Annual Financial Report 31.12.2021

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 2022

ELASTRON
STEEL SERVICE CENTERS

CONTENTS

STATEMENT BY REPRESENTATIVES OF THE BOARD OF DIRECTORS
(pursuant to article 4, paragraph 2 of Law 3556/2007)

We hereby certify and declare that, to the best of our knowledge:

a) The annual financial statements of the societe anonyme company ‘ELASTRON S.A. – STEEL SERVICE CENTERS’ for the period 01.01.2021 – 31.12.2021, 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 the companies included in the consolidation, which are considered aggregately as a whole,

b) The Annual Report of the Board of Directors of the Company accurately reflects the significant events of the year 2021 and their impact on the annual financial statements, the significant transactions made between the Company and its related parties, the development of activities, the performance and position of the Company, as well as the companies included in the consolidation depicted as a whole, including a description of the main risks and uncertainties in relation to their activities.

Aspropyrgos, 26 April 2022

The signatories

Panagiotis Simos-Kaldis	Athanasios Kalpinis	Vasileios Manesis
Chairman of the Board	Chief Executive Officer	Chief Financial Officer Executive Member

ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS OF "ELASTRON S.A. – STEEL SERVICE CENTERS" for the period from January 1st to December 31st 2021

The annual Financial Report of the fiscal year 2021 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. ELASTRON S.A. – STEEL SERVICE CENTERS is headquartered at Agios Ioannis Avenue, in the Municipality of Aspropyrgos, Attiki (PC 19300), Greece.

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 posted significant improvement, amounting to € 163.3 million from € 104.0 million in the previous year, recording an increase of 57%. Gross profit settled at € 31.9 million or 19.6% of sales, com-pared to € 13.8 million or 13.3% of sales in 2020. The results before interest and taxes (EBIT) amounted to € 20.0 million compared to € 3.4 million in the previous year, while the results before interest, taxes, depreciation and amortization (EBITDA) amounted to € 22.6 million compared to € 6.0 million in 2020. Finally, the results be-fore taxes amounted to € 18.7 million compared to € 2.0 million in the previous year.

On the parent company level, the turnover increased by 58% and amounted to € 162.0 million compared to € 102.7 million in the previous year, while the gross profit settled at € 31.2 million or 19.2% of sales versus € 13.0 million or 12.7% of sales in 2020. The results before interest and taxes (EBIT) amounted to € 19.9 million com-pared to € 3.2 million in the previous year, while the results before interest, taxes, depreciation and amortization (EBITDA) amounted to € 21.9 million compared to € 5.3 million in 2020. Finally, the results before taxes amounted to € 18.0 million versus € 1.6 million in the previous 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	**2021**	**2020**	**2021**	**2020**
Noncurrent assets / Total assets	0.42	0.54	0.41	0.54
Current assets / Total assets	0.58	0.46	0.59	0.46
Equity / Total Liabilities	0.90	1.06	0.92	1.10
Current assets / Short-term liabilities	1.78	2.34	1.78	2.35
(b) EFFICIENCY AND PERFORMANCE				
Net earnings before taxes / Sales	0.11	0.02	0.11	0.02
Net earnings before taxes / Equity	0.23	0.03	0.23	0.02
Sales / Equity	2.02	1.57	2.03	1.56
(c) CAPITAL STRUCTURE				
Net liabilities / Equity	0.78	0.80	0.76	0.76
Net bank liabilities / Equity	0.29	0.48	0.29	0.49
Net bank liabilities / EBITDA	1.02	5.32	1.06	6.07

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.

Therefore, the Group aims to:

- The use of environmentally friendly technologies
- In the circular economy with steel recycling and waste management resulting from the production process.
- Controlling the consumption of raw materials and energy.
- In the prevention of possible risks of pollution.
- In the recycling of materials resulting from its business activity.
- To minimize emissions of CO2 and pollutants that harm the environment.
- In the identification and monitoring of environmental and energy indicators.
- In compliance with applicable laws and regulations governing energy consumption and energy performance.
- Raising awareness of stakeholders (employees, suppliers, customers, etc.) by providing appropriate information and training.
- In the investment of energy efficient installations and projects with short schedule of return.

Selecting suppliers committed to their energy footprint (wherever possible).

An integral part of the circular economy has to do with the selection of raw materials used in the production process. The Company, paying special attention to ensuring the quality of its products, monitors on a daily basis the various materials as well as raw materials used by carrying out frequent inspections at all stages of production. In addition, there is a continuous evaluation of the raw materials supplied on the basis of additional criteria other than costs, while the Company has managed to maintain long-term relationships of trust with its suppliers.

In the context of monitoring the impact of the Company's operation on the environment, the Company monitors on a daily basis the above materials, in order to have a complete view and be able to mainly take preventive actions and not so corrective ones. By this way the Company achieves compliance with the legal requirements regarding the management and proper storage of chemicals and other hazardous substances that it uses for the production of its products, such as polyurethane panels.

The main categories of raw and auxiliary materials are the following:

Steel in the form of a coil.

Lubricants.

Metal beads for the alteration process.

Fuels (oil, LPG).

Filtering means.

Industrial gases.

Chemicals for the production of polyurethane foam.

Water-based paint for the alteration process.

Wood for loading goods.

Packaging materials.

The Group's priority in the field of environmental and energy policy is the following:

a. the protection of biodiversity,
b. reducing the effects of pollution on workers' health and
c. the rational management of natural resources.

The Group aims:

- ✓ In the protection of the natural environment.
- ✓ In waste management and recycling.
- ✓ In the protection of the aquatic environment and in the rational management of water resources.
- ✓ In protection against gaseous pollution.
- ✓ In protection against noise pollution.
- ✓ In protection against industrial pollution.
- ✓ In monitoring the implementation of environmental programs.
- ✓ In the determination of environmental and energy indicators.
- ✓ In controlling the consumption of raw materials and energy.
- ✓ In the investment of energy efficient installations and projects with short schedule of return.

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

The Group applies procedures for monitoring and recording measurements and controls of the consumption of its production facilities as shown in the following table:

Energy Consumption		
Energy	**2020**	**2021**
Oil for circulation	82,012 lt	87,243 lt
Oil for production	29,631 lt	53,623 lt
LPG for production	39,295 lt	34,499 lt
Power consumption	4,014 MWh	4,354 MWh
Energy offset from PV	1,094 MWh	1,896 MWh

The percentages of electricity consumption that come either from a provider in the market or from renewable energy sources for the years 2020 and 2021 are as follows:

Electricity Consumption		
Electricity	**2020**	**2021**
Electricity from a provider	68.85%	56.46%
Energy coming from Renewable sources (RES) of the Installation	31.15%	43.54%

The Group for the year 2021 received a Certificate of Origin Guarantee - Green Certificate - from the cooperating electricity provider.

The Group implements a specific waste management procedure in order to reduce the respective volume of waste materials. The Company cooperates exclusively with the appropriately licensed partners for the management of all types of waste materials. The quantities of waste resulting from the Group’s operation for the year 2021 are described in the following table:

Waste Management		
Waste Materials	**2020**	**2021**
Quantities of total waste (tn)	2,748,910	3,174,860
Recycling (%)		
Dangerous wastes	3.83%	4.72%
Non-hazardous waste	96.17%	95.28%

The Company has been certified and implements an integrated environmental management system as defined according to the international standard of environmental management system EN ISO 14001 & 50001 aiming at the protection of the environment and the saving of the respective natural resources.

An important criterion for the selection of suppliers is their compliance with environmental policies. For this reason the following certifications are required:

- ISO 14001
- ISO 50001
- ISO 14021
- EPD - Environmental Product Declaration

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

Despite the fact that the Company seeks equal participation of the two genders, the percentage of women in the total human resources for the year 2021 accounted for only 7%.

This is due to the heavy manual labor that is usually required in the iron processing and production process which is the main activity of the Company. The allocation of the Company's employees by gender is presented in the table below:

Total number of employees - Gender segregation		
	2021	**2020**
Male	208	174
Female	16	16
Total	**224**	**190**

According to the tables below, the largest percentage of age at work does not exceed 50 years, which means that the particular age group is dominated by the characteristics of productivity and creativity.

The number of people over 50 years old who add the required experience is also significant and most of these employees are expected to retire from the Company. The National General Collective Labor Agreement (NGCLA - EGSSE) sets the minimum fees, salaries and day-wages in the private sector. The Group observes the terms of the above Agreement and as a result the vast majority of its employees receive higher remuneration than the minimum level of wages. The breakdown of employees by age group is presented in the table below:

Total number of employees - Breakdown by age group		
	2021	2020
<30 years	40	30
30 - 50 years	126	111
>50 years	58	49
Total	**224**	**190**

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 Company in 2021 implemented an educational program ensuring the participation of all personnel mainly in the educational fields of health and safety.

More specifically, the education and training program was indicatively related to the following:

- ✓ Evacuation exercises
- ✓ Fire safety exercises
- ✓ Seminars for safe lifting, loading and tying of loads
- ✓ First aid seminars

Also, within the year 2021, training seminars were implemented regarding the development of skills and knowledge of the personnel with most indicative ones being the following:

- ✓ Information systems seminars
- ✓ HR seminar
- ✓ ESG seminar
- ✓ Financial Content Seminar
- ✓ Corporate Governance Seminar

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.

c) Contribution to the society

The contribution and the responsible stance of the Group towards the society as a whole is an integral part of its culture and strategy. The Corporate Social Responsibility program implemented a series of actions related to society, culture and health. The constant presence close to the local community resulted not only in the creation of a favorable climate of collaboration but also in the recognition of all these efforts by those involved.

Some of the actions implemented by the Company in 2021 were the following:

- ✓ Financial assistance to the Panhellenic Heart Transplant Association, the Practice of Love Association, the Association of Friends of Children with Cancer "Elpida".
- ✓ Issuance of gift vouchers of a well-known supermarket chain in the "social grocery" of the Municipality of Aspropyrgos and in the regional church of Koropi, Attiki, Greece.
- ✓ Donation of medical equipment and office equipment to Thriasio General Hospital of Elefsina.
- ✓ Donation of electronic office equipment to the Elefsina Fire Brigade.
- ✓ Donation of masks and boots to the fire department of Elefsina.
- ✓ Donation of sports items to the sports organization Thriasio Pedio.
- ✓ Donation of steel products to a unit of the Greek army at the Holy Temple of Ag. Eleftherios.

Group's Donations in Years 2020 and 2021		
	2021	2020
Donations	24,094.50	18,200.00

In addition to the above, for more than 20 years, in collaboration with the Thriasio General Hospital of Elefsina, voluntary blood donation is carried out at the Company's premises. The goal is to create and strengthen the blood bank maintained by the Company.

D. Significant Events during the Financial Year 2021

Developments in the Group's Sectors

Despite the effects of the ongoing pandemic, the Group's results for the year 2021 improved significantly and were characterized by a large increase in turnover as well as strong profitability mainly driven by the following factors:

- Sustainable market share, addition of new products, as well as higher volume of exports to a percentage of more than 30%.
- The stronger contribution of the products with higher added value to the turnover of the group.
- The significant increase in the sale price of steel products and therefore the significant improvement of operating profit margins

Having absorbed the market turbulence due to the ongoing pandemic already, since the year 2020, and having taken all the necessary measures to ensure its smooth operation, the Group continued its business activity smoothly during the year 2021 without encountering any problems on the operational and commercial fronts. The demand for steel products moved upwards with the metal construction sector posting further growth and in particular via demand for construction of new storage and distribution facilities. At the same time, the increase in demand for products related to the construction and renovation of tourist, commercial and residential projects, as well as the strong demand for products with application in RES (Renewable Energy Sources) projects was also notable. Moreover, the upward trend in raw material prices internationally until the 3rd quarter of the year 2021, as result of shortages and delays observed in the market due to implementation of measures to combat the pandemic, directly affected the selling prices of the Group's products and increased substantially the operating profit margins.

The significant increase in raw material prices during the year 2021 created stronger needs for working capital, a fact that was addressed both through the liquidity created internally and through the existing credit lines by the collaborating banks. It is noted that after 2020 the Group did not encountered any incidents of credit losses while all receivables from customers who applied to benefit from the protection measures against Covid-19 have been collected. At the same time, the supply of raw materials from well-known suppliers, based on the required geographical dispersion, continued normally without any violations of the agreed terms and delivery times.

The Group's **net debt** decreased by **27%** and amounted to **€ 23.1 million** compared to **€ 31.7 million** in the previous year, with the ratio **"Net Debt / Equity"** settling at **0.29x** compared to **0.48x** on 31.12. 2020 and with the ratio **"Net Debt / EBITDA"** settling at **1.0x** versus **5.3x** in 2020. It is noted that the group's cash and cash equivalents increased by **171%** and amounted to **€ 26.6 million** vis-à-vis **€ 9.8 million** on

31.12.2020 while the **equity** of the Group increased substantially to **€ 80.8 million** compared to **€ 66.2 million** on 31.12.2020.

The agricultural sector of the Group through the affiliated company Thrace Greenhouses SA (participation rate of 49.09% - consolidation via the equity method) posted an improvement in terms of results thus further strengthening the consolidated results of Elastron Group. In particular, the company's turnover amounted to € 8.1 million compared to € 8.2 million in the previous year, while gross profit amounted to € 2.0 million or 24.7% on sales versus the precisely similar levels of € 2.0 million or 24.7% of sales in 2020. The results before taxes, financial and investment results and depreciation (EBITDA) amounted to € 2.0 million compared to € 1.6 million in 2020, while finally, the results before taxes amounted to € 0.7 million compared to € 0.3 million in the previous year. The net debt of the company amounted to € 1.0 million, reduced by € 3.3 million compared to the year of 2020. It is noted that the company Thrace Greenhouses SA operates greenhouses with a total area of 19.6 hectares in both Xanthi and Koropi, Attica, Greece. The Company is the largest one in Greece that uses geothermal energy as a means of heating, ensuring stable cultivation conditions in the most environmentally friendly way.

Regarding the energy sector of the group, turnover amounted to € 1.3 million compared to similarly € 1.3 million in the previous year, whereas the gross profit amounted to € 0.6 million compared to € 0.7 million in year 2020. The results before taxes, financial and investment results and depreciation (EBITDA) amounted to € 1.1 million compared to a similar level of € 1.1 million in 2020, while finally, the results before taxes amounted to € 0.3 million compared to the same level of € 0.3 million in the previous year. It is noted that the Group operates PV plants for the production and sale of electricity in the national network, with a capacity of 3.55 MWp, while it also operates an 1.5 MWp PV plant in the form of energy offset.

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 24.06.2021 the Annual Ordinary General Meeting of the shareholders was held at the offices and headquarters of the Company ELASTRON S.A. - STEEL SERVICE PRODUCTS at Agios Ioannis Avenue, PC 19300, Aspropyrgos, Attica, Greece. Given the Company's efforts to safeguard the safety and health of shareholders, employees and the general audience against the Covid-19 pandemic, the Annual Ordinary General Meeting provided all participants with the option to vote by teleconference in accordance with the Article 8 of the Company's Articles of Association.

14 shareholders attended the Annual General Meeting (either in person or via a legal representative), who owned 11,480,327 shares or 62.36% of the paid up share capital.

The General Meeting proceeded with the following resolutions:

1. The Separate and Consolidated Financial Statements for the year 2020 were approved (01.01.2020 - 31.12.2020), along with the relevant Management Reports of the Board of Directors and the Certified Public Accountants.

2. The distribution of results for the fiscal year 2020 (01.01.2020 - 31.12.2020), the distribution of dividends and the provision of the relevant authorization to the Board of Directors for exercising the decision concerning the dividend distribution were approved. More specifically, the distribution of an amount of gross dividend (after the deduction of a corporate income tax) of EUR 0.027 was approved, along with the relevant cut-off, record (beneficiary identification) and payment dates, as follows:

A) Friday, 16th of July 2021 was set as the dividend cut-off day.
B) Monday, 19th of July 2021 was set as the record (beneficiary identification) day.
C) Thursday, 22nd of July 2021 was set as the dividend payment date with the payment being made via a credit institution.

3. Approved in accordance with the article 108 of Law 4548/2018, the overall administration performed by the Board of Directors for the financial year 2020 (01.01.2020 - 31.12.2020) and also released the Certified Auditor - Accountant from any liability for compensation with regard to the audit of the financial year 2020 (01.01.2020 - 31.12.2020).

4. The fees - remuneration of the members of Board of Directors for the financial year 2020 (01.01.2020 - 31.12.2020) were also approved and the fees - remuneration for the financial year 2021 (01.01.2021 - 31.12.2021) were pre-approved.

5. The Meeting approved the Remuneration Report of the members of Board of Directors of the Company for the financial year 2020 (01.01.2020 - 31.12.2020), according to article 112 of Law 4548/2018.

6. The Meeting approved the election of Mr. Konstantinos Stamelos as Regular Auditor with SOEL Reg. Number 26841 and Mr. Ioannis Tente as Deputy Auditor with SOEL Reg. Number 170611 from the auditing company RSM GREECE SA CERTIFIED AUDITORS ACCOUNTANTS AND BUSINESS CONSULTANTS with the distinctive title "RSM GREECE S.A." for the financial year 2021 whereas it also determined and approved their remuneration.

7. It was announced, according to the article 82, paragraph 1, section d’ of Law 4548/2018, the decision of the Board of Directors dated 5 August 2020 about the replacement of the resigned executive member of the Board of Directors Mr. Stylianos Koutsothanasis of Christos by the executive member Mr. Vasileios Manesis of Nikolaos whereas the relevant election was approved.

8. The Suitability Policy of the members of the Board of Directors was approved in accordance with article 3 of Law 4706/2020.

9. It was decided to elect Mr. Nikolaos Georgiadis of Iraklis and Ms. Smaragdi Athanasakou of George as Independent Non-Executive Members of the Board of Directors, who meet the criteria of independence provided by the provisions of par. 1 of article 4, Law 3016/2002 and article 9, Law 4706/2020 (effective from 17.07.2021).

The CVs of the elected members were made available to the shareholders on the Company's website prior to the Ordinary General Meeting.

10. The Meeting also approved, according to article 98, paragraph 1 of Law 4548/2018, the participation of the members of the Board of Directors and the Directors of the Company in the Management of the companies of the Group and the affiliated companies.

11. During the Meeting, the Annual Report of the Audit Committee for the year 2020 was read (01.01.2020 - 31.12.2020).

12. The type of the Audit Committee, its term of office, the number and the qualities of its members were also determined and accordingly approved.

