ 14,735 thousand on 31.12.2019). The above balances include a provision for impairment of € 3,391 thousand (€ 3,302 thousand on 31.12.2019).

The Management evaluates the required impairment where it is considered that there is a case. In addition, according to IFRS 9, the Management makes an estimate of the required provision for impairment regarding expected, and not with regard to realized, credit losses. The assessment is based on significant judgments and estimates the Management makes taking into account among others the sector's characteristics, the history of collectability concerning the receivables under consideration, the market conditions and the insurances or guarantees that have been granted against the particular receivables.

Given the significance of the above trade receivables and the important estimates and judgments made by the Management for determining the recoverable amount, we view the assessment of the provision impairment regarding the above trade receivables as one of the key audit matters.

Our auditing approach focused among others on the following auditing procedures:

- We evaluated the policies and application of the internal controls applied by the Group with regard to the recoverability of receivables.
- We assessed whether the methodology for the estimation of the recoverable amount has been appropriately applied in accordance with IFRS 9.
- On a sample testing basis, we verified the accuracy and completeness of the data utilized by the Group in the calculation model as well as the maturity of the balances of receivables.
- We collected and evaluated other elements such as the minutes of the Board of Directors and the letters from the lawyers supporting the judgment and estimates of the Group regarding the recoverability of the receivables.

The Group's disclosures in relation to the accounting policy and the other information concerning the impairment test of the above trade receivables are included in notes 2.13, 2.15 and 8 of the parent and consolidated financial statements.

■Assessment of adequacy of disclosures included in the notes 2.13, 2.15 and 8 of the financial statements regarding this matter.

Other Information

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

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

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

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

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

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

The Audit Committee (art. 44 L. 4449/2017) of the Company is responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern principle of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the company and of its subsidiary audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the audited year and are therefore the key audit matters.

Report on other Legal and Regulatory Requirements

1. Management Report of Board of Directors

Taking into consideration that the Management is responsible for the preparation of the Management Report of the Board of Directors [as well as of the Corporate Governance Statement included in this report (provided that it concerns a company of public interest)], in application with the clauses of paragraph 5 of article 2 of Law 4336/2015 (part B), we note the following:

- a) The Board of Directors' Management Report includes the corporate governance statement, which provides the information stipulated by the article 152 of L. 4548/2018.
- b) In our opinion the Management Report of the Board of Directors has been compiled according to the effective legal requirements of articles 150 and 153 and of the paragraph 1 (cases c' and d') of article 152 of Law 4548/2018, whereas its contents correspond to the attached [separate and consolidated] financial statements for the year ended on 31/12/2020.
- c) Based on the knowledge we acquired during our audit for the Company "**ELASTRON SA – STEEL SERVICE CENTERS**" and its environment, we have not detected any material inconsistencies in the Management Report of its Board of Directors.

2. Additional Report to the Audit Committee

Our audit opinion on the accompanying separate and consolidated financial statements is consistent with the Additional Report to the Company's Audit Committee referred to in Article 11 of European Union (EU) Regulation 537/2014.

3. Provision of non-audit services

We have not provided to the Company and its subsidiary the prohibited non-audit services referred to in Article 5 of EU Regulation 537/2014 or other prohibited non-audit services.

4. Auditor's Appointment

We have been appointed for the first time statutory auditors of the Company by the dated 30/06/1993 decision of the annual ordinary general meeting of shareholders. Since then, our appointment has been constantly renewed for a total period of 27 years based on the annual decisions of the Annual General Meetings of Shareholders.

Athens, 19 April 2021

EFSTATHIOS I. KARALIS

Certified Auditor

SOEL Registration Number 40311

SOL S.A.

Member of Crowe Global

3 Fokionos Negri Str., 11257 Athens Greece

Certified Auditors Association Reg. No. 125

1. Statement of Financial Position

(Amounts in €)

	Note	GROUP		COMPANY	
		31.12.2020	31.12.2019	31.12.2020	31.12.2019
ASSETS					
Non Current Assets					
Self-used tangible assets	6	62,590,263.11	60,228,167.81	48,747,750.70	45,805,651.82
Investment property	6,7	2,965,683.76	3,029,345.46	2,965,683.76	3,029,345.46
Intangible assets	6	43,496.74	60,829.79	43,496.74	60,829.79
Investment in associates, subsidiaries and joint ventures	2.3, 21	4,279,133.12	4,185,135.31	12,828,183.70	13,215,379.04
Long term receivables	8	189,722.31	191,641.38	2,677,127.22	2,514,879.88
Total Non Current Assets		70,068,299.04	67,695,119.75	67,262,242.12	64,626,085.99
Current Assets					
Inventories	9	29,560,134.95	28,320,114.07	29,560,134.95	28,320,114.07
Customers	8	17,295,322.53	14,735,383.84	16,988,092.38	14,503,807.65
Other receivables	8	885,863.55	1,908,671.50	843,011.69	1,929,430.70
Investments	10	1,159,158.38	24,290.00	1,159,158.38	24,290.00
Cash and cash equivalents	12	9,750,656.33	14,163,404.82	9,436,262.12	13,990,542.99
Total Current Assets		58,651,135.74	59,151,864.23	57,986,659.52	58,768,185.41
Total Assets		128,719,434.78	126,846,983.98	125,248,901.64	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	21,293,932.93	21,284,193.14	21,279,023.92	21,269,284.13
Retained earnings	13	14,973,983.16	13,352,316.87	14,513,571.39	13,270,481.01
Total shareholders' equity		65,849,932.79	64,218,526.71	65,374,612.01	64,121,781.84
Minority interest	13	32,405.24	28,645.67	0.00	0.00
Total Equity		65,882,338.03	64,247,172.38	65,374,612.01	64,121,781.84
LIABILITIES					
Long-Term liabilities					
Loans	15	29,016,000.00	28,588,000.00	29,016,000.00	28,588,000.00
Provisions for employee benefits	17	834,831.93	698,521.58	831,889.00	695,578.65
Grants (deferred income)	27	3,679,082.95	3,890,812.59	2,716,182.66	2,896,476.26
Liabilities from leases	28	542,668.81	966,134.20	211,966.82	614,473.09
Deferred income tax	16	3,572,450.83	3,283,151.59	2,368,564.04	2,166,090.88
Provisions		114,000.00	42,000.00	72,000.00	0.00
Total Long-term Liabilities		37,759,034.52	37,468,619.96	35,216,602.52	34,960,618.88
Short-Term Liabilities					
Suppliers	14	9,826,162.36	14,022,529.58	9,777,138.90	13,982,205.48
Other liabilities	14	2,252,639.69	1,422,472.93	2,022,914.60	1,266,483.17
Liabilities from leases	28	532,970.18	717,284.03	512,011.05	697,640.47
Derivatives	11	22,094.56	56,901.39	22,094.56	56,901.39
Short-Term Loans	15	12,444,195.44	8,912,003.71	12,323,528.00	8,308,640.17
Total Short-Term Liabilities		25,078,062.23	25,131,191.64	24,657,687.11	24,311,870.68
Total Liabilities		62,837,096.75	62,599,811.60	59,874,289.63	59,272,489.56
Total Equity and Liabilities		128,719,434.78	126,846,983.98	125,248,901.64	123,394,271.40

2. Statement of Income and Other Comprehensive Income

		GROUP		COMPANY	
(Amounts in €)	Note	1.1 – 31.12.20	1.1 – 31.12.19	1.1 – 31.12.20	1.1 – 31.12.19
Sales	19	104,048,145.41	111,449,597.86	102,704,529.20	110,136,960.00
Cost of sales	20	-90,164,378.27	-100,066,932.80	-89,630,274.70	-99,532,796.69
Gross profit / (loss)		13,883,767.14	11,382,665.06	13,074,254.50	10,604,163.31
Other income	20	2,117,397.12	2,215,417.52	2,352,296.16	2,451,723.75
Distribution expenses	20	-9,161,372.28	-9,623,359.77	-9,161,372.28	-9,623,359.77
Administration expenses	20	-2,691,912.77	-2,647,298.21	-2,466,492.44	-2,384,609.88
Other expenses	20	-738,816.94	-476,332.84	-542,718.67	-268,953.79
Earnings / (losses) before interest and taxes (EBIT)		3,409,062.27	851,091.76	3,255,967.27	778,963.62
Financial income	20	103,958.18	76,208.28	221,498.89	174,608.37
Financial cost	20	-1,991,183.73	-2,380,657.52	-1,940,793.21	-2,302,336.26
Investment results	10, 21	441,174.87	0.00	51,174.87	-400,000.00
Income/(expenses) of companies consolidated with the equity method	20	101,601.80	231,799.93	0.00	0.00
Earnings / (losses) before taxes (EBT)		2,064,613.39	-1,221,557.55	1,587,847.82	-1,748,764.27
Income Tax	16, 20	-321,109.94	-772,944.25	-234,283.84	-575,895.53
Earnings / (losses) after taxes (EAT) (a)		1,743,503.45	-1,994,501.80	1,353,563.98	-2,324,659.80
Attributed to:					
Shareholders of the parent		1,739,743.88	-1,997,530.44	1,353,563.98	-2,324,659.80
Minority interest		3,759.57	3,028.64	0.00	0.00
Other comprehensive income / (expenses) after taxes (b)	20	-108,337.80	-133,849.36	-100,733.81	-32,761.43
Total comprehensive income/ expenses after taxes (a) + (b)		1,635,165.65	-2,128,351.16	1,252,830.17	-2,357,421.23
Attributed to:					
Shareholders of the parent		1,631,406.08	-2,125,105.21	1,252,830.17	-2,357,421.23
Minority interest		3,759.57	-3,245.95	0.00	0.00
Earnings / (losses) after taxes per share – basic (in €)	22	0.0945	-0.1085	0.0735	-0.1263
Earnings / (losses) before interest, tax, depreciation and amortization (EBITDA)		5,994,689.84	3,492,508.59	5,292,384.04	2,868,888.37