Specifically, the General Meeting of Shareholders decided that the Audit Committee functions as an independent joint committee, consisting of three (3) members, of which two will be non-executive members of the Board of Directors and at least one of these two will be an independent one, whereas the third member will have no relationship with the Company and will meet the independence criteria of article 9 of Law 4706/2020. It was also confirmed by the General Meeting that the positions of the members of the Audit Committee will be occupied by its existing members, who have been elected by the decision of the Ordinary General Meeting of Shareholders as of 20.06.2019, as follows: A) Mr. Konstantinos Gianniris, independent non-executive member of the Board of Directors, based on the currently effective Law 3016/2002, which however from 17-7-2021, date of entry into force of article 9 of Law 4706/2020, will become a non-executive member of the Board of Directors, b) Mr. Dimitrios Paparistidis, an independent non-executive member of the Board of Directors, who meets the conditions of independence defined by both article 4, par. 1 of Law 3016/2002 and article 9 of Law 4706/2020, and c) Mr. Georgios Vallettas, who is not member of the Board of Directors and meets the conditions of independence set by both article 4, par. 1 of Law 3016/2002 and article 9 of Law 4706/2020.

All members of the Audit Committee meet the criteria and conditions of suitability of article 44, par. 1 of Law 4449/2017 as in force. Moreover, all members of the Audit Committee have sufficient knowledge about the steel sector in which the Company operates, while Messrs. Gianniris and Vallettas have sufficient knowledge and experience in the fields of auditing and accounting. The term of office of the Audit Committee will be equivalent to that of the Board of Directors, automatically extended until the first Ordinary General Meeting after the end of its term, while specifically the term of the current Audit Committee will end on 20.6.2022.

13. No other announcement was made.

All the issues on the daily agenda were approved unanimously, namely with a percentage of 100.00% of those present.

Treasury shares

As of December 31, 2021 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 31.12.2021 the Company and the Group have formed no provisions regarding tax-unaudited fiscal years.

For the financial year 2021, 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 37, L. 4646/2019. 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 2021. 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

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.

Risk management is performed by the people in charge of the responsibilities of the Risk Management Unit, in collaboration with the other departments of the Group and in accordance with the guidelines and approvals of the Board of Directors of the Company.

Adherence to risk management policies and procedures is controlled by the Internal Control Unit, 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 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.

Amounts in €

Maturity of Trade Receivables	**Group**	**Company**
Up to 30 days	11,568,361.73	11,568,361.16
31 to 90 days	7,046,432.07	6,791,409.33
91 to 180 days	4,863,713.97	4,863,713.97
Over 180 days	3,591,343.15	3,622,973.15
Intra-group transactions	-25,783.57	0.00
Total	**27,044,067.35**	**26,846,457.61**
Provisions – impairments for doubtful receivables	-3,685,231.37	-3,512,217.88
Total	**23,358,835.98**	**23,334,239.73**

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 31.12.2021.

Amounts in €

Group	1 to 6 months	6 to 12 months	> 1 year	Total
Loans	7,065,828.00	16,983,500.00	25,577,750.50	**49,627,078.50**
Suppliers and other liabilities	27,587,506.26	3,981,116.51	5,049,988.36	**36,618,611.13**
Grants (deferred income)	0.00	0.00	3,479,802.27	**3,479,802.27**
Total	**34,653,334.26**	**20,964,616.51**	**34,107,541.13**	**89,725,491.90**

Amounts in €

Company	1 to 6 months	6 to 12 months	> 1 year	Total
Loans	7,065,828.00	16,983,500.00	25,577,750.50	**49,627,078.50**
Suppliers and other liabilities	27,387,773.38	3,976,935.10	3,504,341.98	**34,869,050.46**
Grants (deferred income)	0.00	0.00	2,548,141.48	**2,548,141.48**
Total	**34,453,601.38**	**20,960,435.10**	**31,630,233.96**	**87,044,270.44**

On 31.12.2021, the Company and the Group recorded cash and cash equivalents of € 26.3 million and € 26.6 million respectively.

3) Market Risk

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

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

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

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

- **Foreign exchange risk**

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

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

Foreign currency is purchased in advance in order for the Company to limit its foreign exchange risk emerging from inventory purchase. The total liabilities of the Group as of 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 2021:

Amounts in € million	Loans 31.12.2021	Effect on results before tax (+ / -)
Group	49.6	0.50
Company	49.6	0.50

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 2021:

Amounts in € million	Sight and term deposits 31.12.2021	Effect on results before tax (+ / -)
Group	26.6	0.27
Company	26.3	0.26

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

➢ Risk of capital

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

Amounts in €

Company Data	31.12.2021	31.12.2020
	49,627,078.50	41,339,528.00
Total debt	26,323,191.21	9,436,262.12
Minus: Cash and cash equivalents	**23,303,887.29**	**31,903,265.88**
Net debt	79,683,339.87	65,676,682.41
Total equity	21,944,276.27	5,255,278.88
Equity / Net debt	**3.42**	**2.06**
Net debt / EBITDA	**1.06**	**6.07**

Amounts in €

Group Data	31.12.2021	31.12.2020
Total debt	49,627,078.50	41,460,195.44
Minus: Cash and cash equivalents	26,573,940.06	9,750,656.33
Net debt	**23,053,138.44**	**31,709,539.11**
Total equity	80,804,798.90	66,152,003.19
EBITDA	22,605,859.97	5,957,584.69
Equity / Net debt	**3.51**	**2.09**
Net debt / EBITDA	**1.02**	**5.32**

➢ Repercussions of the pandemic on the Company's operations

The ongoing pandemic had no impact on the Group during the financial year 2021 which ended with a significant increase in turnover along with an improvement in financial results.
Regarding the operations of the Group, it is noted that there were no deviations in the agreed terms and delivery times of the purchases of raw materials and goods, while with the implementation of the necessary protection measures within the workplace of the group there were no problems and delays in delivery times of products.
In addition, due to the significant dispersion of the group's customer base in various sectors and geographic markets, it is noted that no breach of the agreed credit terms was observed. As at 31.12.2021, there were no open balances of customers who had been placed under the status of state protection against Covid-19.

➢ 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, whenever this is feasible.
- 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 regular 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 implementation of mass vaccination plans both in Greece and abroad, the mass participation of populations in such plans, as well as the gradual de-escalation of the protection measures are estimated to have significantly restored the smooth flow of economic and business activity on international level. In this context, and provided that there is no resurgence of pandemic and no need for implementation of any new containment measures, the course of the group's activity and results are not expected to be any longer affected by the pandemic.

F. Future Outlook

For the current year 2022 it would be risky for the Management of the Group to proceed with any forecasts given the fact that both the steel products market and the wider economic environment show signs of great uncertainty.

The economic impact of the ongoing pandemic crisis is estimated to have notably dwindled as through the mass vaccination programs the majority of economies internationally have returned to normalcy and economic activity is gradually recovering. However, the recent lockdown in China, given the size of its economy, confirms that there can be no complacency.

Russia's invasion of Ukraine in late February and the outbreak of hostilities magnified the geopolitical risk and created further economic uncertainty with a sharp rise in energy costs, a substantial increase in commodity prices, shortages of goods and with a rising inflation. At the same time, estimates concerning Eurozone GDP growth for 2022 have fallen as a result of uncertainty over the outcome of the war and the precise magnitude of its impact on economic activity.

In a continuation mode of the previous year, the steel products segment of the Group expanded further during the 1st quarter of 2022, with an increase in demand recorded both in Greece and abroad, and with raw material prices maintained at high levels.

The improvement of the economic climate and the gradual return of economic activity to the pre-pandemic levels, as well as the favorable prospects for further growth in the economy during 2022 through the utilization of re-sources of the Recovery Fund, created expectations for the continuation of the Group’s upward trajectory for the rest of the year. However, the outbreak of Russia-Ukraine war in late February created turmoil in the steel industry as well, with main developments being the suspension of production plants in Ukraine and the blockade of Russian steel exports to the EU market. Given the high production capacity of the two countries in steel production, the decline in their exports created shortages worldwide leading to further increases in raw material prices. As a result, the steel market began to show signs of stagnation, reflecting the reluctance of end-users to absorb further cost increases, in anticipation of a future price correction.

In this context, the management of the Group has been taking all the necessary measures in order to protect its smooth operation and business continuity. It is noted that through the large geographical dispersion of raw material suppliers, the Group’s purchases from these two particular countries amount to about 5% of total purchases per year, while the current inventory orders from these countries are considered non-essential. At the same time, the Group has the necessary level of inventories and materials, the required capital adequacy, as well as access to sufficient lines of financing to cover both current and any future demand. The main concern of the Group remains the maintenance of its sound financial position and the minimization of credit risks, a fact that is achieved through credit insurance, as well as through additional collateral whenever necessary.

Within the current year, the Group is implementing a new investment in buildings and mechanical equipment for more than € 5 million that will be placed into operation and will further increase the product range offered, improve storage and distribution times, while at the same time further reduce operating costs. At the same time, the implementation of new investments is being considered with the aim of further strengthening the Group's position both in Greece and abroad. Upon the potential end of the war conflicts and the return to normalcy, the prospects of the steel industry especially in the Greek market are considered positive. In the domestic market, the implementation of large-scale private projects, the demand for products from the broader energy and construction sec-tors, as well as the absorption of the country’s share in the Recovery Fund are expected to be the pillars that will contribute to the development of the steel sector.

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 31.12.2021 and 31.12.2020 respectively:

Financial Year 2021:

Amounts in €	SALES			
PURCHASES	**ELASTRON S.A.**	**THRACE GREENHOUSES SA**	**NORTHERN GREECE METAL PRODUCTS S.A.**	**TOTAL**
ELASTRON S.A.	0.00	0.00	0.00	**0.00**
THRACE GREENHOUSES S.A.	55,393.74	0.00	0.00	**55,393.74**
PHOTOENERGY S.A.	46,857.75	0.00	0.00	**46,857.75**
PHOTODEVELOPMENT S.A.	108,398.00	0.00	0.00	**108,398.00**
PHOTODIODOS S.A.	94,831.35	0.00	0.00	**94,831.35**
PHOTOKYPSELI S.A.	31,092.12	0.00	0.00	**31,092.12**
ILIOSKOPIO S.A.	43,689.27	0.00	0.00	**43,689.27**
PHOTOISHIS LTD	12,717.50	0.00	0.00	**12,717.50**
NORTHERN GREECE METAL PRODUCTS S.A.	0.00	0.00	0.00	**0.00**
TOTAL	**392,979.73**	**0.00**	**0.00**	**392,979.73**

Financial Year 2020:

Amounts in €	SALES			
PURCHASES	**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**

(b) Intra-company receivables / liabilities on 31.12.2021 and 31.12.2020 respectively:

Balances of 31.12.2021:

Amounts in €	RECEIVABLES			
LIABILITIES	**ELASTRON S.A.**	**NORTHERN GREECE METAL PRODUCTS S.A.**	**COMPANIES OF PHOTOVOLTAIC STATIONS**	**TOTAL**
ELASTRON S.A.	0.00	0.00	0.00	**0.00**
THRACE GREENHOUSES S.A.	63,088.72	0.00	0.00	**63,088.72**
PHOTOENERGY S.A.	81,035.94	0.00	0.00	**81,035.94**
PHOTODEVELOPMENT S.A.	194,161.95	0.00	0.00	**194,161.95**
PHOTODIODOS S.A.	182,833.22	0.00	0.00	**182,833.22**
PHOTOKYPSELI S.A.	2,559.13	0.00	0.00	**2,559.13**
ILIOSKOPIO S.A.	52,273.01	0.00	0.00	**52,273.01**
PHOTOISHIS LTD	188,022.72	0.00	0.00	**188,022.72**
NORTHERN GREECE METAL PRODUCTS S.A.	166,629.71	0.00	0.00	**166,629.71**
BALKAN IRON GROUP SRL	155,700.00	0.00	0.00	**155,700.00**
KALPINIS SIMOS BULGARIA EOOD	815,771.50	0.00	0.00	**815,771.50**
TOTAL	**1,902,075.90**	**0.00**	**0.00**	**1,902,075.90**

Balances of 31.12.2020:

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.	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**

	GROUP		COMPANY	
	1.1-31.12		1.1-31.12	
Amounts in €	2021	2020	2021	2020
c) Transactions and remuneration of Board Members & senior executives				
Remuneration of Board Members	545,079.91	584,385.79	535,979.91	575,245.17
Remuneration of senior executives	219,721.52	125,624.96	189,721.52	95,624.96
Remuneration of other related entities	26,704.86	84,524.29	26,704.86	84,524.29
Other benefits granted to members of the Board of Directors & Senior Executives	40,894.75	47,862.67	40,894.75	47,862.67
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

Note: The Remuneration Report of the Board of Directors for the year 2020 has been posted on the Company's website www.elastron.gr .

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)

a) Structure of the Company's share capital

On 31.12.2021 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.

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's 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 (5^{th}) 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 (3^{rd}) 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 24.06.2021 and the most recently published data:

SHAREHOLDER	TOTAL NUMBER OF SHARES 18.410.839	PERCENTAGE OF SHARE CAPITAL
Athanasios Kalpinis	3,104,250	16.86%
Elvira Kalpini	2,070,500	11.25%
Panagiotis Simos - Kaldis	1,583,687	8.60%
Panagiotis Sarmas	1,081,800	5.88%
Nikolaos Sakellariou	905,000	4.92%
Christos Sakellariou	905,000	4.92%
Nikolaos Simos	900,000	4.89%
Dominiki Simou	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

The Board of Directors of the Company declares that the Company has adopted and fully complies with the existing legal framework on corporate governance as in force in Greece and in particular with the provisions of articles 1 to 24 of Law 4706/2020, Law 4548/2018, the provisions of article 44 of Law 4449/2017 (Audit Committee) as amended by article 74 of Law 4706/2020 and is valid, in combination with the relevant decisions, circulars and guidelines of the Hellenic Capital Market Commission.

In this context, the Company, with the decision of the Board of Directors of July 16, 2021, approved the Operating Regulation which was drafted in accordance with the provisions of article 14 of Law 4706/2020. The Company's Operating Regulation includes, among other things, the organizational structure of the Company, the objectives of the Company's units and committees, the characteristics of the Company's Internal Control System (ICS) as well as the procedures and policies adopted and implemented by the Company. A summary of the Company's Operating Regulation has been published on the Company's website www.elastron.gr , in accordance with article 14, par. 2, section b' of Law 4706/2020.

In addition, the Company with the decision of its Board of Directors of July 16, 2021, has adopted and implements the new Greek Code of Corporate Governance, issued in June 2021 (GCCG), which has been prepared by the Hellenic Corporate Governance Council (ESED) which is a recognized body according to article 17 of Law 4706/2020 and no. 916/7.6.2021 decision of the Board of Directors of the Hellenic Capital Market Commission (hereinafter referred to as the "Code").

The Code is posted on the website of Hellenic Corporate Governance Council (ESED) https://www.esed.org.gr/web/guest/code-listed, as well as on the website of the Company www.elastron.gr .

The deviations of the Company in relation to the special practices provided in the Code, are listed in the table below:

Deviations from the Greek Code of Corporate Governance	
Provision in the Greek Code of Corporate Governance	**Explanation / Justification of deviation from the special practices of the Greek Code of Corporate Governance**
Special Practice 2.2.21 and 2.2.22	✓ The Board of Directors has not appointed one of its independent non-executive members as an independent non-executive Vice-Chairman, as this special practice presupposes that the Chairman of the Board is a non-executive member. ✓ The Board of Directors, pursuant to the provision of article 8, par. 2 of Law 4706/2020 has appointed as its Chairman one of the executive members of the Board of Directors and according to this provision the appointment of a Vice Chairman from the non-executive members is required. In this context, the Board of Directors has appointed a Vice-Chairman from among the non-executive members of the Board of Directors. ✓ The Chairman, in cases of absence or any other hindrance, is being replaced in full extent in terms of responsibilities, in accordance with the law and the Articles of Association, by the Vice-Chairman and when the latter is absent or disabled to participate for any reason, by the director appointed by decision of the Board of Directors. Regarding the specific exercise of the Chairman's executive duties, the Chairman when hindered, due to the capacity of Vice Chairman being a Non-Executive Member, is being replaced by the CEO of the Company. ✓ With the above option, the Company considers that the efficient and effective operation of the Board of Directors has been ensured. After the end of the term of the current Board of Directors, the Company will review whether it is appropriate and under what conditions it is possible to comply with the above Special Practice.
Special Practice 2.2.15	✓ Apart from the members of the Board of Directors for the selection of whom the Company applies the criteria provided in the Suitability Policy of the Members of the Board of Directors, there are no defined diversity criteria with specific representation objectives by gender and specific timetables for

	achieving such objectives, when it comes to the selection of senior executives of the Company. ✓ The Company has set as a long-term goal to increase the participation of women in the managerial positions within the Company. However, the Company already maintains long-term and beneficial cooperation with the existing executives, a fact that has been further solidified by its successful course for many years. The appointment of Senior Managers is based on meritocracy, and candidates are evaluated based on objective criteria in order to safeguard the Company's assets, plan the appropriate development strategy and increase the value of the Company. ✓ Therefore, the Company estimates that additional time will be required to enable the establishment and implementation of diversity criteria for senior and high ranking management, taking into account the nature of the Company's activity. However, it is estimated that there is no risk of such a deviation for as long as it exists.

Internal Control Unit

The Company has an Internal Control Unit, hereinafter "ICU", which constitutes an independent, objective and consulting function, designed to add value and improve its business operations. This Unit supports the Company in achieving its goals, offering at the same time a systematic approach to assessing and improving the effectiveness of risk management, internal control systems and corporate governance.

The Internal Control Unit is governed by an operating regulation which was approved in accordance with the meeting of the Company's Board of Directors on July 16, 2021 and is posted on the Company's website www.elastron.gr .

The Internal Control Unit of the Company constitutes an independent organizational unit within the Company according to article 15 of Law 4706/2020.

Purpose

The purpose of the ICU is the monitoring and improvement of the Company's operations and policies regarding its Internal Control System, the control of the consistent implementation of legislation, the observance of the Company's Articles of Association along with all its policies and procedures.

Head of the Internal Control Unit

The head of ICU has been appointed by the Board of Directors of the Company, following a proposal of the Audit Committee and meets the following criteria:

i. is an exclusive and full-time employee,
ii. is personally and functionally independent,
iii. is objective in the performance of his/her duties,
iv. possesses the appropriate knowledge and relevant professional experience,
v. reports administratively to the Chief Executive Officer and operationally to the Audit Committee,
vi. cannot be member of the Board of Directors or member with the right to vote in standing committees of the Company, and
vii. cannot have close relations with anyone who holds one of the above capacities in the Company or in a company of the Group.

The Company informs the Hellenic Capital Market Commission of any change of the head of the ICU, submitting the minutes of the relevant meeting of the Board of Directors, within a period of twenty (20) days from any particular alteration.

The head of ICU provides in writing any information requested by the Hellenic Capital Market Commission, cooperates with the authorities and facilitates the latter in every possible way along their task of monitoring, controlling and supervising the ICU.

The head of the ICU attends the general meetings of shareholders.

For the exercise of the duties of the ICU, its head has access to any organizational unit of the Company and becomes aware of any element required for the exercise of the respective tasks and duties.

The head of ICU submits to the Audit Committee an annual control plan and the requirements of the necessary resources, as well as the repercussions deriving from limiting the resources or the audit work of the ICU in general. The annual control plan is prepared based on the risk assessment of the Company, after taking into account the opinion of the Audit Committee.

Responsibilities and obligations of the Internal Control Unit

The responsibilities and obligations of the ICU are presented below:

a. The implementation of the operating regulation and the Internal Control System, in particular with respect to the adequacy and validity of the provided financial and non-financial information, risk management, regulatory compliance and the corporate governance code adopted by the Company,
b. The implementation of quality assurance mechanisms,
c. The implementation of the corporate governance mechanism, and
d. Compliance with the commitments contained in newsletters and business plans of the Company regarding the use of funds raised from the regulated market.
e. The ICU prepares reports to the audited units with findings, the risks arising and suggestions for improvement, if any.
f. Keeps the minutes of the meetings of the Audit Committee.
g. Provides an effective contribution in shaping and monitoring the implementation of the Suitability Policy of the members of the Board of Directors (circular 60, section III, par. 4 of the Hellenic Capital Market Commission).
h. Carries out an audit of the legality of the remuneration and all kinds of benefits granted to the members of the Management regarding the decisions of the competent bodies of the Company (article 4, circular EU 5/204/14.11.2000).
i. Carries out an audit of the Shareholders Service and Corporate Announcements Department (articles 5 & 6 of the circular 5/204/14.11.2000 of the Hellenic Capital Market Commission).
j. Audits the Company's transactions with affiliated companies as well as the Company's relations with the companies in the capital of which the members of the Company's Board of Directors or its Shareholders participate via a rate of at least 10% (articles 4 of the circular 5/204/14.11.2000 of the Hellenic Capital Market Commission).
k. The reports of ICU after incorporating the relevant views of the audited entities, the agreed actions, if any, or the acceptance of the risk of taking no action, the limitations on its scope of control, if any, the final internal audit proposals and the results from the respective response of the audited units of the Company to its proposals, are submitted quarterly to the audit committee.
l. It submits every three (3) months to the audit committee reports, which include its most important findings and proposals and which in turn the Audit Committee presents and submits along with its comments to the Board of Directors.

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 24.06.2021 by the Ordinary General Meeting of shareholders) are the following:

- Athanasios Kalpinis with 3,104,250 shares (16.9% - direct participation)
- Elvira Kalpini with 2,070,500 shares (11.2% - direct participation)
- Panagiotis Simos-Kaldis with 1,583,687 shares (8.6% - direct participation)

- Sarmas Panagiotis with 1,081,000 shares (5.9% - direct participation)
- Sakellariou Nikolaos with 905,000 shares (4.9% - direct participation)
- Sakellariou Christos with 905,000 shares (4.9% - direct participation)
- Nikolaos Simos with 900,000 shares (4.9% - direct participation)
- Dominiki Simou with 900,000 shares (4.9% - direct participation)

There are no significant indirect participations.

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

e) 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".

f) 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.

g) 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 affair related to the Company. 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 of the Company 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's 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 of Directors. 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 of the Company 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.

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 the members of Board of Directors 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 of Directors decision. Regarding the exercise of his/her executive duties, the Chairman of the Board in cases of absence or any hindrance, due to the capacity of Vice Chairman being a Non-Executive Member, is replaced by the Chief Executive Officer (CEO) of the Company. Finally, the Chief Executive Officer, when absent or hindered, is being replaced for the full extent of responsibilities by the General Manager of the Company.

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 members of the Board of Directors, 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.

Duties of the Members of the Board of Directors

Chairman

The Chairman of the Board is a non-executive member. In case the Board of Directors, by way of derogation, appoints one of the executive members of the Board of Directors as Chairman, then it obligatorily appoints a vice-chairman from among the non-executive members.

The role of the Chairman lies in the organization and coordination of the entire work of the Board of Directors. The Chairman presides over the Board of Directors and is responsible for the overall efficient and effective operation and organization of its meetings. At the same time, it promotes a culture of open-mindedness and constructive dialogue in the conduct of its work, facilitates and promotes the establishment of good and constructive relations between the members of the Board of Directors and the effective contribution of all non-executive members to the work of the Board of Directors, by ensuring the provision of a timely, complete and correct information towards its members.

The Chairman ensures that the Board of Directors as a whole has a satisfactory understanding of the views of the shareholders. The Chairman of the Board of Directors ensures the effective communication with the shareholders with the objective of preserving the fair and equal treatment of their interests and the development of a constructive dialogue with them, in order to better and fully understand their positions.

The Chairman cooperates closely with the Chief Executive Officer and the Corporate Secretary for the preparation of the Board of Directors and the provision of full information to its members.

Regarding the exercise of his/her executive duties, the Chairman of the Board in cases of absence or any hindrance, due to the capacity of Vice Chairman being a Non-Executive Member, is replaced by the Chief Executive Officer (CEO) of the Company.

Non-Executive Vice Chairman of the Board of Directors

The non-executive Vice Chairman of the Board of Directors is responsible, in addition to the statutory responsibilities, for the coordination and effective communication of the executive and non-executive members of the Board of Directors. In this context, it may convene a special meeting of the executive and non-executive members every quarter, in order for all members to be informed about the work of the Company and current affairs.

In addition, the non-executive Vice Chairman presides over the evaluation of the Chairman of the Board of Directors, which is conducted by the members of the Board of Directors, as well as the meetings of the non-executive members of the Board of Directors for the evaluation of its executive members. Finally, the non-executive Vice Chairman is obliged to be available and to attend the General Meetings of the Company's Shareholders, in order to inform and discuss the issues of Corporate Governance of the Company, when and if they arise.

Chief Executive Officer (CEO)

The CEO draws up the corporate strategy, the corporate identity and the long-term investment plan of the Company, monitors and controls the implementation of the strategic goals of the Company and the daily management of its affairs and draws up the guidelines to the Company's executives who are reporting to the CEO and also being supervised and guided by the latter. The CEO also supervises and ensures the smooth, orderly and effective operation of the Company, in accordance with the strategic objectives, business plans, policies adopted and the respective action plan, as determined by decisions of the Board of Directors. The Chief Executive Officer also supervises the communication strategy of the Company, represents the Company in its communication and relations with the external investors and financial institutions at the highest level and is responsible for the Company's Directorates related to the strategic development as well as the general regulatory and financial affairs of the Company.

The CEO, as an indication, draws up the annual business plan of the Company and the annual budget, which are then submitted to the Board of Directors of the Company for approval. The CEO prepares, in collaboration with the Executive Chairman and the Board of Directors, the organizational structure of the Company, its strategic goals and objectives and supervises and ensures their full implementation. The CEO guides the Company towards the achievement of the corporate goals and objectives, informs the Board of Directors about all the essential issues that mainly relate to the strategic goals, the business activity of the Company as well as its overall performance and promotion. Ensures the full compliance of the Company's operations with the current legal and regulatory framework, evaluates the risks and ensures that they are effectively controlled, supervised, addressed and ultimately streamlined and minimized, strengthens, advises, inspires and guides the Company’s executives so they demonstrate maximum efficiency, effectiveness and integrity in order to achieve the respective corporate goals. The

CEO represents the Company and actively and continuously supports the Executive Chairman, in order for the latter to develop and achieve profitable business agreements, which will maximize the economic value of the Company.

The CEO participates and reports to the Board of Directors of the Company and implements its strategic choices and important decisions. The CEO is also responsible for the overall operation, development and performance of the Company.

General Manager

The Board of Directors may appoint a General Manager, either from the Members of the Board or outside the Board, who may attend the meetings of the Board without the right to vote, following permission of the Board of Directors.

The General Manager is considered to be a permanent representative of the Board of Directors and performs every service of the Company, ensures the execution of agreements and contracts approved by the Board, ensures the execution of any other decisions of the Board, and also makes every regular collection and payment. In order for the General Manager to have the power to represent the Company, when he/she is not an executive member of the Board of Directors, this should be explicitly defined during the formation of the Board of Directors into a body and during the allocation of the relevant responsibilities. Moreover, the General Manager carries out any necessary management act in accordance with the respective decisions of the Board, makes upon approval of the Board of Directors the required each time appointments and dismissals of personnel, except for the persons who are administrators of the Company, who are appointed and dismissed by the Board. The General Manager exercises all types of control and makes proposals to the Board regarding all affairs of the Company.

Meetings of the Board of Directors

The Board of Directors meets at the Company's headquarters whenever the needs of the Company require so, at the invitation of its Chairman. The meeting can be held by teleconference with some or all of its members, subject to the applicable legal conditions.

During the year 2021, the Board of Directors of the Company met 37 times. The frequency of members' participation in the meetings of the Board of Directors is presented in the following table:

From 01/01/2021 to 16/07/2021			
No.	Full name of Member of the Board	Capacity of Member of the Board	Participation in the meetings of the Board of Directors
1	Panagiotis Simos - Kaldis	Chairman - Executive Member	19/19
2	Athanasios Kalpinis	Chief Executive Officer - Executive Member	19/19
3	Elvira Kalpini	Vice Chairman - Non-Executive Member	19/19
4	Irene Simou - Kaldi	Non-Executive Member	8/19
5	Andreas Kalpinis	Executive member	19/19
6	Anastasios Mpinioris	Executive member	19/19
7	Vasileios Manesis	Executive member	19/19
8	Konstantinos Gianniris	Non-Executive Member	12/19
9	Georgios Kouvaris	Independent Non-Executive Member	6/19
10	Smaragdi Athanasakou	Independent Non-Executive Member from 24.06.2021	4/5
11	Nikolaos Georgiadis	Independent Non-Executive Member from 24.06.2021	4/5
12	Dimitrios Paparisteidis	Independent Non-Executive Member	7/19

From 17/07/2021 to 31/12/2021			
No.	Full name of Member of the Board	Capacity of Member of the Board	Participation in the meetings of the Board of Directors
1	Panagiotis Simos - Kaldis	Chairman - Executive Member	18/18
2	Athanasios Kalpinis	Chief Executive Officer - Executive Member	18/18
3	Elvira Kalpini	Vice Chairman - Non-Executive Member	18/18
4	Irene Simou - Kaldi	Non-Executive Member	18/18
5	Andreas Kalpinis	Executive Member	18/18
6	Anastasios Mpinioris	Executive Member	18/18
7	Vasileios Manesis	Executive Member	18/18
8	Konstantinos Gianniris	Non-Executive Member	16/18
9	Georgios Kouvaris	Independent Non-Executive Member	14/18
10	Smaragdi Athanasakou	Independent Non-Executive Member from 24.06.2021	14/18
11	Nikolaos Georgiadis	Independent Non-Executive Member from 24.06.2021	14/18
12	Georgios Kolovos	Independent Non-Executive Member from 03.09.2021	10/14
13	Dimitrios Paparisteidis	Independent Non-Executive Member until 03.09.2021	4/4

Note: The denominator of the fraction in the above tables, refers to the total number of meetings of the Board of Directors held from the moment of the election of each member.

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 signatures of Board members or their representatives may be replaced by the exchange of messages by e-mail or other electronic means.

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.
- At the Ordinary General Meeting of 24.06.2021, Ms. Smaragdi Athanasakou and Mr. Nikolaos Georgiadis were elected as Independent Non-Executive Members of the Board of Directors.
- On 03.09.2021, the Board of Directors, after thanking Mr. Dimitrios Paparistidis for his long-term support and contribution to the Company, proceeded to replace him by Mr. George Kolovos and therefore the Board of Directors of the Company consists of the following members:

No.	Full name of Member of the Board	Capacity of Member of the Board	Start of term	End of term
1	Panagiotis Simos - Kaldis	Chairman - Executive Member of the Board of Directors	20/6/2019	30/6/2022
2	Athanasios Kalpinis	Chief Executive Officer - Executive Member of the Board of Directors	20/6/2019	30/6/2022
3	Elvira Kalpini	Vice Chairman - Non-Executive Member of the Board of Directors	20/6/2019	30/6/2022
4	Irene Simou - Kaldi	Non-Executive Member of the Board of Directors	20/6/2019	30/6/2022
5	Andreas Kalpinis	Executive Member of the Board of Directors	20/6/2019	30/6/2022
6	Anastasios Mpinioris	Executive Member of the Board of Directors	20/6/2019	30/6/2022
7	Vasileios Manesis	Executive Member of the Board of Directors	5/8/2020	30/6/2022
8	Konstantinos Gianniris	Non-Executive Member of the Board of Directors	20/6/2019	30/6/2022

No.	Full name of Member of the Board	Capacity of Member of the Board	Start of term	End of term
9	Georgios Kouvaris	Independent Non-Executive Member of the Board of Directors	20/6/2019	30/6/2022
10	Smaragdi Athanasakou	Independent Non-Executive Member of the Board of Directors	24/6/2021	30/6/2022
11	Nikolaos Georgiadis	Independent Non-Executive Member of the Board of Directors	24/6/2021	30/6/2022
12	Georgios Kolovos	Independent Non-Executive Member of the Board of Directors	3/9/2021	30/6/2022

The term of the Board of Directors 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.

CVs of the Members of the Board of Directors

Andreas Kalpinis

Executive member of the Board of Directors and one of the two founders of the Company. He possesses many years of experience and knowledge of the international and domestic steel market.

Athanasios Kalpinis

Executive Member of the Board of Directors. 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-Kaldis

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

Elvira Kalpini

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

Vasileios Manesis

Executive Member of the Board of Directors of the Company, Chief Financial Officer and Head of Investor Relations. Graduate in Economics (BSc) from the University of Piraeus and holder of the postgraduate degree MSc in International Business and Finance from the University of Reading, England. He has been working for the Company since 2001 where he has served as Accounting Manager, Financial Controller and Investor Relations Manager. Since the year 2012 he holds the position of Chief Financial Officer of the Group. He is also an Executive Member of the Board of Directors of THRACE GREENHOUSES SA, while he was also an Executive Member of the Board of Directors of TATA ELASTRON SA.

Anastasios Mpinioris

He holds the position of General Manager of the Company. An executive with many years of experience and knowledge of the steel product market. He is a graduate of the University of Piraeus with a Master degree 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-Kaldi

She is graduate of the Department of Business Administration of TEI (Technological Education Institute) of Piraeus and graduate of the Department of Business Administration of Piraeus University of Economics. Mrs. Simou-Kaldi is also the Managing Director of the company Steel Center SA.

Konstantinos Gianniris

Non-executive member of the Board of Directors, member of the Audit Committee and of the Remuneration and Nomination Committee of the Company. Mr. Konstantinos Gianniris has studied Economics and Business Administration at the University of Piraeus, is a graduate of the Law School of the University of Athens and has extensive professional training. He has been the General Manager of the IASO Group, CEO of the Euroclinic Athens Group, General Manager of SOULIS SA, Member of the Executing Committee, General Manager or Senior Executive (Marketing / Sales Manager, Logistics, IT Manager, Organization and Internal Audit Manager) in large companies. He has also been a member of the Board of Directors (and in most cases Chairman of the Audit Committee) of the following companies: Thrace Plastics Holding Company SA, Eurodrip SA, Logicdis SA, Dodoni Ice Cream SA, Euroclinic Athens SA, Euroclinic Children SA, and European Technical SA. He has founded the business consulting company "P.M.S. Consultants" (specializing in Business Administration, Internal Control, Corporate Governance and Business Administration). He has founded the Hellenic Institute of Internal Auditors (for a number of years he held the position of President) and has represented the institute at various International Conferences. He has founded the Association of Clinics of Greece (SEK), in which large Clubs of Private Clinics participate, and in which he served for a number of years as President. Mr. Gianniris has prepared dissertations on applied aspects of Business Administration, which have been adopted in a number of businesses and companies, such as: Internal Regulation of Management, Organization, Operation and Internal Control System, Manual of Organization and Operation of Internal Control Unit, Budget & Audit Systems, Cost Systems etc.

Georgios Kouvaris

Independent non-executive member of the Board of Directors of the Company. He holds a Master's Degree in Chemical Engineering (M.Sc.) from Aston University of Birmingham. He started his professional career as an Engineer in the company Hellenic Petroleum at Aspropyrgos Refinery in 1985. In 1992 he undertook the development and construction of a Refinery in the UAE where he remained until 1999 as General Manager. He then served as General Manager at OKTA Refinery in FYROM. In 2002, he undertook the development of electricity generation of Hellenic Petroleum. Since 2004, he has been working for HERON Group and since March 2017 he has been the Executive Chairman of the Board of Directors of HERON THERMOELECTRIC SOCIETE ANONYME & HERON II VIOTIA SA. As member of the Board of Directors of our Company for a number of years, he has significant knowledge of the steel industry.

Georgios Kolovos

Independent Non-Executive Member of the Board of Directors and member of the Audit Committee of the Company. He is a graduate of the Department of Business Administration of TEI of Piraeus and holds an MSc in Industrial & Economic Relations from the University of London, London School of Economics. He also holds a Postgraduate Diploma in Marketing from the Chartered Institute of Marketing U.K.. Mr. Kolovos works as Head of Microfinance at the Hellenic Development Bank and has significant experience in the Banking sector in which he has been working since 1993. More specifically, he has worked as member of the corporate finance departments at Eurobank Ergasias S.A., Alpha Bank S.A. and Geniki Bank S.A.. He has also worked as Marketing Manager at the Bank of Cyprus, as well as in the sales department of Coca Cola S.A. and Elin S.A.. Finally, through his many years of employment in the field of corporate banking and finance, he has acquired sufficient knowledge of the wider industry in which the Company operates.

Nikolaos Georgiadis

Independent Non-Executive Member of the Board and Chairman of the Remuneration and Nomination Committee of the Company. He studied economics at the Athens University of Economics and Business (formerly ASOEE). He completed his postgraduate studies first in the USA, where he received the Certificate of Special Studies (CSS) in Administration & Management -graduate level- from the Extension

School of Harvard University and immediately afterwards in Great Britain where he was awarded a Master of Science in International Securities, Investment & Banking from the ICMA (International Capital Market Association) Center, Henley Business School, University of Reading. He holds a PhD from the Department of Finance & Accounting of the University of Macedonia, with a thesis entitled "Corporate Valuation Approaches' Weighting Methodology". He has significant work experience in the financial sector, is a certified financial analyst by the Hellenic Capital Market Commission and is involved in providing advisory services and conducting fundamental analysis and valuations of companies for the account of institutional investors and asset managers internationally, as well as in providing advisory services for acquisitions, mergers, IPOs and other corporate transactions.