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	11, 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	2.1, 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	1,739,743.88	3,759.57	1,743,503.45
Hedging result	11, 13	0.00	0.00	9,739.79	0.00	9,739.79
Foreign exchange differences from consolidation	13	0.00	0.00	-7,603.99	0.00	-7,603.99
Actuarial Gains / (Losses)	13	0.00	0.00	-110,473.60	0.00	-110,473.60
Balance on 31.12.2020	13	18,410,839.00	11,171,177.70	36,267,916.09	32,405.24	65,882,338.03

(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
Hedging result	11, 13	0.00	0.00	-26,232.02	-26,232.02
Effect from IFRS 16	2.1, 13	0.00	0.00	-6,529.41	-6,529.41
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	1,353,563.98	1,353,563.98
Hedging result	11, 13	0.00	0.00	9,739.79	9,739.79
Actuarial Gains / (Losses)	13	0.00	0.00	-110,473.60	-110,473.60
Balance on 31.12.2020	13	18,410,839.00	11,171,177.70	35,792,595.31	65,374,612.01

4. Statement of Cash Flows

(Amounts in €)	GROUP		COMPANY	
	1.1-31.12.2020	1.1-31.12.2019	1.1-31.12.2020	1.1-31.12.2019
Operating Activities				
Earnings before Tax (EBT)	2,064,613.39	-1,221,557.55	1,587,847.82	-1,748,764.27
Plus / minus adjustments for:				
Depreciation & amortization	2,797,357.21	2,711,159.21	2,216,710.37	2,129,117.44
Depreciation of grants	-211,729.64	-69,742.48	-180,293.60	-39,192.69
Provisions	97,836.75	42,928.23	97,836.75	42,628.23
Impairment of assets	125,963.79	79,646.52	515,921.47	477,149.41
Results (income, expenses, profit and loss) from investment activity	-532,057.63	-205,215.08	-430,437.14	26,922.83
Debit interest and related expenses	1,991,183.73	2,380,657.53	1,940,793.21	2,302,336.26
	6,333,167.60	3,717,876.38	5,748,378.88	3,190,197.21
Plus/minus adjustments for changes in working capital accounts or those related to operating activities				
Decrease / (increase) of inventories	-1,240,020.88	4,029,594.33	-1,240,020.88	4,025,782.71
Decrease / (increase) of receivables	-1,659,982.40	5,314,543.51	-1,684,821.87	9,635,933.62
(Decrease) / increase of liabilities (apart from banks)	-3,565,996.12	8,277,453.90	-3,530,875.51	8,338,878.67
Minus:				
Debit interest and related expenses paid	-2,009,540.57	-2,500,674.92	-2,075,905.37	-2,421,696.10
Taxes paid	-14,703.49	-7,584.76	-14,718.94	-7,588.24
Total inflows/(outflows) from operating activities (a)	-2,157,075.86	18,831,208.44	-2,797,963.69	22,761,507.87
Investment Activities				
Acquisition of subsidiaries, associates, joint ventures and other investments	0.00	-785,000.00	-2,804.66	-5,139,845.34
Purchase – Sale of Securities	-693,693.51	0.00	-693,693.51	0.00
Purchase of tangible and intangible fixed assets	-4,956,009.93	-1,529,920.76	-4,955,366.67	-1,529,920.76
Proceeds from sales of tangible and intangible assets	28,100.00	25,100.00	28,100.00	25,100.00
Interest received	223.13	637.53	204.42	300.15
Total cash inflows/(outflows) from investment activities (b)	-5,621,380.31	-2,289,183.23	-5,623,560.42	-6,644,365.95
Financial Activities				
Proceeds from issued / undertaken loans	44,500,000.00	60,750,000.00	44,500,000.00	60,750,000.00
Loan repayments	-40,403,892.00	-66,171,892.00	-39,922,000.00	-65,690,000.00
Repayment of liabilities from financial leases	-730,400.32	-727,393.41	-710,756.76	-708,982.83
Total cash inflows/(outflows) from financial activities (c)	3,365,707.68	-6,149,285.41	3,867,243.24	-5,648,982.83
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	-4,412,748.49	10,392,739.80	-4,554,280.87	10,468,159.09
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	9,750,656.33	14,163,404.82	9,436,262.12	13,990,542.99

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 Annual Financial Statements of 31.12.2020 was approved by the Company's Board of Directors on 16.04.2021.

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 amendments and interpretations that are in effect for the first time in year 2020 do 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.

Standards and Interpretations mandatory for the current fiscal year 2020

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" (Phase 1)

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 guidelines for assessing whether an acquisition process is substantial and introduces an optional exercise of reasonable value concentration in indicative examples.

Companies are required to apply the amended definition of the entity to acquisitions on or after 1 January 2020.

IFRS 16 Leases (Amendment) "Covid 19-related rent concessions"

In response to the effects of the COVID-19 pandemic, the International Accounting Standards Board issued an amendment to IFRS 16 "Leases" on 28 May 2020 to enable tenants not to account for rent reductions as a lease amendment if these are a direct consequence of COVID-19 and specific conditions. The amendment does not affect lessors.

The amendment applies to annual accounting periods beginning on or after 1 June 2020. Early application is permitted, including interim or annual financial statements that were not approved for publication on 28 May 2020.

Standards and Interpretations mandatory for subsequent periods that have not been previously applied by the Company and the Group or adopted by the European Union

The following amendments are not expected to have a significant impact on the financial statements of the Company and the Group unless otherwise stated.

IFRS 4 Insurance Contracts - (Amendment) deferral of IFRS 9 (issued on June 25, 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.

IFRS 9 IAS 39 and IFRS 7 and IFRS 16 (Amendment) " Interest Rate Benchmark Reform" Phase 2

The International Accounting Standards Board (IASB) published the "Interest Rate Benchmark Reform" - Phase 2 with amendments addressing issues that may affect financial reporting following the change of an interest rate benchmark, including its replacement by an alternative. The amendments are effective for annual periods beginning on or after 1 January 2021, with earlier application permitted.

Standards and Interpretations mandatory for later periods that have not been applied earlier by the Company and the Group and which have not been adopted by the EU:

The following amendments are not expected to have a significant impact on the financial statements of the Company and 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 2023.

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.

IAS 16 (Amendment) "Property, Plant and Equipment: Proceeds before Intended Use"

The amendment changes the way in which the cost of asset performance tests and the net proceeds of the sale are recorded from sales of items generated in the process of placing the asset in a particular location and condition. The income and production costs of these products will now be recorded in the income statement instead of appearing as a reduction in the acquisition cost of the fixed assets.

The amendment applies to annual accounting periods beginning on or after 1 January 2022.

IFRS 3 (Amendment) "Reference to the Conceptual Framework"

On May 14, 2020, the IASB issued the "Reference to the Conceptual Framework (Amendments to IFRS 3)" with amendments to IFRS 3 "Business Combinations" that update a reference to IFRS 3 without changing the accounting requirements of the standard.

The amendment applies to annual accounting periods beginning on or after 1 January 2022.

IAS 37 (Amendment) : «Provisions, contingent liabilities and contingent assets» - Onerous Contracts – Cost of fulfilling a contract

The amendment specifies what costs an entity should include in determining the cost of performing a contract in order to assess whether the contract is onerous. 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.

IAS 1 (Amendment) Presentation of Financial Statements - Disclosures of Accounting Policies

On 12.2.2021 the International Accounting Standards Board issued an amendment to IAS 1 which clarified that:

- The definition of accounting policies is given in paragraph 5 of IAS 8.
- The economic entity should disclose significant accounting policies. Accounting policies are important when, together with other information contained in the financial statements, they can influence the decisions made by the principal users of the financial statements.
- Accounting policies for insignificant transactions are considered insignificant and should not be disclosed. Accounting policies, however, can be important depending on the nature of some transactions even if the amounts involved are insignificant. Accounting policies related to significant transactions and events are not always significant in their entirety.
- Accounting policies are significant when users of financial statements need them in order to understand other important financial statements related information.
- Information on how the entity has implemented an accounting policy is more useful to users of financial statements than standard information or a summary of IFRS provisions.
- In the event that the entity chooses to include non-material information about accounting policies, that information should not interfere with material information relating to accounting policies.