Smaragdi Athanasakou

Independent Non-Executive Member of the Board of Directors. She graduated from the Law School of the National and Kapodistrian University of Athens and speaks English and French. She is a lawyer and member of Athens Bar Association since 2007 specializing in Capital Market Law and Company Law. She has extensive experience in European and national legal framework regarding listed companies and the provision of investment services. He is a member of the Board of Directors of the Hellenic Association of Financial Law. From 2007 until today she serves as senior associate of the Law Firm DRYLLERAKIS & ASSOCIATES.

Regarding the CVs of the senior Executives of the Company, these are the following:

Nektarios Myzithras: Raw Materials Purchasing Manager. Executive with experience in import, export, international trade and in the International Steel Market. He has been working for the Company since 2003.

Antonis Kapnias: Sales Manager of the Company. An executive with many years of experience in the field of sales who has been working for the Company since 1983.

Vassilios Manesis: Executive Member of the Board of Directors of the Company, Chief Executive Officer and Head of Shareholder Services and Investor Relations. Graduate of 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 Executive Officer.

Anastasios Mpinioris: Holds the position of General Manager of the Company. Executive with many years of experience and knowledge of the steel products market. He is a graduate of the University of Piraeus with a master's degree in Business Administration. He has served as Head of Sales and Marketing Divisions and as an advisor in matters of Commercial and Administrative organization in various companies.

Stefanos Aaron: Personnel Manager. Graduate in Business Administration (Athens University of Economics and Business) with postgraduate studies in Business Administration (Hellenic Society of Business Administration - EEDE) and Auditing (Body of Certified Auditors). Executive with previous employment and experience in the auditing company Ernst & Young. He has been working for the Company since 2004.

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

Full Name	Participation in Companies apart from the Parent	Participation ELASTRON SA – STEEL SERVICE CENTERS	Position in the Company
Panagiotis Simos - Kaldis	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
Erini Simou - Kaldi	STEEL SERVICE CENTER SA	-	CHAIRMAN & CEO
Anastasios Mpinioris	BALKAN IRON GROUP SRL	33.3%	MANAGER
	METAL-PRO SA	100.00%	CHAIRMAN & 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
	THRACE GREENHOUSE SA	49.09%	MEMBER OF THE BOARD
Georgios Kouvaris	TERNA ENERGY SA	-	MEMBER OF THE BOARD
	TERNA ENERGY FINANCE SINGLE PERSON SOCIETE ANONYME0	-	MEMBER OF THE BOARD
	HERON THERMOELECTRIC SA	-	CHAIRMAN OF THE BOARD
Nikolaos Georgiadis	THISVI S.A.	-	MEMBER OF THE BOARD
	VRS INTERNATIONAL S.A.	-	CEO

Corporate Secretary

The Board of Directors is supported by a competent, specialized and experienced Corporate Secretary to comply with internal procedures and policies, relevant laws and regulations and to operate efficiently and effectively. The Corporate Secretary is responsible, in consultation with the Chairman, for ensuring immediate, clear and complete information of the Board of Directors, the inclusion of new members, the organization of General Meetings of Shareholders, the facilitation of shareholders' communication with the Board of Directors and the facilitation of communication of the Board of Directors with senior executives.

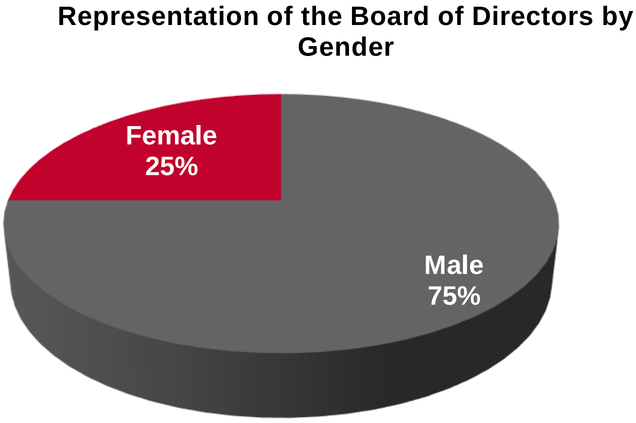
According to the decision of the Board of Directors dated 19.07.2021, Mr. Vasileios Manesis has been appointed as the Corporate Secretary of the Company. Mr. Manesis' CV is mentioned above.

Diversity and Gender Representation of the Board of Directors

The Company has established a gender representation of at least 25% of all members of the Board of Directors. In case of a decimal then this percentage is rounded to the previous whole. The Company ensures equal treatment and equal opportunities between the genders. This aspect extends beyond the selection of members for the Board of Directors and to the provision of training to the members of the Board of Directors.

The Company encourages diversity in the composition of its Board of Directors, so there is in place an appropriate level of differentiation and a diverse group of members to ensure the utilization of a variety of views and experiences with the ultimate goal of making the right decisions. The selection of the members of the Board of Directors will not be excluded due to discrimination based on gender, race, color, ethnic or social origin, religion or belief, wealth, birth, disability, age or sexual orientation.

The gender representation of the Board of Directors is presented in the following chart:



The Company has set as a long-term goal to increase the participation of women in the managerial positions within the Company. However, the Company already maintains long-term and beneficial cooperation with the existing executives, a fact that has been further solidified by its successful course for many years. The appointment of Senior Managers is based on meritocracy, and candidates are evaluated based on objective criteria in order to safeguard the Company's assets, plan the appropriate development strategy and increase the value of the Company.

Evaluation of Members of the Board of Directors

The Company monitors on an ongoing basis the suitability of the members of the Board of Directors, in particular to identify, in the light of any relevant new event, cases in which it is deemed necessary to re-evaluate their suitability.

The Board of Directors ensures that the appropriate succession plan is in place for the Company, in order to facilitate the smooth continuation of the management of the Company's affairs and decision-making process after the departure of its members, especially executive and members of committees.

The Board of Directors annually evaluates its effectiveness, the fulfilment of its duties, as well as the operation of its committees.

The Board of Directors collectively, and also the Chairman, the Chief Executive Officer and the other members of the Board of Directors are being evaluated annually for the effective fulfilment of their duties. At least every three years this evaluation is facilitated by an external consultant.

The evaluation process is chaired by the Chairman in collaboration with the Remuneration and Nomination Committee. The Board of Directors also evaluates the performance of its Chairman, a process chaired by the Remuneration and Nomination Committee. The chairmen of the committees of the Board of Directors are responsible for organizing the evaluation of their committees.

During the **collective evaluation**, the composition, the diversity and the effective cooperation of the members of the Board of Directors for the fulfilment of their duties are taken into consideration.

During the **individual evaluation**, the status of the member (executive, non-executive, independent), the participation in the relevant committees, the assumption of special responsibilities / performance of projects, the time dedicated to the above duties, the behavior as well as the utilization of knowledge and experience are also taken into account.

The results of the evaluation of the Board of Directors are communicated and discussed to the Board of Directors and are taken into consideration along the process for the composition, the plan for the inclusion of new members, the development of action programs and other related issues of the Board of Directors. Following the evaluation, the Board of Directors takes measures to address the identified weaknesses.

The evaluation process is carried out in the form of questionnaires and interviews.

The evaluation process of the members of the Board of Directors for the year 2021 is in progress and will be completed within the first half of the year 2022.

Suitability Policy of the Members of the Board of Directors

The Ordinary General Meeting of 24/6/2021 approved the Suitability Policy of the members of the Board of Directors of the Company, which was prepared in accordance with the provisions of article 3 of Law 4706/2020, taking into account no. 60/18.09.2020 circular of the Hellenic Capital Market Commission, was approved by the decision of the Board of Directors dated 28.05.2021, according to article 3, par. 1 of Law 4706/2020 and is available on the Company's website: www.elastron.gr .

Each of the members of the Board of Directors meets the eligibility and suitability criteria provided in the Suitability Policy of the Company's Board of Directors. Specifically, the members:

(a) possess the respective guarantees in terms of ethics, reputation, knowledge, experience, judgment independence and skills required to perform the tasks assigned to them. In addition, it is noted that there is an adequate representation by gender of at least twenty-five percent (25%) of all members of the Board of Directors,

b) there are no obstacles or incompatibilities in the persons of the members of the Board of Directors, as defined by the provisions of Law 4706/2020, the applicable Corporate Governance Code and the Rules of Operation of the Company,

c) the composition of the new Board of Directors of the Company fully meets the requirements of Law 4706/2020, regarding the number of independent non-executive members of the Board of Directors, and

d) each of the independent members of the Board of Directors meets the conditions of independence of the article 4 of Law 3016/2002 and article 9 of Law 4706/2020.

Audit Committee

The Company's Audit Committee, hereafter the "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 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 Committee consists of at least three (3) members and may comprise the following:

- a committee of the Board of Directors of the Company, which consists of non-executive members, or
- an independent committee, consisting of non-executive members of the Board of Directors and third parties, or
- an independent committee, which consists only of third parties.

The type of Audit Committee, the term of office, the number and the capacities of its members are decided and approved by the General Meeting of Shareholders. Third party means any person who is not a member of the Board of Directors, while a capacity means the one that they have either as members of the Board of Directors, i.e. non-executive member or independent non-executive member, or the one that they have as a third party.

Regarding the election of the members of the Audit Committee, in case it is decided by the General Meeting of Shareholders that the Audit Committee is to become a committee of the Board of Directors, then the members of the Audit Committee are appointed by the Board. In the event that it is decided by the General Meeting of Shareholders that the Audit Committee is to become an independent joint committee, consisting of at least one member of the Board of Directors and third parties, the same General Meeting, as the Company's supreme body, either appoints all members of the Audit Committee or appoints as members of the Audit Committee only third parties and authorizes the Board of Directors to elect the other members from among its members, who meet the requirements of the law. In case it is decided by the General Meeting of Shareholders that the Audit Committee is to become an independent joint committee and the General Meeting appoints all the members of the Audit Committee, then the Board of Directors undertakes to assign the status of non-executive member to the specific person or persons previously appointed by the General Meeting.

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 9, paragraph 1 & 2 of Law 4706/2020.

The 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 Audit Committee, which approve the financial statements.

The General Meeting of Shareholders of the Company decides the term of office of the Audit Committee. The General Meeting may determine the term of office of the Audit Committee with the possibility of extension until the next Ordinary General Meeting at the latest, and in any case within the same calendar year of the end of its term.

In the event that the Board of Directors decides to replace a member of the Board of Directors, who is also a member of the Audit Committee, the next General Meeting of Shareholders:

i) if the Audit Committee is a committee of the Board of Directors, it is not required to take a decision on the appointment of a new person as member of the Audit Committee, as this will be made by a decision of the Board of Directors.
(ii) if the Audit Committee is an independent joint committee, it is required either to take a decision on the appointment of a new person as member of the Audit Committee or to authorize the Board of Directors to take the decision on the above appointment.

In case of replacement of a member of the Audit Committee by the Board of Directors, the Audit Committee is required to reconstitute itself into a body, by appointing its Chairman. When the Audit Committee is a committee of the Board of Directors, the Board of Directors is not allowed to replace a member of the Audit Committee with the election of a third person as this differentiates the type and composition decided and approved by the General Meeting of Shareholders.

The Chairman of the Audit Committee is appointed by its members and is independent of the Company, within the meaning of article 9, par.1 & 2 of Law 4706/2020.

According to the decisions of the Ordinary General Meeting of Shareholders of the Company as of 20.06.2019 and 24.06.2021, the decisions of 16.07.2021 and 03.09.2021 of the Board of Directors and the decision of the Audit Committee from 03.09.2021, the Audit Committee consists of the following members as shown in the table below:

Composition of the Audit Committee				
No.	**Full Name**	**Capacity**	**Start of Term**	**End of Term**
1	Georgios Valettas	Chairman of the Audit Committee from 16.07.2021 with proven experience in accounting and auditing matters - Independent third party in relation to the Company	20/6/2019	30/6/2022
2	Konstantinos Gianniris	Member of the Audit Committee with proven experience in accounting and auditing matters - Non-Executive Member of the Board of Directors of the Company	20/6/2019	30/6/2022
3	Georgios Kolovos	Member of the Audit Committee with proven experience in accounting and auditing matters - Non-Executive Member of the Board of Directors of the Company	3/9/2021	30/6/2022

CVs of the Members of the Audit Committee

Georgios Valettas

Mr. Vallettas Georgios is the Chairman of the Audit Committee of the Company since 16.07.2021 and possesses proven sufficient knowledge in the field of auditing and accounting, as he is a graduate of the Department of Business Administration and Management of the University of Piraeus specializing in Accounting and Auditing and also holds a degree in Business Administration (University of Kentucky - Gatton College of Business and Economics) while speaks excellent English and has basic knowledge of French. For about 11 years, he has been working as a financial director in companies of the steel sector in which the Company operates. He has also been an internal auditor (Avgerinopoulou Group), is a regular member of the Institute of Internal Auditors of Greece, has been Chairman of the Audit Committee of ALCO ABEE and is chairman of the Audit Committee of AEDIK SA. He has also worked as Tax Advisor at PWC, as a Chief Accountant at the Pharmathen Group and as a Financial Controller at Hatzipanagos SA. He is also a member of the Economic Chamber of Greece and holds a First Class Tax Officer - Accountant license. Finally, through the company "G. Vallettas and Associates - Consulting Services" provides financial, legal and tax services to individuals and corporates.

The CVs of the members of the Audit Committee of Messrs. Konstantinos Gianniris and Georgios Kolovos are mentioned above in the section of the CVs of the members of the Board of Directors of the Company.

Obligations and Responsibilities of the Audit Committee

Without prejudice to the responsibility of the members of the Board of Directors of the Company, the Audit Committee, according to par. 3 of article 44 of Law 4449/2017, among other things:

- informs the Board of Directors of the Company about the outcome of the statutory audit and explains how the statutory audit contributed to the integrity of the financial information and what was the role of the Audit Committee in this process,

- monitors the financial information process and makes recommendations or proposals to ensure its integrity,

- monitors the effectiveness of the internal control systems, quality assurance and risk management of the company and, where appropriate, the effectiveness of its internal control department, regarding the financial information of the Company without violating the independence of the latter,

- monitors the statutory audit of the annual and consolidated financial statements and in particular its performance, taking into account any findings and conclusions of the Accounting Standardization and Audit Committee in accordance with the paragraph 6 of article 26 of Regulation (EU) no. 537/2014 and par. 5 of article 44 of Law 4449/2017,

- oversees and monitors the independence of chartered accountants or auditing firms in accordance with articles 21, 22, 23, 26 and 27, and article 6 of Regulation (EU) no. 537/2014 and in particular the adequacy of the provision of non-audit services to the audited entity in accordance with article 5 of Regulation (EU) no. 537/2014,

- is responsible for the selection process of chartered accountants or auditing firms and proposes the chartered accountants or auditing firms to be appointed in accordance with article 16 of Regulation (EU) no. 537/2014, unless the par. 8 of article 16 of Regulation (EU) no. 537/2014 is being applied.

- prepares operating regulations that are posted on the Company's website.

The updated version of the operating regulations of the Audit Committee was approved by the Board of Directors of the Company on 19.07.2021 and has been posted on the Company's website www.elastron.gr .

- submits an annual report of the proceedings to the ordinary General Meeting of the Company. This report includes the description of the sustainable development policy followed by the Company.

- proposes improvements and changes in the Operating Regulation of the Company, regarding the issues that concern its responsibilities.

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. It is responsible for the process of selection and revocation of External Auditors or audit companies and proposes through the Board to the General Meeting of shareholders the External Auditors or the auditing companies that will be appointed, the terms of cooperation, as well as their remuneration (according to article 16 of Regulation (EU) no. 537/2014, unless the par. 8 of article 16 of Regulation (EU) No 537/2014) is being applied.
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.

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:

- Evaluation of the use of the assumption of the going concern principle.
- Significant judgments and estimates in the preparation of the financial statements.
- 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:

a. Examines and notifies to the Board of Directors cases of conflicts of interest.
b. 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.
c. Monitors the effectiveness of internal control systems mainly through the work of the internal control unit and the work of the Certified Auditor Accountant.
d. Submits to the Board of Directors proposals regarding the appointment as well as the remuneration, in accordance with the current legal and regulatory framework, on a three-year basis, of the evaluator selected for the assessment of the Company's Internal Control System.
e. Examines the policy and procedure for conducting periodic evaluation of the internal control system, in particular as to the adequacy and effectiveness of financial information by persons who have proven relevant professional experience and do not have dependent relationships according to the article 9, par. 1 of Law 4706/2020.
f. Acquires knowledge of the evaluation report of the internal control system, which is prepared in accordance with the article 14, par. 3, section (J), and par. 4 of Law 4706/2020 and the decision number 1/891/30.9.2020 of the BoD decision of the Hellenic Capital Market Commission and suggests to the Board of Directors to take measures to deal with any findings.
g. 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. Finally, it informs the Board of Directors with its findings and submits proposals for improvement.

h. Monitors the effectiveness of the regulatory compliance system that includes the establishment and implementation of appropriate procedures, in order to achieve in a timely manner the full and continuous compliance of the Company with the applicable legal and regulatory framework.
i. Monitors cases of non-compliance by examining the corrective actions required to be taken by the Management. It also reviews any audit findings of the Supervisory Authorities by examining the degree of compliance of the Company.
j. 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:

a. 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.
b. 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. The Audit Committee considers that the audit plan (in conjunction with any corresponding medium-term plans) covers the most important areas of the audit field and systems related to financial information.
c. 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.
d. 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.
e. Holds regular meetings with the Internal Controllers to discuss issues of their competence, as well as problems arising from internal audits.
f. 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.
g. Reviews the disclosed information regarding the internal control and the main risks and uncertainties of the Company, in relation to the financial information.
h. Submits a proposal to the Board of Directors of the Company regarding the approval of the Rules of Operation of the Internal Control Unit of the Company.
i. It reviews the reports of article 16 par. 1, section (b) of Law 4706/2020, which are submitted to it every quarter by the Internal Control Unit.
j. It reviews the reports of article 16 par. 1 section (c) of Law 4706/2020 that are submitted to it every quarter by the Internal Control Unit and presents / submits these reports along with its observations to the Board of Directors of the Company.
k. Recommends to the Board of Directors of the Company the appointment of the Head of the Internal Control Unit, and any required replacement along the way, who must be a full-time and exclusive employee and be also functionally independent and with objective judgment, along with appropriate knowledge and professional experience and be reporting to the Chief Executive Officer and functionally to the Audit Committee.
l. The Audit Committee holds regular meetings with the head of the Internal Control Unit and in any case at least once a quarter to discuss issues within its competence as well as problems that may arise from the internal audits.
m. 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 Public Accountant during the planning stage of the audit, during its execution and also during the stage of preparation of audit reports.
- The Board of Directors ensures the provision of assistance from an external consultant to the Audit Committee, if the Audit Committee requests so, making available the necessary resources towards this purpose.
- Participates in the investigation and evaluation of reports in the context of the reporting (whistleblowing) process.

Meeting and Decision-Making Process of the Audit Committee

- The Committee meets regularly six (6) times at least annually or extraordinarily, and as many times as deemed necessary, in order to carry out its duties effectively and also keeps minutes of its meetings. It meets the regular auditor of the Company at least five (5) times a year, without the presence of the members of the Management. The Committee may also meet on its own initiative, provided that all its members are present. The discussions and decisions of the Audit Committee are recorded in minutes, which are signed by the present members, in accordance with article 93 of Law 4548/2018. Copies and extracts of the minutes of the relevant decisions will be officially issued by the Chairman of the Audit Committee, who will sign them accordingly, without requiring any further ratification.
- The secretary of each meeting is appointed by the Chairman of the Audit Committee.
- A member of the Committee may be represented at its meetings by written authorization only from another member of the same Committee. In this case, the Committee meets validly if at least two of its members are present in person and the third is represented as per above. In any case, all its members participate or are represented in the meetings of the Committee.
- The decisions of the Audit Committee are taken by an absolute majority of its members.
- Invites to its meetings any person who considers that can contribute to its work.
- The Committee reports via its Chairman to the Board of Directors preparing regular or extraordinary reports and is in constant collaboration with the Internal Control Unit of the Company.
- The Chairman of the Audit Committee convenes its members by invitation, which is notified to them at least five (5) working days before the meeting. The invitation mentions the items on the agenda, the date, time and place of the meeting of the Audit Committee. Other items on the agenda that will be sent to the members of the Audit Committee in less than five working days before the scheduled date of its meeting, will be accepted for discussion at the forthcoming meeting only after a unanimous decision made by the members of the Audit Committee. Relevant documents can also be circulated via e-mail.
- The Audit Committee may also meet without an invitation, provided that all its members are present at the meeting and none of them object to holding the particular meeting and proceeding with decision-making.
- The Audit Committee meets at the Company's headquarters or wherever else the latter's Articles of Association provide, in accordance with the article 90 of Law 4548/2018. The Committee may, by decision of its Chairman, meet by video conference or telephone conference, in whole or in part. The participation of a member of the Audit Committee in a meeting through visual or audio connection

will be considered valid for this purpose. The Chairman may also request the Audit Committee to take decisions by exchanging e-mails, faxes or letters.

- The preparation and signing of minutes by all members of the Committee is equivalent to a meeting and a decision, even if no meeting has preceded. The minutes are available to all members of the Audit Committee and the Board of Directors.
- The Audit Committee immediately informs the Board of Directors about events that have come to its knowledge and are likely to significantly affect the Company's business activities or the adequacy and effectiveness of the Internal Control and Risk Management System.

Evaluation of Members of the Audit Committee

The evaluation of the candidate members of the Audit Committee is carried out by the Remuneration and Nomination Committee of the Company and the competent corporate body (General Meeting or Board of Directors, depending on the type of the Committee) during the election / appointment of its members. The participation in the Audit Committee of persons who simultaneously hold positions or capacities or who carry out transactions incompatible with the purpose of the Committee is prohibited. Without prejudice to the preceding subparagraph, the participation of a person in the Audit Committee does not preclude his/her participation in another Committee of the Board of Directors, as long as this does not affect the proper performance of this person's duties as a member of the Audit Committee.

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 2021, the Audit Committee met 14 times. The participation in the meetings of each member is presented in the following table:

Audit Committee Meetings from 01/01/2021 until 16/07/2021			
No.	**Full Name**	**Capacity**	**Participation in the meetings of the Audit Committee**
1	Georgios Valettas	Chairman of the Audit Committee - Independent third party in relation to the Company	8/8
2	Konstantinos Gianniris	Member of the Audit Committee - Independent Non-Executive Member of the Board of Directors	8/8
3	Georgios Kolovos	Member of the Audit Committee from 03/09/2021 - Independent Non-Executive Member of the Board of Directors	-
4	Dimitrios Paparisteidis	Member of the Audit Committee until 03/09/2021 - Independent Non-Executive Member of the Board of Directors	8/8

Audit Committee Meetings from 17/07/2021 until 31/12/2021			
No.	Full Name	Capacity	Participation in the meetings of the Audit Committee
1	Georgios Valettas	Chairman of the Audit Committee - Independent third party in relation to the Company	6/6
2	Konstantinos Gianniris	Member of the Audit Committee - Non-Executive Member of the Board of Directors	6/6
3	Georgios Kolovos	Member of the Audit Committee from 03.09.2021 - Independent Non-Executive Member of the Board of Directors	4/4
4	Dimitrios Paparisteidis	Member of the Audit Committee until 03.09.2021 - Independent Non-Executive Member of the Board of Directors	2/2

Note: The denominator of the fraction in the above tables, refers to the total number of meetings of the Audit Committee held from the moment of the election of each member.

The topics and activities of the Audit Committee for 2021 are summarized in the following table:

Proceedings of the Audit Committee and Meetings
● Approval of the annual internal control plan.
● Update of the operating regulation of the Audit Committee and recommendation for its approval to the Board of Directors.
● Update and review of corporate governance policies.
● Update and approval of the operating regulation of the Internal Control Unit.
● Formation of the Audit Committee into a body and election of its chairman.
● Preparation of quarterly reports to the Board of Directors.
● Review and approval of Corporate Governance policies.
● Preparation of the report of the proceedings to the General Meeting which includes a special reference to the sustainable development policy pursued by the Company.
● Discussion on the internal control reports, discussion on the findings / suggestions of the Internal Control Unit and suggestion of potential ways of resolution.
● Recommendation to the Board of Directors for the election of Certified Public Accountants.
● Informing the Audit Committee by the Certified Auditors on the plan and methodology of the regular audit.
● Compilation of the declarations of independence in relation to the Group of Certified Public Accountants, in relation to the Group and their evaluation.

Proceedings of the Audit Committee and Meetings
● Schedule of regular control and audit, and approach to the audit performed (phases, material size, etc.).
● Informing the Audit Committee on the most important issues of the regular audit, the uncorrected errors and reading the draft audit report.
● Delivery to the Audit Committee of the Supplementary Report; finalization of the audit report.
● Informing the Audit Committee about the review of the semi-annual financial statements.
● Informing the Audit Committee about the proposed schedule of meetings with the Certified Public Accountant for the regular audit of the period that ended on 31.12.2021.

Remuneration and Nomination Committee

The Company has assigned the duties of the Remuneration Committee and the Nomination Committee of articles 11 and 12 of Law 4706/2020 to a committee in accordance with the possibility provided by paragraph 2 of article 10 of Law 4706/2020, named "Remuneration and Nomination Committee", hereinafter referred to as "Committee", to which all the responsibilities of the Remuneration Committee and the Nomination Committee were assigned in accordance with article 10, par. 2 of Law 4706/2020. For this purpose, according to the decision of 16.07.2021 of the Board of Directors, the Committee on Recruitment - Remuneration of Executive Members of the Board of Directors & Executives and on Promotion of Nominations of Members of the Board of Directors was renamed to a Remuneration and Nomination Committee. The members and the term of office of the members of the Remuneration and Nomination Committee are as follows:

Composition of the Remuneration and Nomination Committee				
No.	Full Name	Capacity	Start of Term	End of Term
1	Nikolaos Georgiadis	Chairman of the Remuneration and Nomination Committee - Independent Non-Executive Member of the Board of Directors of the Company	16/7/2021	30/6/2022
2	Konstantinos Gianniris	Member of the Remuneration and Nomination Committee - Non-Executive Member of the Board of Directors of the Company	16/7/2021	30/6/2022
3	Georgios Kolovos	Independent Non-Executive Member of the Board of Directors of the Company	3/9/2021	30/6/2022

Purpose of the Remuneration and Nomination Committee:

a) to make proposals to the Board of Directors regarding the Remuneration Policy that is submitted for approval to the general meeting of shareholders, in accordance with the paragraph 2 of article 110 of Law 4548/2018.

b) to make proposals to the Board of Directors regarding the remuneration of persons falling within the scope of the remuneration policy, in accordance with article 110 of Law 4548/2018, and regarding the remuneration of the Company's executives, especially of the head of the internal control unit.

c) to examine the information included in the final draft of the annual remuneration report, providing its opinion to the Board of Directors, before submitting the report to the general meeting of shareholders, in accordance with the article 112 of Law 4548/2018.

d) to identify and propose to the Board of Directors individuals suitable for the assumption of the status of member of the Board of Directors, based on a procedure provided for in this regulation.

e) to make the selection of the candidate members, after taking into consideration the factors and criteria that have been defined in the Suitability Policy of the Members of the Board of Directors hereinafter "Suitability Policy" that the Company possesses.

f) to assist in monitoring the implementation of the Suitability Policy.

Members and Term

- The members of the Committee are elected and appointed by the Board of Directors.
- The Committee consists of three members and as Chairman of the Committee is appointed an independent non-executive member of the Board of Directors. All members of the Committee are non-executive members of the Board of Directors, while at least 2 members are independent non-executive members.
- The term of office of the members of the Committee is proportional to the term of office of the Board of Directors.

Obligations and Responsibilities

The Committee is responsible for drafting the Remuneration Policy, as well as for submitting proposals and improvements on the Policy.

- Submits proposals to the Board of Directors for the remuneration of the following:
    - ✓ the Executive Members of the Board of Directors,
    - ✓ the non-Executive Members of the Board of Directors and the Independent Non-Executive Members,
    - ✓ the Senior Executives and Managers and finally,
    - ✓ the head of the Internal Control Unit.
- The validity of the Remuneration Policy may not exceed four years and is approved by the General Meeting of the Company's shareholders.
- Prior to the approval by the General Meeting of Shareholders, the Committee submits the Remuneration Policy for approval by the Board of Directors of the Company.
- Each year the Committee evaluates whether the approved Remuneration Policy contributes to the business strategy, the long-term interests and the viability of the Company.
- In case the Remuneration Policy needs to be revised, the Committee submits the revised Remuneration Policy to the Board of Directors for approval and then for a vote by the General

Meeting of Shareholders.

- The Committee proposes the executive levels of the Company that will be included in the Remuneration Policy.

- The Committee monitors the market developments and ensures that the remuneration and fees it proposes remain at a level that facilitate the retention of executives and the attraction of young people.

- Prepares the content of the Annual Remuneration Report and submits the report for approval by the Board of Directors.

Selection of Candidate Members of the Board of Directors

- In case of election of a new member of the Board of Directors, replacement of a member or renewal of term of office of the members of the Board of Directors, the Committee is responsible for assessing the suitability of the available candidates in order to achieve both individual and collective suitability for the selected members.

- The Committee is responsible for the development of a succession plan of the members in order to ensure the smooth operation of the Board of Directors after departures / resignations of members. The succession plan is part of and developed in the Company's Suitability Policy.

- The identification of the candidate members of the Board of Directors is performed mainly after proposals of specific candidates by the other members of the Board of Directors. The members of the Board who are aware of the needs of the Company propose the candidate who will meet these needs in the best possible way. This recommendation shall be made to the Committee in writing by letter.

- Examines the qualifications and experience of the candidate members and invites to a meeting-interview with the members of the Committee the most prevalent candidates.

- Carries out a thorough examination of the candidates for the existence of cases of conflict of interest.

- Carries out an audit for the observance of the guarantees of ethics and reputation based on what is defined in section f. 3 of the Suitability Policy of the members of the Board of Directors that is applied by the Company.

- Carries out research on other recommendations in order to ascertain the qualifications and the ethics of the candidate.

- Convenes its meetings and decides on the candidate member who will be proposed to the Board of Directors of the Company for election.

- In case of renewal of the term of office of the members of the Board of Directors, the Committee re-evaluates all the members and proposes the renewal or not of their term of office.

- Examines on an annual basis the fulfilment of the independence criteria as mentioned in article 9 of Law 4706/2020 and informs the Board of Directors accordingly.

Functioning of the Remuneration and Nomination Committee

The Committee meets regularly and in each case at least two (2) times a year, as well as whenever it is required.

- The Chairman of the Committee convenes its members by invitation, which is notified to them at least five (5) working days before the meeting. The invitation shall state the items on the agenda, the date, as well as the time and place of the meeting of the Committee. Other items on the agenda, which will be sent to the members of the Committee less than five working days before the scheduled date of the meeting, will be accepted for discussion at the forthcoming meeting only after a unanimous decision of the members of the Committee. Relevant documents can also be circulated via e-mail.

- The Committee may meet without invitation, provided that all its members are present at the meeting and none of them object to its holding and decision-making.

- A member of the Committee may be represented at its meetings by written authorization only from another member of the same Committee. In this case the Committee meets validly, if at least two of its members are present in person and the third is represented as above. In any case, all its members should participate or be represented in the meetings of the Committee.

- The Committee may, by decision of its Chairman, meet by teleconference or telephone conference, in whole or in part. The participation of a member of the Committee in a meeting by video or audio connection will be considered valid for this purpose. The Chairman may also ask the Committee to take decisions by exchanging e-mails, faxes or letters.

- The preparation and signing of minutes by all members of the Committee is equivalent to a decision, even if no meeting has taken place. The minutes are available to all members of the Committee and the Board of Directors.

- The Secretary of the Committee is appointed by its Chairman.

- The Committee works closely with the Company's Human Resources Department.

- The Rules of Procedure of the Committee are posted on the website of the Company.

During the year 2021, the Committee on Recruitment - Remuneration of Executive Members of the Board of Directors & Executives and on Promotion of Nominations of Members of the Board of Directors and the Remuneration and Nomination Committee held their meetings twice and four times respectively. The participation in the meetings of each member is presented in the following table:

Meetings of the Remuneration & Nomination Committee in relation to the Board of Directors and Senior Executives from 01/01/2021 until 16/07/2021			
No.	**Full Name**	**Capacity**	**Participation in the meetings of the Audit Committee**
1	Gianniris Konstantinos	Chairman of the Committee - Independent Non-Executive Member of the Board of Directors	2/2
2	Anastasios Mpinioris	Member of the Committee - Executive Member of the Board of Directors	2/2
3	Vasileios Manesis	Member of the Committee - Executive Member of the Board of Directors	2/2

Meetings of the Remuneration & Nomination Committee in relation to the Board of Directors and Senior Executives from 17/07/2021 until 31/12/2021			
No.	**Full Name**	**Capacity**	**Participation in the meetings of the Audit Committee**
1	Nikolaos Georgiadis	Chairman of the Committee - Independent Non-Executive Member of the Board of Directors	4/4
2	Konstantinos Gianniris	Member of the Committee - Non-Executive Member of the Board of Directors	4/4
3	Georgios Kolovos	Member of the Committee from 03.09.2021 - Independent Non-Executive Member of the Board of Directors	2/2
4	Dimitrios Paparisteidis	Member of the Committee until 03.09.2021 - Independent Non-Executive Member of the Board of Directors	2/2

The issues and activities of the Audit Committee for 2021 are summarized in the following table:

Proceedings of the Remuneration and Nomination Committee and Meetings
● Formation in a body and election of a Chairman.
● Preparation and approval of the remuneration report of the members of Board of Directors and submission for approval by the Board of Directors.
● Submission for approval to the Board of Directors of the Suitability Policy.
● Proposal for election of new Independent Non-Executive Members of the Board of Directors.
● Audit of fulfilment of the independence criteria of Law 4706/2020 with regard to the candidate Independent Members of the Board of Directors.
● Submission of proposal to the Board of Directors with regard to the remuneration of the Executive Members of the Board of Directors, the Independent Non-Executive Members, the members of the Audit Committee, the Internal Controller, the Non-Executive Members and the executives of the Company.

Other management or supervisory bodies or committees of the Company

There are no other management and supervisory bodies.

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.

Sustainable Development Policy

In 2021, the Group announced its first corporate report for the year 2020, establishing and implementing a Sustainable Development Policy in accordance with the International Sustainable Development Standards (GRI Standards) in order to strengthen its social, environmental and economic framework of operation. For a number of years, the Group has been implementing a specific Sustainable Development strategy, which is characterized by the principles of integrity, environmental protection, the strengthening of local community and the protection of the human resources employed by the Group. The transition from the model of linear economy to a circular one was the springboard for creative response to new opportunities and challenges.

Indicatively, we mention the Group's contribution to the local community of Aspropyrgos, Attica, and the wider region of West Attica, in terms of enhancing employment, undertaking social actions as well as the Group's contribution to environmental protection through the installation of photovoltaic stations of total power capacity of 5.05 MWp on the roofs of its production facilities. Therefore the Group, by responding to its commitment to meet the requirements of Sustainable Development Strategy, expanded its network of suppliers focusing on selecting those who use recycled steel.

The approach towards the sustainable development of the Company in the last decades is an integral part of the Group's business strategy with the main guidelines being the following:

Working with transparency and integrity

We operate with transparency and business integrity in all our activities.

We act with respect for the environment

We assess and manage the risks related to our activities that may affect the natural environment.

Employees are our greatest investment

We contribute towards employment and create value for our people by ensuring their health, safety and development with respect to the human rights, and by taking into account the principles of diversity and equal opportunities.

Contributing to the local community

We respond to the needs of the local community by selecting human resources from the local community and always in accordance with the applicable policies of the Company.

We contribute to the circular economy

The environmental policy of the Group represents the commitment of the Management to operate with absolute respect for the environment, while promoting environmental awareness and aiming at strengthening environmental responsibility, both in its human resources and other stakeholders.

The Group recognizes its obligations towards the environment and the need for continuous improvement of its environmental performance, in order to achieve a balanced economic growth in harmony with the environmental protection.

The report on the sustainable development of the Group was prepared in accordance with the GRI - Standards (2016) as well as the Environmental, Social, Governance (ESG) Information Disclosure Guide of the Athens Exchange (2021).

Non-Financial Risks

The economic and social environment in which the Group operates is characterized by various non-financial risks, the main of which are environmental and also risks in relation to safety and health at work. For this reason, the Group has established procedures for their control and effective management. The main non-financial risks along with the respective actions taken are presented in the table below:

Non-Financial Risks

No.	Risk Description	Potential impact due to the risk	Main Ways of Dealing with it
1	Climate Change	• Negative impact on the climate and the environment. • Negative impact on the local community. • Negative impact on the Group's reputation.	✓ Monitoring of trends and relevant legislation at National and European level. ✓ Investment plan in fixed equipment of low energy efficiency and reduced carbon dioxide emissions. ✓ Supply of electricity from alternative sources of energy.
2	Health and Safety at Work	• Accidents and injuries of employees. • Negative impact on the Group's reputation.	✓ Continuous training and briefing of personnel on health and safety at work. ✓ Regular meetings between the safety technician and the production managers to find solutions for health and safety issues. ✓ Implementation of a certified management system for health and safety.
3	Fight against Bribery and Corruption	• Increasing the probability of fraud in the Company's transactions. • Financing of illegal activities. • Negative impact on the Group's reputation.	✓ Establishment of a code of business ethics. ✓ Report management and investigation policy and process.