The amendment applies to annual accounting periods beginning on or after 1 January 2023.

IAS 8 (Amendment) "Accounting Policies, Changes in Accounting Estimates and Errors" - Definition of Accounting Estimates

On 12.2.2021 the International Accounting Standards Board issued an amendment to IAS 8 which:

- Defined accounting estimates as monetary amounts in the financial statements that are subject to measurement uncertainty.
- Clarified that an accounting policy may require that the items in the financial statements be valued in such a way as to create uncertainty. In this case the entity develops an accounting estimate. The development of accounting estimates involves the use of judgments and assumptions.
- The entity uses valuation techniques and data when developing accounting estimates.

- The entity may be required to change its accounting estimates. This fact by its nature is not related to previous uses nor is it a correction of an error. Changes in data or valuation techniques are changes in accounting estimates unless they are related to error correction.

The amendment applies to annual accounting periods beginning on or after 1 January 2023.

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 paragraphs 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 presentation of 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 SA	Aspropyrgos	Production of electric energy from Photovoltaic stations	98.6%	325,500	Full
PHOTODIODOS SA	Aspropyrgos	Production of electric energy from Photovoltaic stations	98.3%	265,533.70	Full
PHOTOENERGY SA	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 SA	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%	7,650.00	Full

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

With the Extraordinary General Meeting of Shareholders on 28.03.2019, it was decided to increase the Share Capital of the company NORTHERN GREECE METAL PRODUCTS S.A. by the amount of 4,350,000 Euros whereas with the Extraordinary General Meeting of Shareholders on 28.02.2019 it was decided to increase the Share Capital of the company THRACE GREENHOUSES S.A. by the amount of 1,600,000 Euros (ELASTRON SA proportional participation was estimated at 785,000 Euros).

The business interests held in companies that were consolidated according to the equity method in the financial statements of the Group as of 31/12/2020 are analyzed below:

	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
BALKANIRONGROUPSRL	343,969.01	383,667.24	650,000.00	700,000.00
THRACE GREENHOUSES SA	3,935,164.11	3,801,468.07	3,485,000.00	3,485,000.00
Total	4,279,133.12	4,185,135.31	4,135,000.00	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 life of the depreciated fixed assets which represent the expected use of the assets and are subject to periodic review. The Management in the fiscal year 2019 re-examined and updated the economic 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 four 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, which is converted into a provision for default over the next 12 months (PD), 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. At the same time, a third econometric model for estimating the default balance (EAD – Exposure at Default) is applied, which on the one hand takes into account at the balance sheet date the part of the receivables that is already in default state and the serviced part of the balance which has a specific probability of becoming overdue in the future. 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 its 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, which is converted into a provision for default over the next 12 months (PD), 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. At the same time, a third econometric model for estimating the default balance (EAD – Exposure at Default) is applied, which on the one hand takes into account at the balance sheet date the part of the receivables that is already in default state and the serviced part of the balance which has a specific probability of becoming overdue in the future. 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 operates 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 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 Reclassification of Items

An insignificant reclassification was performed in the "Income Statement and Other Comprehensive Income" of the Company of the previous comparative year 2019, for reasons of correct and more accurate presentation. This reclassification concerned a recording in the "Other comprehensive income / expenses after taxes" of an amount € 6,529.41 which appeared directly in the "Statement of Changes in Equity" and in the "Net Asset Value" of the Company without affecting the "Other comprehensive income / expenses after taxes" of the "Income Statement and Other Comprehensive Income". This reclassification had no effect on the "Statement of Changes in Equity" and the "Equity" of the Group and the Company for the year 2019.

2.26 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.

2.27 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.

2.28 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.

2.29 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.

2.30 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.

2.31 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

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 10% 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.

Maturity of Trade Receivables	Group	Company
Up to 30 days	7,145,182.00	7,049,746.00
31 to 90 days	5,019,914.11	4,855,995.00
91 to 180 days	4,393,544.56	4,311,585.00
Over 180 days	4,141,231.69	3,983,015.60
Intra-group transactions	-13,476.44	0.00
Total	20,686,395.92	20,200,341.60
Provisions – impairment of doubtful receivables	-3,391,073.39	-3,212,249.22
Total	17,295,322.53	16,988,092.38

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.

The following table presents an analysis of the Company's and Group's liabilities, based on their expiration and remaining duration as at 31.12.2020.

Amounts in €

Group	1 to 6 months	6 to 12 months	> 1 year	Total
Loans	10,375,195.44	2,069,000.00	29,016,000.00	41,460,195.44
Suppliers and other liabilities	12,356,334.42	277,532.37	5,063,951.57	17,697,818.36
Grants (deferred income)	0.00	0.00	3,679,082.95	3,679,082.95
Total	22,731,529.86	2,346,532.37	37,759,034.52	62,837,096.75

Amounts in €

Company	1 to 6 months	6 to 12 months	> 1 year	Total
Loans	10,412,528.00	1,911,000.00	29,016,000.00	41,339,528.00
Suppliers and other liabilities	12,067,106.31	267,052.80	3,484,419.86	15,818,578.97
Grants (deferred income)	0.00	0.00	2,716,182.66	2,716,182.66
Total	22,479,634.31	2,178,052.80	35,216,602.52	59,874,289.63

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 31/12/2020 but also the liabilities that will arise based on the contracts that have been signed until 31/12/2020, 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 31 December 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 year 2020:

Amounts in € million	Loans 31.12.2020	Effect on results before tax (+ / -)
Group	41.5	0.41
Company	41.3	0.41

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 year 2020:

Amounts in € million	Sight and term deposits 31.12.2020	Effect on results before tax (+ / -)
Group	9.8	0.10
Company	9.4	0.09

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.

Company Data	31.12.2020	31.12.2019
Total debt	41,339,528.00	36,896,640.17
Minus: Cash and cash equivalents	9,436,262.12	13,990,542.99
Net debt	31,903,265.88	22,906,097.18
Total equity	65,374,612.01	64,121,781.84
EBITDA	5,292,384.04	2,868,888.37
Equity / Net debt	2.05	2.80
Net debt / EBITDA	6.03	7.98

Group Data	31.12.2020	31.12.2019
Total debt	41,460,195.44	37,500,003.71
Minus: Cash and cash equivalents	9,750,656.33	14,163,404.82
Net debt	31,709,539.11	23,336,598.89
Total equity	65,849,932.79	64,218,526.71
EBITDA	5,994,689.84	3,492,508.59
Equity / Net debt	2.08	2.75
Net debt / EBITDA	5.29	6.68

Impact of the Pandemic on the Company's Operations

Undoubtedly, 2020 was a year marked by Covid-19 pandemic and its impact on the global economy. The outbreak of the pandemic in Greece in the first quarter of 2020 was dealt with in a quick and coordinated manner, resulting into the resumption of economic activity in a shorter period of time compared to other countries. However, uncertainty about tackling the pandemic, restrictions and recommendations to avoid movements in an effort to limit transmission of virus have reduced demand, consumption and therefore the financial performance in a significant number of sectors of the economy. However, cooperation at European Union level to tackle the economic impact of the pandemic has created greater scope for fiscal freedom, while the policy of easing the conditions for financing national economies has freed up resources aimed at reducing the recession and supporting economic activity. The effect of Covid-19 has been evaluated by the Group's Management and where necessary an impairment provision has been made (see chapter 5 of the notes on the Financial Statements).

The steel industry in Greece during the first quarter of 2020 and up 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 a stronger business activity in Greece and abroad, but also a significant improvement in its financial results. However, the course of the results in the second quarter of the year was reversed, with a drop in demand and a decline in raw material prices following the international and domestic contraction of economic activity, as a result of the strict measures to contain the pandemic. On the contrary, the group's financial performance in the second half of the year marked a significant improvement as a result of rising sale prices of steel products and stimulating demand, driven mainly by the sectors of energy, infrastructure, shipbuilding, construction, and of new foreign markets. Throughout the year 2020, turnover due to the effects of the pandemic is estimated to have decreased by less than 5%, with the largest decline coming from foreign markets. On the contrary, the gross profit margin marked a significant improvement settling at 13.3% compared to 10.2% in 2019, as a result of targeted purchases of raw materials in the first half that reduced production costs, combined with a significant increase in sale prices in the second of the year. Regarding the operation and the results of both the energy and the agricultural sector in which the

Group activates, it is estimated that these were not affected by the respective impact and measures to stop the pandemic.

Regarding the supply of the necessary raw materials for the operation of production, it is noted that there was no delay or postponement of the agreed quantities and delivery times, which helped to meet the increased demand and improve the level of activity in the second half of the year 2020. In addition, due to the significant dispersion of the group's customers in sectors and geographic markets, it is noted that no breach of the agreed credit terms was observed. As of 31.12.2020, the balance of the trade receivables with regard to Group's customers that had been included in the measure of suspension of payments was considered non-essential, while to date all of these receivables have been collected.

➤ **Measures taken to reduce the impact of the pandemic**

Since the beginning of the pandemic, the management of the Group continuously evaluates the current conditions and follows the instructions and recommendations of the competent authorities, taking all the necessary measures to protect the health of its employees and associates. In particular, it applies a set of measures which can be summarized as follows:

- Restriction of all business trips of the personnel to the absolutely necessary, as well as reduction of the frequency of visits of third parties within the company's premises, with simultaneous application of all the defined protection measures.
- Reducing the frequency of all types of corporate meetings within the Company's premises and replacing them 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 at the entrance of personnel and third parties in the workplace.
- Disinfection of the company's facilities by specialized disinfection crew on a weekly basis.
- Implement measures 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 where possible, through the provision of appropriate computer equipment.
- Carry out a mandatory sampling test for Covid-19 on a weekly basis as well as a mandatory test on all personnel whenever deemed necessary according to the recommendations of the occupational physician.
- In case of suspicious symptoms or contact with a possible or confirmed case, it is necessary to remove the employee from the workplace and a medical opinion is required regarding the return time according to the instructions of E.O.D.Y. (National Public Health Organization).
- Continuous assessment of the company's liquidity and preparation of quarterly rolling cash flow forecasts in order to prepare for possible emergencies.
- Securing the necessary lines of credit from the cooperating banks to further facilitate the seamless financing of the group.

➤ **Assessing the impact of the pandemic in the future**

The start of the vaccination process at the beginning of the year, both globally and in our country, and the mass participation of the population in this program, is expected to gradually help reduce the pressure of the public health system, as well as to restore economic activity in the pre-pandemic levels. In this context, the steel industry sector, which was less affected compared to the other sectors of economic activity, is expected to show positive growth rates following the increase in demand and the improvement of market liquidity. With the first quarter of the year 2021 already unfolded, the ongoing pandemic had no effect on the Elastron Group. The Group demonstrates an increase in the level of activity in both Greece and foreign markets, as well as a significant improvement in its financial performance led mainly by the rise of prices of raw materials. For the rest of the year and under the condition of a gradual exit from the pandemic, the course of the business activity and financial results of Elastron Group are not expected to experience any further impact from the above mentioned conditions.

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 31.12.2020 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).

In the current environment affected by Covid-19, the Group actively monitors the recoverability of trade receivables to ensure that any impairment provisions are made in a timely manner and in accordance with Management's best estimate of potential losses, as required by IFRS 9. In the model used to determine the expected credit losses, the 2020 data were introduced and taken into account, which to a large extent represent the effects of the pandemic. Due to the significant dispersion of the Group's customer base in sectors and geographic markets, it is noted that no breach of the agreed credit terms was observed. On 31.12.2020, the balance of trade receivables of the Group that concerned customers who had joined the measure of suspension of payments is considered non-essential, while to date all these receivables have been collected.

- 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.

Due to the nature and activities of the companies concerning investments in associates and joint ventures, the parent company, after evaluation of external factors, did not find any evidence of impairment in relation to the impact of Covid-19. Furthermore, impairments performed in this category are not related to the Covid-19 pandemic.

- 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.

The Management assesses the impact of the Covid-19 pandemic on the economic life, residual values and total book value of tangible assets, concluding that no adjustments are required. If a category of property in the wider market is affected, it will be of those properties intended for office and retail use. The pandemic has led to a significant shift in consumer habits to online shopping and has led to increased demand for Industrial and Storage properties further boosting their respective price levels.

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 31.12.19	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	43,850,896.33	51,045,151.69	1,533,598.09	3,693,330.06	615,989.72	4,842,627.67	1,293,307.61	106,874,901.17

Accumulated depreciation and impairment	-12,044,473.90	-24,683,838.83	1,382,287.99	0.00	-572,492.98	1,876,943.91	-715,419.95	-41,275,457.56
Net book value 31.12.20	31,806,422.43	26,361,312.86	151,310.10	3,693,330.06	43,496.74	2,965,683.76	577,887.66	65,599,443.61

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	835,645.45	1,290,569.36	23,077.26	2,888,812.26	0.00	0.00	120,504.48	5,158,608.81
Depreciations	-471,187.17	-2,063,251.14	-49,834.93	0.00	-17,333.05	-63,661.70	-132,089.22	-2,797,357.21
Sales - write-offs	0.00	-238,694.75	0.00	0.00	0.00	0.00	-101,228.09	-339,922.84
Depreciation of assets sold/written-off	0.00	158,543.71	0.00	0.00	0.00	0.00	101,228.08	259,771.79
Net book value 31.12.2020	31,806,422.43	26,361,312.86	151,310.10	3,693,330.06	43,496.74	2,965,683.76	577,887.66	65,599,443.61

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 31.12.19	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	30,976,307.60	43,576,793.24	1,302,494.29	3,692,969.05	484,749.56	4,842,627.67	808,253.32	85,684,194.73
Accumulated depreciation and impairment	-8,543,945.43	-21,409,980.24	-1,144,994.81	0.00	-441,252.82	-1,876,943.91	-510,146.32	-33,927,263.53
Net book value 31.12.20	22,432,362.17	22,166,813.00	157,499.48	3,692,969.05	43,496.74	2,965,683.76	298,107.00	51,756,931.20

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	835,645.45	1,290,569.37	22,795.00	2,888,451.25	0.00	0.00	120,504.48	5,157,965.55
Depreciations	-284,519.60	-1,696,420.13	-46,692.72	0.00	-17,333.05	-63,661.70	-108,083.17	-2,216,710.37
Sales - write-offs	0.00	-238,694.75	0.00	0.00	0.00	0.00	-101,228.09	-339,922.84
Depreciation of assets sold/written-off	0.00	158,543.71	0.00	0.00	0.00	0.00	101,228.08	259,771.79
Net book value 31.12.2020	22,432,362.17	22,166,813.00	157,499.48	3,692,969.05	43,496.74	2,965,683.76	298,107.00	51,756,931.20

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	
	31.12.2020	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	-1,876,943.91	-1,813,282.21
Net book value	2,965,683.76	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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Customers	17,754,559.48	14,742,407.09	17,280,433.77	14,344,050.03
Notes	2,933.11	2,933.11	0.00	0.00
Post-dated cheques	2,928,903.33	3,292,462.96	2,919,907.83	3,283,467.46
Provisions for bad debt	-3,391,073.39	-3,302,419.32	-3,212,249.22	-3,123,709.84
Total trade receivables	17,295,322.53	14,735,383.84	16,988,092.38	14,503,807.65

The Group and the Company for the purposes of measuring the expected credit losses of trade receivables throughout their entire life applies a statistical method that evaluates the maturity of the balances of 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 receivables under consideration, 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, which is converted into a provision for default over the next 12 months (PD), 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. At the same time, a third econometric model for estimating the default balance (EAD – Exposure at Default) is applied, which on the one hand takes into account at the balance sheet date the part of the receivables that is already in default state and the serviced part of the balance which has a specific probability of becoming overdue in the future. 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					
31.12.2020	No time delay	1 – 90 days	91 – 180 days	>181 days	Total
Trade receivables	16,146,467.37	638,951.00	37,596.00	3,863,381.55	20,686,395.92
Expected % of credit loss	0.09%	0.54%	8.39%	87.23%	16.39%
Expected credit loss	14,561.16	3,476.93	3,153.95	3,369,881.35	3,391,073.39
Net balance	16,131,906.21	635,474.07	34,442.05	493,500.20	17,295,322.53

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

COMPANY

Amounts in €

Balance of trade receivables – Balances' time delay					
31.12.2020	No time delay	1 – 90 days	91 – 180 days	>181 days	Total
Trade receivables	15,832,691.60	638,951.00	37,596.00	3,691,103.00	20,200,341.60
Expected % of credit loss	0.05%	0.54%	8.39%	86.63%	15.90%
Expected credit loss	8,015.54	3,476.93	3,153.95	3,197,602.80	3,212,249.22
Net balance	15,824,676.06	635,474.07	34,442.05	493,500.20	16,988,092.38