Finally, the issues of sustainable development are discussed during the meetings of the Board of Directors so that the priorities and the respective goals are set.

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

Aspropyrgos, 26 April 2022

The Chairman of the Board of Directors
Panagiotis Simos-Kaldis

RSM Greece SA

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Independent Auditor's Report

To the Shareholders of the company «ELASTRON S.A. – STEEL SERVICE CENTERS»

Report on the audit of 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 comprise the separate and consolidated statement of financial position as of 31 December 2021 and the separate and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, as well as a summary of significant accounting policies and 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 and its subsidiaries (the Group) as of 31 December 2021, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as they have been transposed in Greek Legislation. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of the separate and consolidated financial statements" section of our report. During our audit, we remained independent of the Company and the Group, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as transposed in Greek legislation and the ethical requirements relevant to the audit of the separate and consolidated financial statements in Greece. We have fulfilled our responsibilities in accordance with the provisions of the currently enacted law and the requirements of the 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 the consolidated financial statements of the current annual period. These matters and the related risks of material misstatements were addressed in the context of our audit of the separate and the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	*How our audit addressed the Key Audit Matter*
Inventory (valuation) The Group's inventory on 31 December 2021 and 31 December 2020 amounted to € 44,857 thousand and € 29,560 thousand respectively representing approximately 26% and 23% of total assets respectively. The Group values the inventories at the lowest value between the acquisition cost or the production cost and their net realizable value. The net realizable 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 a 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 2.15 and 9 of the separate and consolidated financial statements.	Our auditing approach included among others the following audit procedures: Evaluating the assessment of the design and application of the basic safeguards for the management of inventories in the course of following the natural stock counting at specific warehouses and the conduct of sample counting of inventories. Analytical procedures with regard to the movement of inventories and reconciliation of the accounting balance with the analytical warehouse balance. Examining a sample of inventories in order to confirm the correct calculation of the acquisition cost, according to the purchase invoices and the correct allocation of the production expenses Evaluating, on a sample basis, the assessment of the valuation by comparing the net realizable value of the inventories at the reference date with the inventories' acquisition cost. Checking the warehouse balance to trace unmoved and slow-moving inventories. Confirming the adequacy and appropriateness of disclosures in notes 2.15 and 9 of the separate and consolidated financial statements.

Trade receivables (Recoverability)

The trade receivables of the Group on 31 December 2021 amounted to € 23,359 thousand (€ 17,295 thousand on 31.12.2020). The above balances include a provision for impairment of € 3,685 thousand (€ 3,391 thousand on 31.12.2020). 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.	Our auditing approach included among others the following audit procedures: Understanding and examining the credit control procedures of the Group as well as the examination of the basic safeguards in relation to granting credit to clients. Assessing whether the methodology for the estimation of the recoverable amount has been appropriately applied in accordance with IFRS 9. On a sample 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.
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.	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. Evaluating the recoverability of the remainders comparing the amount at the end of the fiscal year to subsequent receivables / settlements.
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 2.14, 2.16 and 8 of the parent and consolidated financial statements.	Confirming the adequacy and appropriateness of disclosures in notes 2.14, 2.16 and 8 of the separate and consolidated financial statements.

Other Matter

The financial statements of «ELASTRON S.A. – STEEL SERVICE CENTERS» for the year ended 31 December 2020, were audited by another auditor who expressed an unmodified opinion on those financial statements on 19 April 2021.

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.

Auditor’s Responsibilities for the Audit of the Separate and Consolidated Financial Statements (continued)

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 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 31 December 2021.

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. 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 were appointed as statutory auditors for the first time by the General Assembly of shareholders of the Company on 24 June 2021.

5. Operating Regulation

The Company has an Operating Regulation in accordance with the content provided by the provisions of article 14 of Law 4706/2020.

6. Assurance Report on the European Single Electronic Format

We have examined the digital files of the Company, which were compiled in accordance with the European Single Electronic Format (ESEF) defined by the Commission Delegated Regulation (EU) 2019/815, as amended by Regulation (EU) 2020/1989 (hereinafter «ESEF Regulation»), and which include the company and consolidated financial statements of the Company and the Group for the year ended 31 December 2021 in XHTML «2138001KV6MII4TOA973-2021-12-31-el.html», as well as the provided XBRL file «2138001KV6MII4TOA973-2021-12-31-el.zip» with the appropriate marking up, on the aforementioned consolidated financial statement.

Regulatory framework

The digital files of the European Unified Electronic Format (ESEF) are compiled in accordance with ESEF Regulation and 2020 / C 379/01 Interpretative Communication of the European Commission of 10 November 2020, as provided by Law 3556/2007 and the relevant announcements of the Hellenic Capital Market Commission and the Athens Stock Exchange (hereinafter «ESEF Regulatory Framework»).

In summary, this Framework includes the following requirements:

- All annual financial reports should be prepared in XHTML format.
- For consolidated financial statements in accordance with International Financial Reporting Standards, the financial information stated in the Income Statement, Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the Statement of Cash Flows should be marked-up with XBRL 'tags', according to the ESEF Taxonomy, as in force. The technical specifications for ESEF, including the relevant classification, are set out in the ESEF Regulatory Technical Standards

The requirements set out in the current ESEF Regulatory Framework are suitable criteria for formulating a reasonable assurance conclusion.

Responsibilities of the management and those charged with governance

The Management is responsible for the preparation and submission of the standalone and consolidated financial statements of the Company and the Group, for the year ended 31 December 2021, in accordance with the requirements set by the ESEF Regulatory Framework, as well as for those internal controls that Management identifies as necessary, to enable the compilation of digital files free of material error due to either fraud or error.

Auditor’s responsibilities

Our responsibility is to plan and carry out this assurance work, in accordance with no. 214/4 / 11.02.2022 Decision of the Board of Directors of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB) and the «Guidelines in relation to the work and the assurance report of the Certified Public Accountants on the European Single Electronic Format (ESEF) of issuers with securities listed on a regulated market in Greece» as issued by the Board of Certified Auditors on 14.02.2022 (hereinafter «ESEF Guidelines"»), providing reasonable assurance that the standalone and consolidated financial statements of the Company and the Group prepared by the Management in accordance with ESEF comply in all material respects with the applicable ESEF Regulatory Framework.

Auditor's responsibilities (continued)

Our work was carried out in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standard Board for Accountants (IESBA Code), which has been transposed into Greek Law and in addition we have fulfilled the ethical responsibilities of independence, according to Law 4449/2017 and the Regulation (EU) 537/2014.

The assurance work we conducted is limited to the procedures provided by the ESEF Guidelines and was carried out in accordance with International Standard on Assurance Engagements 3000, «Assurance Engagements other than Audits or Reviews of Historical Financial Information». Reasonable assurance is a high level of assurance, but it is not a guarantee that this work will always detect a material misstatement regarding non-compliance with the requirements of the ESEF Regulation.

Conclusion

Based on the procedures performed and the evidence obtained, we conclude that the separate and consolidated financial statements of the Company and the Group for the year ended 31 December 2021 in XHTML «2138001KV6MII4TOA973-2021-12-31-el.html», as well as the provided XBRL «2138001KV6MII4TOA973-2021-12-31-el.zip» with the appropriate marking up, on the aforementioned consolidated financial statements have been prepared, in all material respects, in accordance with the requirements of the ESEF Regulatory Framework.

Athens, 27 April 2022
The Certified Public Accountant

Konstantinos Stamelos
Reg. Number SOEL 26841
For RSM GREECE S.A. (Reg. Num. SOEL 104)
Independent Member of RSM
Patroklou 1 & Paradissou, 151 25 Marousi

This is a true translation of the original auditors' report issued in the Greek language.

ELASTRON
STEEL SERVICE CENTERS

1. Statement of Financial Position

(Amounts in €)	Note	GROUP 31.12.2021	GROUP 31.12.2020 Restated (Note 2.1)	COMPANY 31.12.2021	COMPANY 31.12.2020 Restated (Note 2.1)
ASSETS					
Non-Current Assets					
Self-used tangible assets	6	63,897,769.62	62,590,263.11	50,632,351.64	48,747,750.70
Investment property	6.7	2,919,472.43	2,965,683.76	2,919,472.43	2,965,683.76
Intangible assets	6	48,616.34	43,496.74	48,616.34	43,496.74
Investment in associates, subsidiaries and joint ventures	2,4. 21	4,584,243.85	4,279,133.12	12,818,183.70	12,828,183.70
Long term receivables	8	250,405.93	189,722.31	1,834,880.04	2,677,127.22
Total Non-Current Assets		**71,700,508.17**	**70,068,299.04**	**68,253,504.15**	**67,262,242.12**
Current Assets					
Inventories	9	44,857,008.71	29,560,134.95	44,857,008.71	29,560,134.95
Customers	8	23,358,835.98	17,295,322.53	23,334,239.73	16,988,092.38
Other receivables	8	3,582,185.96	885,863.55	3,464,509.60	843,011.69
Investments	10	495,156.91	1,159,158.38	495,156.91	1,159,158.38
Cash and cash equivalents	12	26,573,940.06	9,750,656.33	26,323,191.21	9,436,262.12
Total Current Assets		**98,867,127.62**	**58,651,135.74**	**98,474,106.16**	**57,986,659.52**
Total Assets		**170,567,635.79**	**128,719,434.78**	**166,727,610.31**	**125,248,901.64**
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	21,378,402.99	21,310,724.79	21,363,493.98	21,295,815.78
Retained earnings	13	29,844,379.21	15,259,261.70	28,737,829.19	14,798,849.93
Total shareholders' equity		**80,804,798.90**	**66,152,003.19**	**79,683,339.87**	**65,676,682.41**
Minority interest	13	37,344.99	32,405.24	0.00	0.00
Total Equity		**80,842,143.89**	**66,184,408.43**	**79,683,339.87**	**65,676,682.41**
LIABILITIES					
Long-Term liabilities					
Loans	15	25,577,750.50	29,016,000.00	25,577,750.50	29,016,000.00
Provisions for employee benefits	17	453,909.78	437,370.88	450,966.85	434,427.95
Grants (deferred income)	27	3,479,802.27	3,679,082.95	2,548,141.48	2,716,182.66
Liabilities from leases	28	1,206,640.94	542,668.81	898,301.72	211,966.82
Deferred income tax	16	3,275,437.64	3,667,841.48	2,083,073.41	2,463,954.69
Provisions		114,000.00	114,000.00	72,000.00	72,000.00
Total Long-term Liabilities		**34,107,541.13**	**37,456,964.12**	**31,630,233.96**	**34,914,532.12**
Short-Term Liabilities					
Suppliers	14	25,265,523.30	9,826,162.36	25,256,293.21	9,777,138.90
Other liabilities	14	2,143,273.21	2,252,639.69	1,970,951.82	2,022,914.60
Liabilities from leases	28	343,419.51	532,970.18	321,056.70	512,011.05
Derivatives	11	0.00	22,094.56	0.00	22,094.56
Short-Term Loans	15	24,049,328.00	12,444,195.44	24,049,328.00	12,323,528.00
Income tax	18	3,816,406.75	0.00	3,816,406.75	0.00
Total Short-Term Liabilities		**55,617,950.77**	**25,078,062.23**	**55,414,036.48**	**24,657,687.11**
Total Liabilities		**89,725,491.90**	**62,535,026.35**	**87,044,270.44**	**59,572,219.23**
Total Equity and Liabilities		**170,567,635.79**	**128,719,434.78**	**166,727,610.31**	**125,248,901.64**

2. Statement of Income and Other Comprehensive Income

(Amounts in €)	Note	GROUP 1.1 – 31.12.21	GROUP 1.1 – 31.12.20 Restated (Note 2.1)	COMPANY 1.1 – 31.12.21	COMPANY 1.1 – 31.12.20 Restated (Note 2.1)
Sales	19	163,287,615.75	104,048,145.41	162,021,845.16	102,704,529.20
Cost of sales	20	-131,339,503.67	-90,201,483.42	-130,845,825.29	-89,667,379.86
Gross profit / (loss)		**31,948,112.08**	**13,846,661.99**	**31,176,019.87**	**13,037,149.34**
Other income	20	1,886,507.61	2,117,397.12	2,116,390.72	2,352,296.16
Distribution expenses	20	-10,185,920.90	-9,161,372.28	-10,185,920.90	-9,161,372.28
Administration expenses	20	-2,929,059.22	-2,691,912.77	-2,696,196.82	-2,466,492.44
Other expenses	20	-726,621.14	-738,816.94	-530,387.06	-542,718.67
Earnings / (losses) before interest and taxes (EBIT)		**19,993,018.43**	**3,371,957.12**	**19,879,905.81**	**3,218,862.11**
Financial income	20	347,300.89	103,958.18	449,033.06	221,498.89
Financial cost	20	-2,316,644.92	-1,991,183.73	-2,289,709.16	-1,940,793.21
Investment results	10. 21	331,418.85	441,174.87	-18,581.15	51,174.87
Income/(expenses) of companies consolidated with the equity method	20	307,868.15	101,601.79	0.00	0.00
Earnings / (losses) before taxes (EBT)		**18,662,961.40**	**2,027,508.23**	**18,020,648.56**	**1,550,742.66**
Income Tax	16. 20	-3,377,439.90	-312,204.70	-3,388,962.48	-225,378.60
Earnings / (losses) after taxes (EAT) (a)		**15,285,521.50**	**1,715,303.53**	**14,631,686.08**	**1,325,364.06**
Attributed to:					
Shareholders of the parent		15,280,581.75	1,711,543.96	14,631,686.08	1,325,364.06
Minority interest		4,939.75	3,759.57	0.00	0.00
Other comprehensive income / (expenses) after taxes (b)	20	**26,286.30**	**-9,572.74**	**29,043.72**	**-1,968.74**
Total comprehensive income/ expenses after taxes (a) + (b)		**15,311,807.80**	**1,705,730.79**	**14,660,729.80**	**1,323,395.32**
Attributed to:					
Shareholders of the parent		15,306,868.05	1,701,971.22	14,660,729.80	1,323,395.32
Minority interest		4,939.75	3,759.57	0.00	0.00
Earnings / (losses) after taxes per share – basic (in €)	21	0.8300	0.0930	0.7947	0.0720
Earnings / (losses) before interest, tax, depreciation and amortization (EBITDA)		**22,605,859.97**	**5,957,584.69**	**21,944,276.27**	**5,255,278.88**

ELASTRON
STEEL SERVICE CENTERS

3. Statement of Changes in Equity

(A) STATEMENT OF CHANGES IN GROUP'S EQUITY

Amounts in €	Note	Corresponding to shareholders of the parent			Minority interest	Total Equity
		Share Capital	Share Premium	Reserves & Retained earnings		
Balance on 01.01.2020	13	**18,410,839.00**	**11,171,177.70**	**34,636,510.01**	**28,645.67**	**64,247,172.38**
Revision due to IAS 19	2,1	0.00	0.00	231,505.25	0.00	231,505.25
Adjusted Balance on 01.01.2020	13	**18,410,839.00**	**11,171,177.70**	**34,868,015.26**	**28,645.67**	**64,478,677.63**
Net Profit / (Loss) for the period recorded in total	13	0.00	0.00	1,711,543.96	3,759.57	1,715,303.53
Hedging result	11. 13	0.00	0.00	12,815.51	0.00	12,815.51
Foreign exchange differences from consolidation	13	0.00	0.00	-7,603.99	0.00	-7,603.99
Deferred tax corresponding to IAS 19	2,1	0.00	0.00	621.71	0.00	621.71
Actuarial Gains / (Losses)	13	0.00	0.00	-111,193.60	0.00	-111,193.60
Change in accounting policy due to IAS 19	2,1	0.00	0.00	95,787.64	0.00	95,787.64
Balance on 31.12.2020	13	**18,410,839.00**	**11,171,177.70**	**36,569,986.49**	**32,405.24**	**66,184,408.43**
Net Profit / (Loss) for the period recorded in total	13	0.00	0.00	15,280,581.75	4,939.75	15,285,521.50
Distribution of Profit for the year 2020	13. 25	0.00	0.00	-654,072.34	0.00	-654,072.34
Hedging result	11. 13	0.00	0.00	16,791.86	0.00	16,791.86
Foreign exchange differences from consolidation	13	0.00	0.00	-2,757.42	0.00	-2,757.42
Actuarial Gains / (Losses)	13	0.00	0.00	12,251.86	0.00	12,251.86
Balance on 31.12.2021	13	**18,410,839.00**	**11,171,177.70**	**51,222,782.20**	**37,344.99**	**80,842,143.89**

(B) STATEMENT OF CHANGES IN COMPANY'S EQUITY

Amounts in €	Note	Corresponding to shareholders of the parent: Share Capital	Share Premium	Reserves & Retained earnings	Total Equity
Balance on 01.01.2020	13	**18,410,839.00**	**11,171,177.70**	**34,539,765.14**	**64,121,781.84**
Revision due to IAS 19	2.2	0.00	0.00	231,505.25	231,505.25
Adjusted Balance on 01.01.2020	13	**18,410,839.00**	**11,171,177.70**	**34,771,270.39**	**64,353,287.09**
Net Profit / (Loss) for the period recorded in total	13	0.00	0.00	1,325,364.06	1,325,364.06
Hedging result	11, 13	0.00	0.00	12,815.51	12,815.51
Deferred tax corresponding to IAS 19	2.2	0.00	0.00	621.71	621.71
Actuarial Gains / (Losses)	13	0.00	0.00	-111,193.60	-111,193.60
Change in accounting policy due to IAS 19	2.1	0.00	0.00	95,787.64	95,787.64
Balance on 31.12.2020	13	**18,410,839.00**	**11,171,177.70**	**36,094,665.71**	**65,676,682.41**
Net Profit / (Loss) for the period recorded in total	13	0.00	0.00	14,631,686.08	14,631,686.08
Distribution of Profit for the year 2020	13, 25	0.00	0.00	-654,072.34	-654,072.34
Hedging result	11, 13	0.00	0.00	16,791.86	16,791.86
Actuarial Gains / (Losses)	13	0.00	0.00	12,251.86	12,251.86
Balance on 31.12.2021	13	**18,410,839.00**	**11,171,177.70**	**50,101,323.17**	**79,683,339.87**