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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Opening balance	3,302,419.32	3,218,980.72	3,123,709.84	3,046,630.50
Additional provision (results)	88,692.18	84,581.57	88,539.38	77,079.34
Transfer from/to other categories of provisions	0.00	-1,142.97	0.00	0.00
Utilization of provision	-38.11	0.00	0.00	0.00
Total	3,391,073.39	3,302,419.32	3,212,249.22	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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Receivables from employees	34,060.00	40,481.10	34,060.00	40,481.10
Receivables from other partners - third parties	463,335.17	203,493.34	435,355.00	226,023.40
Greek State– income tax receivable	51,368.64	13,209.43	14,385.09	13,172.43
Greek State – receivable of other taxes	108,884.24	1,397,297.46	108,884.24	1,387,044.32
Grants receivable	366,312.21	366,312.21	366,312.21	366,312.21
Provision - impairment for doubtful	-138,096.71	-112,122.04	-115,984.85	-103,602.76

receivables				
Total	885,863.55	1,908,671.50	843,011.69	1,929,430.70

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

<i>Amounts in €</i>	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Initial balance	112,122.04	115,901.37	103,602.76	109,358.38
Transfer of provision (results)	25,974.67	0.00	12,382.09	0.00
Transfer of provision - impairment (results)	0.00	-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	138,096.71	112,122.04	115,984.85	103,602.76

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

<i>Amounts in €</i>	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Given guarantees	56,777.01	47,804.69	42,841.33	33,884.69
Receivables from associates	144,768.32	145,024.19	2,671,753.20	2,493,462.50
Provisions for impairment	-11,823.02	-1,187.50	-37,467.31	-12,467.31
Total	189,722.31	191,641.38	2,677,127.22	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:

<i>Amounts in €</i>	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Initial balance	1,187.50	411.23	12,467.31	6,641.62
Additional provision - impairment (results)	11,296.94	70.07	25,000.00	70.07
Transfer from/to other categories of provisions	0.00	706.20	0.00	5,755.62
Income from unutilized provisions	-661.42	0.00	0.00	0.00
Total	11,823.02	1,187.50	37,467.31	12,467.31

9. Analysis of inventories

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

Amounts in €	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Merchandise	20,119,566.12	21,333,006.84	20,119,566.12	21,333,006.84
Products	4,756,454.08	5,053,903.54	4,756,454.08	5,053,903.54
Orders	3,549,623.66	963,228.49	3,549,623.66	963,228.49
Raw materials – consumables	1,134,491.09	969,975.20	1,134,491.09	969,975.20
Total	29,560,134.95	28,320,114.07	29,560,134.95	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 - Investments

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).

Amounts in €	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Value of securities	24,290.00	26,460.00	24,290.00	26,460.00
Additions for the period	693,693.51	0.00	693,693.51	0.00
Revaluation difference in the results	441,174.87	-2,170.00	441,174.87	-2,170.00
Balance	1,159,158.38	24,290.00	1,159,158.38	24,290.00

In the year ended 31.12.2019, the "Revaluation difference in the results" amounting to € -2,170.00 appeared in the "Other expenses" of the "Income Statement and Other Comprehensive Income". For purposes of more accurate representation, the "Revaluation difference in the results" on 31.12.2020 was recorded in the Investment results of the above financial statement.

11. Derivatives

Derivatives concern forward foreign exchange contracts.

Amounts in €	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Forward foreign exchange contracts (Current assets / short-term liabilities)	-22,094.56	-56,901.39	-22,094.56	-56,901.39
Amounts registered in the results (Losses)-Profits	21,991.32	-21,991.32	21,991.32	-21,991.32
Amounts registered in the equity through the statement of comprehensive income (Losses) - Profit	9,739.79	-26,232.03	9,739.79	-26,232.03

12. Analysis of cash reserves

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

Amounts in €	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Cash in hand	12,380.05	12,836.51	3,998.07	4,454.53
Sight & term deposits	9,738,276.28	14,150,568.31	9,432,264.05	13,986,088.46
Total	9,750,656.33	14,163,404.82	9,436,262.12	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.

13. Analysis of all equity accounts

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

Amounts in €	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	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	-16,791.86	-26,531.65	-16,791.86	-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	21,293,932.93	21,284,193.14	21,279,023.92	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	1,739,743.88	-1,997,530.44	1,353,563.98	-2,324,659.80
Effect due to IFRS 16	0.00	-68,420.79	0.00	-6,529.41
Actuarial gains / (losses)	-110,473.60	0.00	-110,473.60	0.00
Foreign exchange differences from consolidation	-7,603.99	-32,922.04	0.00	0.00
Accumulated Earnings	14,973,983.16	13,352,316.87	14,513,571.39	13,270,481.01
Total equity without minority interest	65,849,932.79	64,218,526.71	65,374,612.01	64,121,781.84
Minority interest	32,405.24	28,645.67	0.00	0.00
Total Equity	65,882,338.03	64,247,172.38	65,374,612.01	64,121,781.84

The share capital of the Company on 31.12.2020 amounted to 18,410,839 Euros, divided into 18,410,839 common registered shares with a nominal value of 1.00 Euro each.

All shares are listed and freely traded on the Athens Exchange, Greece.

Each share of the Company incorporates all the rights and obligations defined by the Law and the Articles of Association of the Company, which, however, does not contain provisions more restrictive than those provided by Law. The possession of the share security automatically implies the acceptance by its owner of the Company's Articles of Association and the legal decisions of the General Meetings of the shareholders.

Purchase of own shares

As at 31 December 2020 the Company did not hold any own (treasury) shares. According to the decision of the Ordinary General Meeting of the Company from June 25, 2020, the plan for the repurchase of own shares by the Company was approved in accordance with article 49 of Law 4548/2018, concerning 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) to two (2.00) Euros and over a period of 24 months from the day following the approval of the General Meeting.

Analysis of profits carried forward (retained earnings) of the Group and the Company:

Amounts in €	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Income from grants of L. 3299/04 & 3908/11	4,295,114.62	4,083,384.98	2,372,510.87	2,192,217.27
Foreign exchange difference due to consolidation	-243,208.58	-235,604.59	0.00	0.00
Actuarial gains (losses) from provision for personnel indemnities	-217,991.29	-107,517.69	-217,991.29	-107,517.69
Other accumulated (retained) earnings	11,140,068.41	9,612,054.17	12,359,051.81	11,185,781.43
Total accumulated (retained) earnings	14,973,983.16	13,352,316.87	14,513,571.39	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.

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).

Company Data	31.12.2020	31.12.2019
Total debt	41,339,528.00	36,896,640.17
Minus: Cash and cash equivalents	9,436,262.12	13,990,542.99
Net debt	31,903,265.88	22,906,097.18
Total equity	65,374,612.01	64,121,781.84
EBITDA	5,292,384.04	2,868,888.37
Equity / Net debt	2.05	2.80
Net debt / EBITDA	6.03	7.98

Group Data	31.12.2020	31.12.2019
Total debt	41,460,195.44	37,500,003.71
Minus: Cash and cash equivalents	9,750,656.33	14,163,404.82
Net debt	31,709,539.11	23,336,598.89
Total equity	65,849,932.79	64,218,526.71
EBITDA	5,994,689.84	3,492,508.59
Equity / Net debt	2.08	2.75
Net debt / EBITDA	5.29	6.68

14. Analysis of suppliers and other liabilities

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

Amounts in €	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Insurance accounts & other taxes	1,451,236.96	529,582.88	1,371,278.84	502,445.92
Customer prepayments	652,291.96	776,840.95	638,229.50	763,576.62
Other liabilities / provisions	149,110.77	116,049.10	13,406.26	460.63
Total other liabilities	2,252,639.69	1,422,472.93	2,022,914.60	1,266,483.17
Suppliers	9,826,162.36	14,022,529.58	9,777,138.90	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

Amounts in €	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Bank loans	29,016,000.00	28,588,000.00	29,016,000.00	28,588,000.00

	GROUP		COMPANY	
<i>Amounts in €</i>	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Bank loans	972,195.44	4,290,003.71	851,528.00	3,686,640.17
Short-term part of long-term loans	11,472,000.00	4,622,000.00	11,472,000.00	4,622,000.00
Total	12,444,195.44	8,912,003.71	12,323,528.00	8,308,640.17
TOTAL LOANS	41,460,195.44	37,500,003.71	41,339,528.00	36,896,640.17

	GROUP		
<i>Amounts in €</i>	< 1 year	From 1 to 5 years	> 5 years
Bank loans 31.12.20	12,444,195.44	29,016,000.00	0.00

	GROUP		
<i>Amounts in €</i>	< 1 year	From 1 to 5 years	> 5 years
Bank loans 31.12.19	8,912,003.71	28,588,000.00	0.00

	COMPANY		
<i>Amounts in €</i>	< 1 year	From 1 to 5 years	> 5 years
Bank loans 31.12.20	12,323,528.00	29,016,000.00	0.00

	COMPANY		
<i>Amounts in €</i>	< 1 year	From 1 to 5 years	> 5 years
Bank loans 31.12.19	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:

	GROUP		COMPANY	
<i>Amounts in €</i>	31.12.2020	31.12.2019	31.12.2020	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	44,500,000.00	60,750,000.00	44,500,000.00	60,750,000.00
Change in consolidation method	0.00	0.00	0.00	0.00
Interest for the period	1,465,767.73	1,630,554.14	1,443,050.18	1,580,979.70
Total	83,465,771.44	105,422,467.24	82,839,690.35	104,286,979.71
Loans repaid	-40,403,892.00	-66,171,892.00	-39,922,000.00	-65,690,000.00
Interest paid	-1,601,684.00	-1,750,571.53	-1,578,162.35	-1,700,339.54
Balance of Loans	41,460,195.44	37,500,003.71	41,339,528.00	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 – 31.12.20	31.12.2020
Intangible assets	16,927.98	-11,115.98	5,812.00	-8,941.29	-3,129.29
Tangible assets	-4,751,261.99	-134,054.74	-4,885,316.73	-358,787.96	-5,244,104.69
Inventories	4,874.76	-3,237.92	1,636.84	-4,664.85	-3,028.01
Impairment of interest	651,237.50	68,762.50	720,000.00	93,600.00	813,600.00
Trade and other receivables	594,284.40	-259,682.62	334,601.78	2,490.99	337,092.77
Employee benefits	163,977.63	3,667.55	167,645.18	31,301.86	198,947.04
Tax loss offset by taxable earnings of subsequent years	775,824.34	-583,824.34	192,000.00	72,000.00	264,000.00
Suppliers and other liabilities	624.96	159,669.65	160,294.61	-2,062.39	158,232.22
Other (Derivatives & Securities)	6,247.50	13,927.23	20,174.73	-114,235.60	-94,060.87
Total	-2,537,262.92	-745,888.67	-3,283,151.59	-289,299.24	-3,572,450.83
Directly to equity		-27,055.58		-31,810.70	
In the results		-772,944.25		-321,109.94	

b) For the Company

	01.01.2019	1.1-31.12.19	31.12.2019	1.1-31.12.20	31.12.2020
Intangible assets	-5,271.32	1,013.71	-4,257.61	734.57	-3,523.04
Tangible assets	-3,660,219.16	1,366.88	-3,658,852.28	-264,130.18	-3,922,982.46
Inventories	4,480.00	-3,757.95	722.05	-3,750.06	-3,028.01
Impairment of interest	651,237.50	68,762.50	720,000.00	93,600.00	813,600.00
Trade and other receivables	549,325.41	-223,323.54	326,001.87	-22,058.40	303,943.47
Employee benefits	163,237.61	3,701.27	166,938.88	32,714.48	199,653.36
Tax loss offset by taxable earnings of subsequent years	690,000.00	-498,000.00	192,000.00	72,000.00	264,000.00
Suppliers and other liabilities	0.00	71,181.48	71,181.48	2,652.03	73,833.51

Other (Derivatives & Securities)	6,247.50	13,927.23	20,174.73	-114,235.60	-94,060.87
Total	-1,600,962.46	-565,128.42	-2,166,090.88	-202,473.16	-2,368,564.04
Directly to equity		-10,767.11		-31,810.68	
In the results		-575,895.53		-234,283.84	

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 tax rates which will be the basis for the calculation of the deferred taxes we note that in paragraph "Income taxes" of the IAS 12 the following are stated: "...The deferred tax assets and liabilities will be measured according to the tax rates expected to be applicable during the particular year when the respective tax asset or liability will be settled taking into account the tax rates (and the tax legislation) that has been 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.

Amounts in €	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Balance Sheet liabilities	834,831.93	698,521.58	831,889.00	695,578.65
Charges to the Results	100,328.08	63,565.18	100,328.08	63,265.18
Actuarial gains / (losses)	145,360.00	0.00	145,360.00	0.00
Present value of financed liabilities	0.00	0.00	0.00	0.00
Present value of non-financed liabilities	689,471.93	698,521.58	686,529.00	695,578.65
Balance Sheet Liability	834,831.93	698,521.58	831,889.00	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	-109,377.73	-20,636.95	-109,377.73	-20,636.95
Total expense recognized in the results	100,328.08	63,565.18	100,328.08	63,265.18
Actuarial gains / (losses)	145,360.00	0.00	145,360.00	0.00
Net liability at end of year	834,831.93	698,521.58	831,889.00	695,578.65
Analysis of expenses recognized in the results				
Cost of current employment	71,689.00	38,672.10	71,689.00	38,372.10
Financial cost	7,131.00	10,447.21	7,131.00	10,447.21
Prior service cost	21,508.08	14,445.87	21,508.08	14,445.87

Total expense recognized in the results	100,328.08	63,565.18	100,328.08	63,265.18
Allocation of Expense				
Cost of sales	60,028.08	44,420.91	60,028.08	44,420.91
Distribution expenses	31,000.00	13,631.51	31,000.00	13,631.51
Administrative expenses	9,300.00	5,512.76	9,300.00	5,212.76
Total	100,328.08	63,565.18	100,328.08	63,265.18

Amounts in €	31.12.2020				
	< 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	831,889.00	831,889.00
Expected average expiration of the liability for employee benefits of group	0.00	0.00	0.00	834,831.93	834,831.93

Amounts in €	31.12.2019				
	< 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

Amounts in €	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Income tax liability	0.00	0.00	0.00	0.00
Credit balance of tax statements to be refunded	-51,368.64	-13,209.43	-14,385.09	-13,172.43
Tax duties from previous years	0.00	0.00	0.00	0.00
Total	-51,368.64	-13,209.43	-14,385.09	-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

	01.01 – 31.12.2020				
	STEEL PRODUCTS	ENERGY SEGMENT	CONSOLIDATION IN THE EQUITY	CONSOLIDATION & ARRANGEMENT ENTRIES	CONSOLIDATED STATEMENT OF INCOME
<i>Amounts in €</i>					
Sales	102,704,529.20	1,343,616.21	0.00	0.00	104,048,145.41
Gross profit / (loss)	13,074,254.50	680,959.51		128,553.13	13,883,767.14
Earnings / (losses) before interest, taxes, depreciation and amortization (EBITDA)	5,154,794.32	1,107,015.54	0.00	-267,120.02	5,994,689.84
Earnings / (losses) before interest and taxes (EBIT)	2,948,272.36	591,770.73	0.00	-130,980.82	3,409,062.27
Earnings / (losses) before taxes (EBT)	1,247,677.38	281,450.92	101,601.80	433,883.29	2,064,613.39
Earnings / (losses) after taxes	1,006,566.41	211,281.18	101,601.80	424,054.06	1,743,503.45

	01.01 – 31.12.2019				
	STEEL PRODUCTS	ENERGY SEGMENT	CONSOLIDATION IN THE EQUITY	CONSOLIDATION & ARRANGEMENT ENTRIES	CONSOLIDATED STATEMENT OF INCOME
<i>Amounts in €</i>					
Sales	110,136,960.00	1,312,637.86	0.00	0.00	111,449,597.86
Gross profit / (loss)	10,604,163.31	652,010.75	0.00	126,491.00	11,382,665.06
Earnings / (losses) before interest, taxes, depreciation and amortization (EBITDA)	2,633,634.32	1,108,918.57	0.00	-250,044.30	3,492,508.59
Earnings / (losses) before interest and taxes (EBIT)	371,040.84	593,956.02	0.00	-113,905.10	851,091.76
Earnings / (losses) before taxes (EBT)	-2,156,627.46	250,464.91	231,799.93	452,805.07	-1,221,557.55
Earnings / (losses) after taxes	-2,858,822.95	186,532.13	231,799.93	445,989.09	-1,994,501.80

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

- Domestic Sales (approximately 69.86%)
- Foreign Sales (approximately 30.14%)

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

	GROUP		COMPANY	
	01.01-31.12		01.01-31.12	
	2020	2019	2020	2019
<i>Amounts in €</i>				
Sales of Merchandise	33,157,974.37	42,930,018.42	33,157,974.37	42,930,018.42
Sales of Products	70,875,651.40	68,468,232.04	69,532,035.19	67,155,594.18
Other Sales	14,519.64	51,347.40	14,519.64	51,347.40
Total Sales	104,048,145.41	111,449,597.86	102,704,529.20	110,136,960.00

	GROUP		COMPANY	
	01.01-31.12		01.01-31.12	
	2020	2019	2020	2019
<i>Amounts in €</i>				
Domestic Sales	72,689,771.76	69,540,914.37	71,346,155.55	68,228,276.51
Foreign Sales	31,358,373.65	41,908,683.49	31,358,373.65	41,908,683.49
Total Sales	104,048,145.41	111,449,597.86	102,704,529.20	110,136,960.00