ELASTRON
STEEL SERVICE CENTERS

4. Statement of Cash Flows

(Amounts in €)	GROUP		COMPANY	
	1.1-31.12.2021	1.1-31.12.2020 Restated (Note 2.1)	1.1-31.12.2021	1.1-31.12.2020 Restated (Note 2.1)
Operating Activities				
Earnings before Tax (EBT)	18,662,961.40	2,027,508.23	18,020,648.56	1,550,742.66
Plus / minus adjustments for:				
Depreciation & amortization	2,812,122.22	2,797,357.22	2,232,411.64	2,216,710.37
Amortization of grants	-199,280.68	-211,729.64	-168,041.18	-180,293.60
Provisions	32,641.44	134,941.91	32,641.44	134,941.91
Impairment of assets	294,140.99	125,963.79	650,000.00	515,921.47
Results (income, expenses, profit and loss) from investment activity	-627,975.07	-532,057.64	-320,106.78	-430,437.14
Debit interest and related expenses	2,316,644.92	1,991,183.73	2,289,709.16	1,940,793.21
Plus/minus adjustments for changes in working capital accounts or those related to operating activities				
Decrease / (increase) of inventories	-15,296,873.76	-1,240,020.88	-15,296,873.76	-1,240,020.88
Decrease / (increase) of receivables	-9,107,263.39	-1,659,982.40	-8,418,000.50	-1,684,821.87
(Decrease) / increase of liabilities (apart from banks)	15,740,093.23	-3,565,996.12	15,959,981.70	-3,530,875.51
Minus:				
Debit interest and related expenses paid	-1,974,306.53	-2,009,540.57	-2,048,909.16	-2,075,905.37
Taxes paid	-7,397.08	-14,703.49	-7,397.08	-14,718.94
Total inflows/(outflows) from operating activities (a)	**12,645,507.69**	**-2,157,075.86**	**12,926,064.04**	**-2,797,963.69**
Investment Activities				
Acquisition of subsidiaries, associates, joint ventures and other investments	0.00	0.00	-340,000.00	-2,804.66
Purchase – Sale of Securities	995,420.32	-693,693.51	995,420.32	-693,693.51
Purchase of tangible and intangible fixed assets	-4,555,637.34	-4,956,009.93	-4,553,021.19	-4,955,366.67
Proceeds from sales of tangible and intangible assets	465,709.68	28,100.00	465,709.68	28,100.00
Interest received	78.72	223.13	78.58	204.42
Total cash inflows/(outflows) from investment activities (b)	**-3,094,428.62**	**-5,621,380.31**	**-3,431,812.61**	**-5,623,560.42**
Financial Activities				
Proceeds from issued / undertaken loans	55,980,000.00	44,500,000.00	55,980,000.00	44,500,000.00
Loan repayments	-48,053,723.00	-40,403,892.00	-47,933,250.00	-39,922,000.00
Repayment of liabilities from financial leases	0.00	-730,400.32	0.00	-710,756.76
Dividends payable	-654,072.34	0.00	-654,072.34	0.00
Total cash inflows/(outflows) from financial activities (c)	**7,272,204.66**	**3,365,707.68**	**7,392,677.66**	**3,867,243.24**
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	**16,823,283.73**	**-4,412,748.49**	**16,886,929.09**	**-4,554,280.87**
Cash and cash equivalents at the beginning of the period	9,750,656.33	14,163,404.82	9,436,262.12	13,990,542.99
Cash and cash equivalents at the end of the period	**26,573,940.06**	**9,750,656.33**	**26,323,191.21**	**9,436,262.12**

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 Greece, in Aspropyrgos Municipality (Ag. Ioannou venue, Stefani, PC 19300) 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 31.12.2021 was approved by the Company’s Board of Directors on 26.04.2022.

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 2021.

Unless it is otherwise started, all amendments and interpretations that are in effect for the first time in year 2021 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 2021.

Standards and Interpretations mandatory for the current fiscal year 2021

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. The amendments have no effect on the consolidated and separate Financial Statements.

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendment) "Reform of benchmark rates" Phase 2

In August 2020, the International Accounting Standards Board (IASB) issued amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, completing its work on the implications of the interbank interest rate reform on the financial information. The amendments provide for temporary facilities which deal with the effects on financial reporting when an interbank lending rate is replaced by an alternative almost-risk-free interest rate. In particular, the amendments provide for a practical facility for accounting for changes in the basis of determination of contractual cash flows of financial assets and liabilities, requiring the adjustment of the effective interest rate, as in the case of a change in the market rate. In addition, the amendments introduce facilities for non-termination of the hedging relationship, including a temporary relief from the requirement of distinct recognition of an almost-risk-free interest rate, defined as the hedging of a risk element. The amendments also introduce in IFRS 7 "Financial Instruments: Disclosures" additional disclosures that allow users of financial statements to understand the implications of interbank lending rates reform on financial instruments and financial risk management strategy. The amendments have no effect on the consolidated and separate Financial Statements.

IFRS 16 "Leases - Lease Discounts Related to Covid-19 (Amendments)"

In March 2021, the IASB issued amendments to the practical application of IFRS 16 extending the period of application by one year to include Covid-19-related lease concessions which reduce lease payments that become payable on or before June 30, 2022. The amendments have no effect on the consolidated and separate Financial Statements.

IAS 19 "Employee Benefits" - Transitional provisions for the implementation of the final agenda decision entitled “Attributing Benefits to Periods of Service”

Based on the above Decision, the way in which the basic principles of IAS 19 were applied in Greece in the past, and consequently, according to what is defined in the IASB Due Process Handbook (par. 8.6) is being altered. Entities that prepare their financial statements in accordance with the IFRS are required to amend their accounting policies accordingly.

Until the issuance of the daily agenda’s decision, the Group applied IAS 19 by allocating the benefits defined by article 8 of Law 3198/1955, Law 2112/1920, and its amendment by Law 4093/2012 in the period from the date of hiring or until the date of retirement of the employees.

The application of this final Decision to the attached financial statements, has as a result the allocation of benefits in the last sixteen [16] years until the date of retirement of employees following the scale of Law 4093/2012.
In this context, the application of the above Final Decision has been treated as a change in accounting policy, applying the change retroactively from the beginning of the first comparative period, in accordance with paragraphs 19 - 22 of IAS 8.

As a result, the above decision was implemented as a change in accounting policy whereas the implications of this restatement are presented in the tables below:

<u>For the Company</u>

Statement of Financial Position of the Company on 31.12.2019

LIABILITY SIDE	Published 31.12.2019	Change due to accounting policy	Restated 31.12.2019
Equity			
Issued share capital	18,410,839.00	0.00	18,410,839.00
Share premium	11,171,177.70	0.00	11,171,177.70
Actuarial (gains) - losses	-107,517.69	-107,517.69	0.00
Reserves	21,269,284.13	0.00	21,269,284.13
Results carried forward	13,377,998.70	-123,987.56	13,501,986.26
Total	**64,121,781.84**	**-231,505.25**	**64,353,287.09**
Provisions			
Provisions for employee benefits	695,578.65	304,612.17	390,966.48
Long-term liabilities			
Deferred tax liabilities	2,166,090.88	-73,106.92	2,239,197.80

Statement of Financial Position of the Company on 31.12.2020

LIABILITY SIDE	Published 31.12.2019	Change due to accounting policy	Restated 31.12.2019
LIABILITY SIDE	**Published 31.12.2020**	**Change due to accounting policy**	**Restated 31.12.2020**
Equity			
Issued share capital	18,410,839.00	0.00	18,410,839.00
Share premium	11,171,177.70	0.00	11,171,177.70
Actuarial (gains) - losses	-217,991.29	-206,282.76	-11,708.53
Reserves	21,279,023.92	0.00	21,279,023.92
Results carried forward	14,731,562.68	-95,787.64	14,827,350.32
Total	**65,374,612.01**	**-302,070.40**	**65,676,682.41**
Provisions			
Provisions for employee benefits	831,889.00	397,461.05	434,427.95
Long-term liabilities			
Deferred tax liabilities	2,368,564.04	-95,390.65	2,463,954.69

Statement of Income and Other Comprehensive Income of the Company for the Year 2020

	Published 31.12.2020	Change due to accounting policy	Restated 31.12.2020
Sales	102,704,529.20	0.00	102,704,529.20
Cost of sales	-89,630,274.70	37,105.16	-89,667,379.86
Gross profit	**13,074,254.50**	**37,105.16**	**13,037,149.34**
Other operating income	2,352,296.16	0.00	2,352,296.16
Administration expenses	-2,466,492.44	0.00	-2,466,492.44
Distribution expenses	-9,161,372.28	0.00	-9,161,372.28
Impairment of non-current assets	0.00	0.00	0.00
Other operating expenses	-542,718.67	0.00	-542,718.67
Earnings / (losses) before taxes, financial and investment results	**3,255,967.27**	**37,105.16**	**3,218,862.11**
Financial cost	-1,940,793.21	0.00	-1,940,793.21
Financial income	221,498.89	0.00	221,498.89
Investment results	51,174.87	0.00	51,174.87
Income from dividends from subsidiaries	0.00	0.00	0.00
Earnings / (losses) before taxes (EBT)	**1,587,847.82**	**37,105.16**	**1,550,742.66**
Income Tax	-234,283.84	-8,905.24	-225,378.60
Earnings / (losses) after taxes (EAT)	**1,353,563.98**	**28,199.92**	**1,325,364.06**
Plus - Actuarial (gains) - losses	-145,360.00	-129,954.04	-15,405.96
- Cash flow hedging	12,815.51	0.00	12,815.51
Minus – Deferred tax	31,810.68	31,188.97	621.71
Statement of Comprehensive Income	**1,252,830.17**	**-70,565.15**	**1,323,395.32**

For the Group

Statement of Financial Position of the Group on 31.12.2019

LIABILITY SIDE	Published 31.12.2019	Change due to accounting policy	Restated 31.12.2019
Equity			
Issued share capital	18,410,839.00	0.00	18,410,839.00
Share premium	11,171,177.70	0.00	11,171,177.70
Actuarial (gains) - losses	-107,517.69	-107,517.69	0.00
Reserves	21,391,710.83	0.00	21,391,710.83
Results carried forward	13,352,316.87	-123,987.56	13,476,304.43
Total	**64,218,526.71**	**-231,505.25**	**64,450,031.96**
Provisions			
Provisions for employee benefits	698,521.58	304,612.17	393,909.41
Long-term liabilities			
Deferred tax liabilities	3,283,151.59	-73,106.92	3,356,258.51

Statement of Financial Position of the Group on 31.12.2020

LIABILITY SIDE	Published 31.12.2020	Change due to accounting policy	Restated 31.12.2020
Equity			
Issued share capital	18,410,839.00	0.00	18,410,839.00
Share premium	11,171,177.70	0.00	11,171,177.70
Actuarial (gains) - losses	-217,991.29	-206,282.76	-11,708.53
Reserves	21,511,924.22	0.00	21,511,924.22
Results carried forward	14,973,983.16	-95,787.64	15,069,770.80
Total	**65,849,932.79**	**-302,070.40**	**66,152,003.19**
Provisions			
Provisions for employee benefits	834,831.93	397,461.05	437,370.88
Long-term liabilities			
Deferred tax liabilities	3,572,450.83	-95,390.65	3,667,841.48

Statement of Income and Other Comprehensive Income of the Group for the Year

	Published 31.12.2020	Change due to accounting policy	Restated 31.12.2020
Sales	104,048,145.41	0.00	104,048,145.41
Cost of sales	-90,164,378.27	37,105.16	-90,201,483.43
Gross profit	**13,883,767.14**	**37,105.16**	**13,846,661.98**
Other operating income	2,117,397.12	0.00	2,117,397.12
Administration expenses	-2,691,912.77	0.00	-2,691,912.77
Distribution expenses	-9,161,372.28	0.00	-9,161,372.28
Impairment of non-current assets	0.00	0.00	0.00
Other operating expenses	-738,816.94	0.00	-738,816.94
Earnings / (losses) before taxes, financial and investment results	**3,409,062.27**	**37,105.16**	**3,371,957.11**
Financial cost	-1,991,183.73	0.00	-1,991,183.73
Financial income	103,958.18	0.00	103,958.18
Investment results	441,174.87	0.00	441,174.87
Earnings / (losses) of consolidated subsidiaries Equity	101,601.80	0.00	101,601.80
(Losses) – Earnings before Taxes	**2,064,613.39**	**37,105.16**	**2,027,508.23**

	Published 31.12.2020	Change due to accounting policy	Restated 31.12.2020
Income Tax	-321,109.94	-8,905.24	-312,204.70
Net earnings - (losses) after taxes	**1,743,503.45**	**28,199.92**	**1,715,303.53**
Minus: Percentage of minority shares	3,759.57	0.00	3,759.57
Net earnings - (losses) after taxes and minority interests	**1,747,263.02**	**28,199.92**	**1,719,063.10**
Plus : F/X consolidation differences	-7,603.99	0.00	-7,603.99
- Actuarial (gains) - losses	-145,360.00	-129,954.04	-15,405.96
- Cash flow hedging	12,815.51	0.00	12,815.51
Minus – Deferred tax	31,810.68	31,188.97	621.71
STATEMENT OF COMPREHENSIVE INCOME	**1,635,165.65**	**-70,565.15**	**1,705,730.80**

Statement of Changes in Equity (Restated) of the Year 2020

	GROUP		COMPANY	
Amounts in €	31.12.2020	31.12.2020	31.12.2020	31.12.2020
	Published	Restated	Published	Restated
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**
Ordinary reserve	3,549,983.05	3,549,983.05	3,535,074.04	3,535,074.04
Extraordinary reserve	866,308.15	866,308.15	866,308.15	866,308.15
Tax free reserves of special law provisions	12,086,025.87	12,086,025.87	12,086,025.87	12,086,025.87
Hedging reserves	-16,791.86	-16,791.86	-16,791.86	-16,791.86
Reserves from tax free 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**	**21,293,932.93**	**21,279,023.92**	**21,279,023.92**
Results carried forward	13,253,551.83	13,253,551.83	13,199,915.86	13,199,915.86
Results for the year	1,739,743.88	1,739,743.88	1,325,364.06	1,325,364.06
Change in accounting policy IAS 19	0.00	302,070.40	0.00	302,070.40
Actuarial gains / (losses)	-11,708.53	-11,708.53	-11,708.53	-11,708.53
Foreign exchange differences from consolidation	-7,603.99	-7,603.99	0.00	0.00
Cumulative earnings	**14,973,983.19**	**15,276,053.59**	**14,513,571.39**	**14,815,641.79**
Total equity without minority interests	**65,849,932.82**	**66,152,003.22**	**65,374,612.01**	**65,676,682.41**
Minority interests	32,405.24	32,405.24	0.00	0.00
Total equity	**65,882,338.06**	**66,184,408.46**	**65,374,612.01**	**65,676,682.41**

2.2 New Standards, Interpretations, Revisions and Amendments of Existing Standards that have not been applied earlier or have not been adopted by the European Union.

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

Amendments to IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment", IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and "Annual Improvements 2018 -

In May 2020, the IASB issued a series of amendments, including limited-purpose amendments to three Standards, as well as the Board's Annual Improvements. These amendments provide clarification regarding the wording of the Standards or correct minor consequences, omissions or conflicts between the requirements of the Standards. More specifically:

Amendments to IFRS 3 "Business Combinations" update a reference to IFRS 3 in the Conceptual Framework of Financial Reporting without amending the accounting requirements relating to business combinations.
Amendments to IAS 16 "Property, Plant and Equipment" prohibit a company from deducting from the cost of fixed assets amounts received from the sale of items produced during the preparation of such fixed assets to be ready for use. Instead, the company recognizes these sales revenues and related costs in the Income Statement.
Amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" determine the costs that a company should include when assessing whether a contract is loss-making.

The IFRS Annual Improvements - Cycle 2018-2020 make minor changes to IFRS 1 "First-time Adoption of International Financial Reporting Standards", IFRS 9 "Financial Instruments", IAS 41 "Agriculture" 16 "Leases". The above have been adopted by the European Union with effect from 01/01/2022.

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

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an intermediate Standard, IFRS 4. The purpose of the IASB project was to develop a single principle-based standard for accounting for all types of insurance contracts, including reinsurance contracts held by an insurance company. A single principle-based Standard will enhance the comparability of financial reporting between entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply to financial information related to the insurance contracts that are being issued and the reinsurance contracts that are being held. In addition, in June 2020, the IASB issued amendments which, however, do not affect the fundamental principles introduced when IFRS 17 was first adopted. The amendments are designed to reduce costs by simplifying certain requirements of the Standard, to lead to a more justifiable economic return as well as to facilitate the transition by postponing the date of application of the Standard for 2023, while providing additional assistance to reduce the effort required during the first application of the Standard. The Group will consider the impact of all of the above on its Financial Statements, although it is expected that there will be no impact. The above have been adopted by the European Union with date of entry into force on 01/01/2023.

Amendments to IAS 1 "Classification of Liabilities as Short-Term or Long-Term" (effective for annual periods beginning on or after 01/01/2023)

In January 2020, the IASB issued amendments to IAS 1 that affect the presentation requirements of liabilities. In particular, the amendments clarify one of the criteria for classifying a liability as long-term, the requirement for an entity to have the right to defer the settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) clarification that an entity's right to defer settlement should exist at the reporting date; (b) clarification that the liability classification is not affected by management 's intentions or expectations regarding the exercise of the deferral of settlement; (c) explain how lending conditions affect the classification; and (d) clarify the requirements for the classification of liabilities of an entity that it is going to, or is likely to, make the respective settlement through the issuance of its own equity instruments. In addition, in July 2020, the IASB issued an amendment to postpone by one year the effective date of the amendment originally issued in IAS 1, as a result of the spread of the Covid-19 pandemic. The Group will consider the impact of all of the above on its Financial Statements, although it is expected that there will be no impact. The above have not been adopted by the European Union.

Amendments to IAS 1 "Presentation of Financial Statements" (effective for annual periods beginning on or after 01/01/2023)

In February 2021, the IASB issued limited-purpose amendments relating to disclosures in accounting policies. The purpose of the amendments is to improve the disclosures of accounting policies in order to provide more useful information to investors and other users of the Financial Statements. More specifically, the amendments require the disclosure of important information relating to accounting policies, rather than the disclosure of significant accounting policies. The Group will consider the impact of all of the above on its Financial Statements, although it is expected that there will be no impact. The above have not been adopted by the European Union.

Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates" (effective for annual periods beginning on or after 01/01/2023)

In February 2021, the IASB issued limited-purpose amendments that clarify the difference between a change in accounting estimate and a change in accounting policy. This distinction is important, as the change in accounting is applied without retroactive effect and only for future transactions and other future events, in contrast to the change in accounting policy that has retroactive effect and applies to transactions and other events of the past. The Group will consider the impact of all of the above on its Financial Statements, although it is expected that there will be no impact. The above have not been adopted by the European Union.