20. Analysis of other results

(a) Other income

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

Amounts in €	GROUP		COMPANY	
	01.01-31.12		01.01-31.12	
	2020	2019	2020	2019
Income from transport & delivery expenses	1,677,557.49	1,804,760.10	1,677,557.49	1,804,760.10
Rental Income	600.00	750.00	267,720.00	267,720.00
Income from provision of services	12,441.12	38,037.89	12,441.12	38,037.89
Income from Grants	211,729.64	69,742.48	180,293.60	39,192.69
Income from previous years	4,985.92	16,009.06	4,286.39	16,009.06
Other income	210,082.95	286,117.99	209,997.56	286,004.01
Total	2,117,397.12	2,215,417.52	2,352,296.16	2,451,723.75

(b) Other expenses

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

Amounts in €	GROUP		COMPANY	
	01.01-31.12		01.01-31.12	
	2020	2019	2020	2019
Doubtful trade and other receivables	197,963.79	79,646.52	197,921.47	77,149.41
Losses from sale of fixed assets	52,073.60	436.51	52,051.04	0.01
Previous years' expenses	1,035.70	63,424.68	1,005.15	62,577.38
Other expenses	291,884.47	133,606.61	291,741.01	129,226.99
Amortization (non-operating)	195,859.38	199,218.52	0.00	0.00
Total	738,816.94	476,332.84	542,718.67	268,953.79

(c) Expenses

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

Amounts in €	GROUP		
	01.01-31.12.20		
	COST OF SALES	DISTRIBUTION EXPENSES	ADMINISTRATIVE EXPENSES
Employee fees & expenses	2,318,537.19	2,227,648.41	786,456.14
Third party fees & expenses	738,209.71	856,042.17	1,088,694.29
Third party benefits	802,295.55	584,969.14	423,713.33
Taxes - duties	164,554.29	70,282.95	70,516.16
Sundry expenses	839,625.19	4,862,879.10	140,766.20
Depreciation	1,860,180.67	559,550.51	181,766.65
Cost of inventories	83,440,975.67	0.00	0.00
Total	90,164,378.27	9,161,372.28	2,691,912.77

Amounts in €	GROUP		
	01.01-31.12.19		
	COST OF SALES	DISTRIBUTION EXPENSES	ADMINISTRATIVE EXPENSES
Employee fees & expenses	2,224,986.90	2,171,743.11	705,563.42

Third party fees & expenses	644,824.71	893,201.84	1,121,555.88
Third party benefits	816,161.19	702,457.49	367,924.42
Taxes - duties	123,586.75	72,996.59	120,432.62
Sundry expenses	823,587.81	5,122,774.70	198,864.67
Depreciation	1,718,797.56	660,186.04	132,957.20
Cost of inventories	93,714,987.88	0.00	0.00
Total	100,066,932.80	9,623,359.77	2,647,298.21

Amounts in €	COMPANY		
	01.01-31.12.20		
	COST OF SALES	DISTRIBUTION EXPENSES	ADMINISTRATIVE EXPENSES
Employee fees & expenses	2,318,537.19	2,227,648.41	752,500.35
Third party fees & expenses	711,899.71	856,042.17	997,858.96
Third party benefits	776,634.45	584,969.14	403,313.38
Taxes - duties	63,235.34	70,282.95	7,359.13
Sundry expenses	839,625.18	4,862,879.10	127,667.92
Depreciation	1,479,367.16	559,550.51	177,792.70
Cost of inventories	83,440,975.67	0.00	0.00
Total	89,630,274.70	9,161,372.28	2,466,492.44

Amounts in €	COMPANY		
	01.01-31.12.19		
	COST OF SALES	DISTRIBUTION EXPENSES	ADMINISTRATIVE EXPENSES
Employee fees & expenses	2,224,986.90	2,171,743.11	680,471.13
Third party fees & expenses	579,324.71	893,201.84	1,043,417.33
Third party benefits	788,853.25	702,457.49	345,746.37
Taxes - duties	63,072.09	72,996.59	6,472.26
Sundry expenses	823,587.81	5,122,774.70	177,555.43
Depreciation	1,337,984.04	660,186.04	130,947.36
Cost of inventories	93,714,987.89	0.00	0.00
Total	99,532,796.69	9,623,359.77	2,384,609.88

(d) Financial expenses – income

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

Amounts in €	GROUP		COMPANY	
	01.01-31.12		01.01-31.12	
	2020	2019	2020	2019
Debit interest	1,442,906.87	1,737,456.52	1,473,998.79	1,700,103.61
Other bank expenses and fees	544,646.66	620,073.87	463,164.22	579,105.52
Foreign exchange differences	3,630.20	1,135.81	3,630.20	1,135.81
Losses from derivatives	0.00	21,991.32	0.00	21,991.32
Total	1,991,183.73	2,380,657.52	1,940,793.21	2,302,336.26

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

Amounts in €	GROUP		COMPANY	
	01.01-31.12		01.01-31.12	
	2020	2019	2020	2019
Receivable interest from customers and other credit interest	59,026.80	70,122.42	176,567.51	168,522.51

Income from securities	19,117.57	441.00	19,117.57	441.00
Foreign exchange differences	3,822.49	5,644.86	3,822.49	5,644.86
Cash flow hedging results (Earnings from derivatives)	21,991.32	0.00	21,991.32	0.00
Total	103,958.18	76,208.28	221,498.89	174,608.37

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

Amounts in €	01.01-31.12.2020		
	Results for the period	Other comprehensive income	Total
THRACE GREENHOUSES SA	133,696.04	0.00	133,696.04
BALKAN IRON GROUP SRL	-32,094.24	-7,603.99	-39,698.23
Total	101,601.80	-7,603.99	93,997.81

Amounts in €	01.01-31.12.2019		
	Results for the period	Other	Total
THRACE GREENHOUSES SA	260,541.41	0.00	260,541.41
BALKAN IRON GROUP SRL	-28,741.48	-32,922.04	-61,663.52
Total	231,799.93	-32,922.04	198,877.89

(f) Income / expense of income tax

Amounts in €	GROUP		COMPANY	
	01.01-31.12		01.01-31.12	
	2020	2019	2020	2019
Income tax of current year / provision	0.00	0.00	0.00	0.00
Deferred taxation	-321,109.94	-772,944.25	-234,283.84	-575,895.53
Tax audit differences	0.00	0.00	0.00	0.00
Total	-321,109.94	-772,944.25	-234,283.84	-575,895.53

(g) Other comprehensive income / expenses after taxes

Amounts in €	GROUP		COMPANY	
	01.01-31.12		01.01-31.12	
	2020	2019	2020	2019
Amounts which are not reclassified in the Statement of Results in subsequent periods				
New standard IFRS 16- Transition adjustments 1/1	0.00	-74,695.29	0.00	-6,529.41
Amounts which are reclassified in the Statement of Results in subsequent periods				
Results from cash flow hedging minus the corresponding tax	9,739.79	-26,232.03	9,739.79	-26,232.02
Foreign exchange differences from consolidation	-7,603.99	-32,922.04	0.00	0.00

Actuarial gains / losses	-110,473.60	0.00	-110,473.60	0.00
Total	-108,337.80	-133,849.36	-100,733.81	-32,761.43
Minority rights	0.00	-6,274.59	0.00	0.00
Total shareholders of parent company	-108,337.80	-127,574.77	-100,733.81	-32,761.43

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	COMPANY			
	Impairments up to 31.12.2018	31.12.2019	31.12.2020	Total Impairments
NORTHERN GREECE METAL PRODUCTS S.A.	2,600,000.00	300,000.00	340,000.00	3,240,000.00
BALKAN IRON GROUP S.R.L.	0.00	100,000.00	50,000.00	150,000.00
Total	2,600,000.00	400,000.00	390,000.00	3,390,000.00

On 31/12/2019, an impairment test was made on the participations in subsidiaries and joint ventures due to impairment indications, which led to a supplementary total impairment loss of € 390,000.00. The accumulated impairment arising from participation in subsidiaries and joint ventures until 31.12.2020 for the company amounted to 3,390,000.00 Euros.

The securities that are traded on the Athens Exchange, Greece, and have been acquired with the main objective of realizing capital gains from short-term fluctuations of their prices, according to the principles of IFRS 9 appear in the financial statements at their fair value through profit or loss (Level 1) and are presented in the note. 10.

22. Analysis of earnings per share

Amounts in €	GROUP		COMPANY	
	01.01-31.12		01.01-31.12	
	2020	2019	2020	2019
Net earnings corresponding to shareholders	1,739,743.88	-1,997,530.44	1,353,563.98	-2,324,659.80
Number of shares (W. Avg)	18,410,839	18,410,839	18,410,839	18,410,839
Earnings / (losses) per share (€)	0.0945	-0.1085	0.0735	-0.1263

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 31.12.2020 and 31.12.2019 respectively

Financial Year 2020:

Amounts in €

PURCHASES	SALES			
	ELASTRON S.A.	THRACE GREENHOUSES SA	NORTHERN GREECE METAL PRODUCTS S.A.	TOTAL
THRACE GREENHOUSES S.A.	52,125.40	0.00	0.00	52,125.40
PHOTOENERGY S.A.	49,024.50	0.00	0.00	49,024.50
PHOTODEVELOPMENT S.A.	112,904.52	0.00	0.00	112,904.52
PHOTODIODOS S.A.	98,574.48	0.00	0.00	98,574.48
PHOTOKYPSELI S.A.	33,344.52	0.00	0.00	33,344.52
ILIOSKOPIO S.A.	46,014.48	0.00	0.00	46,014.48
PHOTOISHIS LTD	13,725.00	0.00	0.00	13,725.00
TOTAL	405,712.90	0.00	0.00	405,712.90

Financial Year 2019:

Amounts in €

PURCHASES	SALES			
	ELASTRON S.A.	THRACE GREENHOUSES SA	NORTHERN GREECE METAL PRODUCTS S.A.	TOTAL
THRACE GREENHOUSES S.A.	82,921.65	0.00	0.00	82,921.65
PHOTOENERGY S.A.	48,998.75	0.00	0.00	48,998.75
PHOTODEVELOPMENT S.A.	112,832.10	0.00	0.00	112,832.10
PHOTODIODOS S.A.	98,510.40	0.00	0.00	98,510.40
PHOTOKYPSELI S.A.	33,332.10	0.00	0.00	33,332.10
ILIOSKOPIO S.A.	45,990.40	0.00	0.00	45,990.40
PHOTOISHIS LTD	13,687.50	0.00	0.00	13,687.50
TOTAL	436,272.90	0.00	0.00	436,272.90

(b) Intra-company receivables / liabilities on 31.12.2020 and 31.12.2019 respectively:

Balances of 31.12.2020:

Amounts in €

LIABILITIES	RECEIVABLES			
	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.	15,772.18	0.00	0.00	15,772.18
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	238,476.44	0.00	0.00	238,476.44

NORTHERN GREECE METAL PRODUCTS S.A.	421,090.32	0.00	0.00	421,090.32
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	2,833,538.94	50,460.61	0.00	2,883,999.55

Balance of 31.12.2019:

Amounts in €		RECEIVABLES		
LIABILITIES	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		COMPANY	
		1.1-31.12		1.1-31.12	
		2020	2019	2020	2019
c) Transactions and remuneration of Board Members & senior executives					
Transactions and remuneration of Board Members		584,385.79	635,900.00	575,245.17	635,900.00
Transactions and remuneration of senior executives		95,624.96	95,200.00	95,624.96	95,200.00
Transactions and remuneration of other related entities		84,524.29	72,410.00	84,524.29	72,410.00
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 €	31.12.2020	
	GROUP	COMPANY
Guarantees to secure trade receivables	2,856,658.00	2,856,658.00
Guarantees to secure obligations to suppliers	7,553,943.22	7,553,943.22
Other Guarantees	2,273,417.81	2,207,890.31
Total	12,684,019.03	12,618,491.53

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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Until 1 year	600.00	600.00	267,720.00	267,720.00
From 2-5 years	1,515.00	2,115.00	1,069,995.00	1,070,595.00
After 5 years	0.00	0.00	3,049,620.00	3,316,740.00
Total	2,115.00	2,715.00	4,387,335.00	4,655,055.00

There were no changes or modifications in the lease agreements of the Group and the Company as a direct consequence of the Covid-19 pandemic.

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	2020
NORTHERN GREECE METAL PRODUCTS S.A.	Thessaloniki, Greece	Commerce and processing of steel products	2020
BALKAN IRON GROUP S.R.L.	Bucharest, Romania	Commerce and processing of steel products	2011-2020
PHOTODEVELOPMENT SA	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2020
PHOTODIODOS SA	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2020
PHOTOENERGY SA	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2020
ILIOSKOPIO SA	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2020
PHOTOKYPSELI SA	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2020
PHOTOISXYS LTD	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2020
THRACE GREENHOUSES SA	Xanthi, Greece	Production of agricultural products from glasshouse cultivations	2020
KALPINIS SIMOS BULGARIA EOOD	Sofia, Bulgaria	Commerce and processing of steel products	2008-2020

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 2014 including, has been waived until 31/12/2020, 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.

For years 2011 up until 2019, 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 2019) 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 2020, 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. This audit is in progress and the relevant tax certificates are expected to be granted after the release of the financial statements for year 2020. If new additional tax liabilities emerge up until the completion of the tax audit, then we estimate that these will not have any material effect on the financial statements of the Company and the Group.

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 Shareholders on 25.06.2020 decided not to distribute a dividend for the financial year 2019. For the financial year 2020, the Management intends to propose to the next Ordinary General Meeting of shareholders the distribution of a gross dividend of € 0.027 per share. The proposed distribution is subject to the relevant approval by the Ordinary General Meeting of shareholders.

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	
	01.01-31.12		01.01-31.12	
	2020	2019	2020	2019
Regular staff	76	80	74	79
Staff on day-wage basis	116	111	116	111
Total staff	192	191	190	190

(b) Personnel's remuneration

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

GROUP	COMPANY
-------	---------

Amounts in €	01.01-31.12		01.01-31.12	
	2020	2019	2020	2019
Employee remuneration	3,960,523.86	3,775,057.21	3,933,732.85	3,755,668.56
Employer contributions	1,010,053.17	988,355.27	1,002,888.39	982,951.63
Other benefits	283,244.71	295,952.72	283,244.71	295,952.72
Total	5,253,821.74	5,059,365.20	5,219,865.95	5,034,572.91

27. Government Grants

Amounts in €	31.12.2020		31.12.2019	
	GROUP	COMPANY	GROUP	COMPANY
Grants on completed investments	7,974,197.57	5,088,693.53	7,974,197.57	5,088,693.53
Grants on the income of the year 2020 / 2019	-211,729.64	-180,293.60	-69,742.48	-39,192.69
Grants on revenue from previous financial years	-4,083,384.98	-2,192,217.27	-4,013,642.50	-2,153,024.58
Balance on deferred income	3,679,082.95	2,716,182.66	3,890,812.59	2,896,476.26
Received Prepayment	7,607,885.36	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/ΔBE 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 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 affiliated company THRACE GREENHOUSES S.A. (as it emerged from the merger of the companies ELASTRON AGRICULTURAL SA and THRACE GREENHOUSES S.A.) completed an investment program for the expansion of the existing hydroponic cultivation unit concerning horticultural plants, totaling 12.2 million Euros. The respective business plans (one per company) have been subject to the provisions of Law 3908/2011, according to which there is a subsidy provided at a rate of 40% of the total cost of the investment. Within the financial year 2020, the certification audit concerning the completion of the investment's financial and physical objective was completed, while in the first quarter of 2021, the balance of the corresponding grant of € 2.4 million was collected. Therefore the company has received the total of the corresponding grant amounting to € 4.8 million.

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. There were no changes or modifications to the Group's and Company's leases as a direct consequence of the Covid-19 pandemic.

The time allocation of the leasing liabilities on 31/12/2020 and 31/12/2019 for the company and the group are as following:

GROUP

Amounts in €

31.12.2020			
Amounts in €	Liabilities of Financial and Operating Leases	Minus: Future financial debits of financial and operating leases	Total
Within the following year	574,840.32	-41,870.14	532,970.18
From the 2 nd until the 5 th year	630,007.52	-87,338.71	542,668.81
After the 5 th year	0.00	0.00	0.00
Total	1,204,847.84	-129,208.85	1,075,638.99

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 2 nd until the 5 th year	807,795.06	-103,123.52	704,671.54
After the 5 th 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 €

31.12.2020			
Amounts in €	Liabilities of Financial and Operating Leases	Minus: Future financial debits of financial and operating leases	Total
Within the following year	531,640.32	-19,629.27	512,011.05
From the 2 nd until the 5 th year	225,008.36	-13,041.54	211,966.82
After the 5 th year	0.00	0.00	0.00
Total	756,648.68	-32,670.81	723,977.87

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 2 nd until the 5 th year	637,295.06	-22,821.97	614,473.09
After the 5 th 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:

31.12.2020

1 € = 4.8683RON (Exchange rate used in the Statement of Financial Position)

1 € = 4,8383RON (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. Online Availability of Financial Reports

The annual Financial Report of ELASTRON Group and its subsidiaries, including the Management Report by the Board of Directors as an inseparable part of such, as well as the Audit Report by the Certified Auditor for the financial year ended on 31.12.2020, have been posted on the company's website <http://www.elastron.gr>.

31. Events after the end of the reporting period

There are no other events after 31/12/2020 which may materially and significantly affect the financial position and the results of the Group.

Aspropyrgos, 15 April 2021

THE CHAIRMAN OF THE BOARD

THE CEO

THE CHIEF FINANCIAL OFFICER

PANAGIOTIS SIMOS

ATHANASIOS KALPINIS

VASILIS MANESIS

ID No. AE 063856

ID No. AH062852

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