Amendments to IAS 12 "Income Taxes: Deferred Tax Related to Receivables and Liabilities Arising from a Single Transaction" (effective for annual periods beginning on or after 01/01/2023)

In May 2021, the IASB issued targeted amendments to IAS 12 to determine how entities should handle deferred tax arising on transactions such as leases and de-commitments - transactions that entities recognize at the same time a receivable and a liability. In certain cases, entities are exempt from recognizing deferred tax when they recognize receivables or liabilities for the first time. The amendments clarify that this exemption does not apply and entities are required to recognize deferred tax on those transactions. The Group will consider the impact of all of the above on its Financial Statements, although it is expected that there will be no impact. The above have not been adopted by the European Union.

Amendments to IFRS 17 "Insurance Contracts: First-time Adoption of IFRS 17 and IFRS 9 - Comparative Period Information" (effective for annual periods beginning on or after 01/01/2023)

In December 2021, the IASB issued a limited-purpose amendment to the transition requirements to IFRS 17 in order to address a significant issue related to the provisional accounting mismatch between liabilities from insurance contracts and financial assets in the context of the comparative information of the first application of IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments". The amendment is intended to improve the usefulness of the financial information presented in the comparative period for users of the Financial Statements. The Group will consider the impact of all of the above on its Financial Statements, although it is expected that there will be no impact. The above have not been adopted by the European Union.

2.3 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.

2.4 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 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).

In the financial statements of the Group of 31.12.2021, the investments in related companies, subsidiaries and joint ventures are analyzed as follows:

	GROUP		COMPANY	
Amounts in €	31.12.2021	31.12.2020	31.12.2021	31.12.2020
KALPINIS SIMOS BULGARIA EOOD	0.00	0.00	10,000.00	10,000.00
NORTHERN GREECE METAL PRODUCTS S.A.	0.00	0.00	7,587,000.00	7,478,000.00
GAURA LIMITED (Cyprus)	0.00	0.00	8,650.00	7,650.00
COMPANIES OF PHOTOVOLTAIC STATIONS	0.00	0.00	1,197,533.70	1,197,533.70
BALKANIRONGROUPSRL	311,482.91	343,969.01	530,000.00	650,000.00
THRACE GREENHOUSES SA	4,272,760.94	3,935,164.11	3,485,000.00	3,485,000.00
Total	**4,584,243.85**	**4,279,133.12**	**12,818,183.70**	**12,828,183.70**

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.

2.5 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.

2.6 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.

2.7 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.

2.8 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.

2.9 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.

2.10 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.

2.11 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.

2.12 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.

2.13 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.

2.14 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.

2.15 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.

2.16 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.

2.17 Cash and cash equivalents

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

2.18 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.

2.19 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.

2.20 Income Tax – Deferred Income Tax

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

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

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

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

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

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

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

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

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

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

Country	Tax Rates / Deferred Tax Rates
Greece	**22.00%**
Romania	**16.00%**
Bulgaria	**10.00%**

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

2.21 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 (EFKA) 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.

2.22 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 of Directors 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.

2.23 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.

2.24 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 Company 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 Company 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).

2.25 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.

2.26 Reclassification of Items

No reclassifications have been made in the current year other than those mentioned in note 2.1.

2.27 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.

2.28 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.

2.29 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.

2.30 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.

2.31 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.

2.32 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

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	11,568,361.73	11,568,361.16
31 to 90 days	7,046,432.07	6,791,409.33
91 to 180 days	4,863,713.97	4,863,713.97
Over 180 days	3,591,343.15	3,622,973.15
Intra-group transactions	-25,783.57	0.00
Total	**27,044,067.35**	**26,846,457.61**
Provisions – impairment of doubtful receivables	-3,685,231.37	-3,512,217.88
Total	**23,358,835.98**	**23,334,239.73**

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 31.12.2021.

Amounts in €

Group	1 to 6 months	6 to 12 months	> 1 year	Total
Loans	7,065,828.00	16,983,500.00	25,577,750.50	**49,627,078.50**
Suppliers and other liabilities	27,587,506.26	3,981,116.51	5,049,988.36	**36,618,611.13**
Grants (deferred income)	0.00	0.00	3,479,802.27	**3,479,802.27**
Total	**34,653,334.26**	**20,964,616.51**	**34,107,541.13**	**89,725,491.90**

Amounts in €

Company	1 to 6 months	6 to 12 months	> 1 year	Total
Loans	7,065,828.00	16,983,500.00	25,577,750.50	**49,627,078.50**
Suppliers and other liabilities	27,387,773.38	3,976,935.10	3,504,341.98	**34,869,050.46**
Grants (deferred income)	0.00	0.00	2,548,141.48	**2,548,141.48**
Total	**34,453,601.38**	**20,960,435.10**	**31,630,233.96**	**87,044,270.44**

On 31.12.2021, the Company and the Group recorded cash and cash equivalents of € 26.3 million and € 26.6 million respectively.

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 2021:

Amounts in € million	Loans 31.12.2021	Effect on results before tax (+ / -)
Group	49.6	0.50
Company	49.6	0.50

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 2021:

Amounts in € million	Sight and term deposits 31.12.2021	Effect on results before tax (+ / -)
Group	26.6	0.27
Company	26.3	0.26

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	31.12.2021	31.12.2020
Total debt	49,627,078.50	41,339,528.00
Minus: Cash and cash equivalents	26,323,191.21	9,436,262.12
Net debt	**23,303,887.29**	**31,903,265.88**
Total equity	79,683,339.87	65,676,682.41

EBITDA	21,944,276.27	5,255,278.88
Equity / Net debt	**3.42**	**2.06**
Net debt / EBITDA	**1.06**	**6.07**

Group Data	31.12.2021	31.12.2020
Total debt	49,627,078.50	41,460,195.44
Minus: Cash and cash equivalents	26,573,940.06	9,750,656.33
Net debt	**23,053,138.44**	**31,709,539.11**
Total equity	80,804,798.90	66,152,003.19
EBITDA	22,605,859.97	5,957,584.69
Equity / Net debt	**3.51**	**2.09**
Net debt / EBITDA	**1.02**	**5.32**

➢ **Repercussions of the pandemic on the Company's operations**

The ongoing pandemic had no impact on the Group during the financial year 2021 which ended with a significant increase in turnover along with an improvement in financial results.
Regarding the operations of the Group, it is noted that there were no deviations in the agreed terms and delivery times of the purchases of raw materials and goods, while with the implementation of the necessary protection measures within the workplace of the group there were no problems and delays in delivery times of products.
In addition, due to the significant dispersion of the group's customer base in various sectors and geographic markets, it is noted that no breach of the agreed credit terms was observed. As at 31.12.2021, there were no open balances of customers who had been placed under the status of state protection against Covid-19.

➢ **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, whenever this is feasible.
- 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 regular 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 implementation of mass vaccination plans both in Greece and abroad, the mass participation of populations in such plans, as well as the gradual de-escalation of the protection measures are estimated to have significantly restored the smooth flow of economic and business activity on international level. In this context, and provided that there is no resurgence of pandemic and no need for implementation of any new containment measures, the course of the group's activity and results are not expected to be any longer affected by the pandemic.

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 31.12.2021 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 2.21 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	43,850,896.33	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**
Book value	43,934,770.11	52,241,692.46	1,510,955.85	4,960,636.72	639,815.52	4,842,627.67	1,062,688.38	**109,193,186.71**
Accumulated depreciation and impairment	- 12,526,294.13	-25,370,697.19	-1,402,603.60	0.00	-591,199.18	- 1,923,155.24	-513,378.98	**-42,327,328.32**
Net book value 31.12.21	**31,408,475.98**	**26,870,995.27**	**108,352.25**	**4,960,636.72**	**48,616.34**	**2,919,472.43**	**549,309.40**	**66,865,858.39**

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 01.01.2020	**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**
Additions	84,000.00	3,042,636.28	5,285.29	1,267,306.66	23,825.80	0.00	132,708.50	**4,555,762.53**
Depreciations	-481,820.23	-2,071,159.62	-46,367.01	0.00	-18,706.20	-46,211.33	-147,856.91	**-2,812,121.30**
Sales - write-offs	0.00	-1,846,122.72	-30,829.45	0.00	0.00	0.00	-363,327.74	**-2,240,279.91**
Depreciation of assets sold/written-off	0.00	1,384,328.47	28,953.32	0.00	0.00	0.00	349,897.89	**1,763,179.68**
Foreign exchange translation differences in €	-126.22	0.00	0.00	0.00	0.00	0.00	0.00	**-126.22**
Net book value 31.12.2021	**31,408,475.98**	**26,870,995.27**	**108,352.25**	**4,960,636.72**	**48,616.34**	**2,919,472.43**	**549,309.40**	**66,865,858.39**

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	30,976,307.60	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**
Book value	31,060,307.60	44,773,334.00	1,275,147.96	4,959,309.22	508,575.36	4,842,627.67	577,634.12	87,996,935.93
Accumulated depreciation and impairment	-8,839,098.09	-21,730,225.47	-1,159,958.38	0.00	-459,959.02	-1,923,155.24	-284,099.32	-34,396,495.52
Net book value 31.12.21	**22,221,209.51**	**23,043,108.53**	**115,189.58**	**4,959,309.22**	**48,616.34**	**2,919,472.43**	**293,534.80**	**53,600,440.41**

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 01.01.2020	**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**
Additions	84,000.00	3,042,663.58	3,483.12	1,266,340.17	23,825.80	0.00	132,708.51	**4,553,021.18**
Depreciations	-295,152.66	-1,704,573.70	-43,916.89	0.00	-18,706.20	-46,211.33	-123,850.86	**-2,232,411.64**
Sales - write-offs	0.00	-1,846,122.82	-30,829.45	0.00	0.00	0.00	-363,327.74	**-2,240,280.01**
Depreciation of assets sold/written-off	0.00	1,384,328.47	28,953.32	0.00	0.00	0.00	349,897.89	**1,763,179.68**
Net book value 31.12.2021	**22,221,209.51**	**23,043,108.53**	**115,189.58**	**4,959,309.22**	**48,616.34**	**2,919,472.43**	**293,534.80**	**53,600,440.41**

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	
	31.12.2021	31.12.2020
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	-1,923,155.24	-1,876,943.91
Net book value	**2,919,472.43**	**2,965,683.76**

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	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Customers	22,461,000.76	17,754,559.48	22,275,319.63	17,280,433.77
Notes	2,933.11	2,933.11	0.00	0.00
Post-dated cheques	4,580,133.48	2,928,903.33	4,571,137.98	2,919,907.83
Provisions for bad debt	-3,685,231.37	-3,391,073.39	-3,512,217.88	-3,212,249.22
Total trade receivables	**23,358,835.98**	**17,295,322.53**	**23,334,239.73**	**16,988,092.38**

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					
31.12.2021	No time delay	1 – 90 days	91 – 180 days	>181 days	Total
Trade receivables	22,525,116.96	731,563.73	25,809.66	3,761577.00	27,044,067.35
Expected % of credit loss	0.10%	16.36%	21.03%	94.03%	13.63%
Expected credit loss	23,098.86	119,711.88	5,427.00	3,536,993.63	3,685,231.37
Net balance	22,502,018.10	611,851.85	20,382.66	224,583.37	23,358,835.98

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

COMPANY

Amounts in €

Balance of trade receivables – Balances' time delay					
31.12.2021	No time delay	1 – 90 days	91 – 180 days	>181 days	Total
Trade receivables	22,474,737.14	731,563.73	25,809.66	3,614,347.08	26,846,457.61
Expected % of credit loss	0.10%	16.36%	21.03%	93.08%	13.08%
Expected credit loss	22,927.00	119,711.88	5,427.00	3,364,152.00	3,512,217.88
Net balance	22,451,810.14	611,851.85	20,382.66	250,195.08	23,334,239.73

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

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

	GROUP		COMPANY	
Amounts in €	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Opening balance	3,391,073.39	3,302,419.32	3,212,249.22	3,123,709.84
Additional provision - impairment (results)	299,968.66	88,692.18	299,968.66	88,539.38
Transfer from/to other categories of provisions	0.00	0.00	0.00	0.00
Income from unutilized provisions	-5,810.68	-38.11	0.00	0.00
Total	**3,685,231.37**	**3,391,073.39**	**3,512,217.88**	**3,212,249.22**

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:

Amounts in €	GROUP 31.12.2021	GROUP 31.12.2020	COMPANY 31.12.2021	COMPANY 31.12.2020
Receivables from employees	36,900.00	34,060.00	36,900.00	34,060.00
Receivables from other partners - third parties	570,847.88	463,335.17	500,940.65	435,355.00
Greek State– income tax receivable	18,994.81	51,368.64	12,816.28	14,385.09
Greek State – receivable of other taxes	129,884.24	108,884.24	108,884.24	108,884.24
Grants receivable	366,312.21	366,312.21	366,312.21	366,312.21
Debit balance - VAT	2,600,235.93	0.00	2,554,641.07	0.00
Provision - impairment for doubtful receivables	-140,989.11	-138,096.71	-115,984.85	-115,984.85
Total	**3,582,185.96**	**885,863.55**	**3,464,509.60**	**843,011.69**

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

Amounts in €	GROUP 31.12.2021	GROUP 31.12.2020	COMPANY 31.12.2021	COMPANY 31.12.2020
Initial balance	138,096.71	112,122.04	115,984.85	103,602.76
Transfer of provision (results)	2,940.73	25,974.67	0.00	12,382.09
Transfer of provision - impairment (results)	-48.33	0.00	0.00	0.00
Transfer from/to other categories of provisions	0.00	0.00	0.00	0.00
Total	**140,989.11**	**138,096.71**	**115,984.85**	**115,984.85**

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

Amounts in €	GROUP 31.12.2021	GROUP 31.12.2020	COMPANY 31.12.2021	COMPANY 31.12.2020
Given guarantees	57,874.46	56,777.01	43,954.46	42,841.33
Receivables from associates	201,445.10	144,768.32	1,828,424.23	2,671,753.20
Provisions for impairment	-8,913.63	-11,823.02	-37,498.65	-37,467.31
Total	**250,405.93**	**189,722.31**	**1,834,880.04**	**2,677,127.22**

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 provision - impairment of long-term receivables is analyzed as follows:

	GROUP	COMPANY

Amounts in €	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Initial balance	11,823.02	1,187.50	37,467.31	12,467.31
Additional provision - impairment (results)	31.34	11,296.94	31.34	25,000.00
Transfer from/to other categories of provisions	-2,940.73	0.00	0.00	0.00
Income from unutilized provisions	0.00	-661.42	0.00	0.00
Total	**8,913.63**	**11,823.02**	**37,498.65**	**37,467.31**

9. *Analysis of inventories*

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

	GROUP		COMPANY	
Amounts in €	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Merchandise	26,626,784.40	17,224,866.72	26,626,784.40	17,224,866.72
Products	6,918,859.90	4,756,454.08	6,918,859.90	4,756,454.08
Orders	916.24	90,738.98	916.24	90,738.98
Purchases under collection	8,199,090.92	3,458,884.68	8,199,090.92	3,458,884.68
Advances for purchases	1,070,571.53	2,894,699.40	1,070,571.53	2,894,699.40
Raw materials – consumables	2,040,785.72	1,134,491.09	2,040,785.72	1,134,491.09
Total	**44,857,008.71**	**29,560,134.95**	**44,857,008.71**	**29,560,134.95**

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).

	GROUP		COMPANY	
Amounts in €	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Value of securities	1,159,158.38	24,290.00	1,159,158.38	24,290.00
Additions for the period	486,445.18	693,693.51	486,445.17	693,693.51
Sales for the period	-1,159,158.38	0.00	-1,159,158.38	441,174.87
Revaluation difference in the results	8,711.73	441,174.87	8,711.73	441,174.87
Balance	**495,156.92**	**1,159,158.38**	**495,156.91**	**1,159,158.38**

11. Derivatives

Derivatives concern forward foreign exchange contracts.

Amounts in €	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Forward foreign exchange contracts (Current assets / short-term liabilities)	0.00	-22,094.56	0.00	-22,094.56
Amounts registered in the results (Losses)-Profits	0.00	21,991.32	0.00	21,991.32
Amounts registered in the equity through the statement of comprehensive income (Losses) - Profit	-16,791.86	9,739.79	-16,791.86	9,739.79

12. Analysis of cash reserves

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

Amounts in €	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Cash in hand	13,735.86	12,380.05	5,409.08	3,998.07
Sight & term deposits	26,560,204.20	9,738,276.28	26,317,782.13	9,432,264.05
Total	**26,573,940.06**	**9,750,656.33**	**26,323,191.21**	**9,436,262.12**

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	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
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	3,617,661.25	3,549,983.05	3,602,752.24	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
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	**21,378,402.99**	**21,310,724.79**	**21,363,493.98**	**21,295,815.78**
Treasury shares	**0.00**	**0.00**	**0.00**	**0.00**
Retained earnings	15,259,261.73	13,253,551.83	14,798,849.93	13,171,715.94
Results for the year before restatement due to IAS 19	15,280,581.72	1,739,743.88	14,631,686.08	1,353,563.98
Formation of statutory reserve	-67,678.20	0.00	-67,678.20	0.00
Change in accounting policy of IAS 19 – Difference for the year 2020 in the results	0.00	-28,199.92	0.00	-28,199.92
Change in accounting policy of IAS 19 – Difference for the year 2020 in the equity	0.00	98,765.04	0.00	98,765.07
Change in accounting policy of IAS 19 – total difference until 31.12.2019	0.00	231,505.25	0.00	231,505.25
Hedging result	16,791.86	-16,791.86	16,791.86	-16,791.86
Actuarial gains / (losses)	12,251.86	-11,708.53	12,251.86	-11,708.53
Distribution of earnings for the year 2020	-654,072.34	0.00	-654,072.34	0.00
Foreign exchange differences from consolidation	-2,757.42	-7,603.99	0.00	0.00
Accumulated Earnings	**29,844,379.21**	**15,259,261.70**	**28,737,829.19**	**14,798,849.93**
Total equity without minority interest	**80,804,798.90**	**66,152,003.19**	**79,683,339.87**	**65,676,682.41**
Minority interest	37,344.99	32,405.24	0.00	0.00
Total Equity	**80,842,143.89**	**66,184,408.43**	**79,683,339.87**	**65,676,682.41**

The share capital of the Company on 31.12.2021 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 2021 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:

	GROUP		COMPANY	
Amounts in €	**31.12.2021**	**31.12.2020**	**31.12.2021**	**31.12.2020**
Income from grants of L. 3299/04 & 3908/11	4,326,354.08	4,295,114.62	2,540,552.06	2,372,510.87
Foreign exchange difference due to consolidation	-245,966.00	-243,208.58	0.00	0.00
Actuarial gains (losses) from provision for personnel indemnities	0.00	0.00	0.00	-16,791.86
Other accumulated (retained) earnings	543.33	-218,711.29	543.33	-11,708.53
Total accumulated (retained) earnings	25,763,447.80	11,426,066.95	26,196,733.80	12,454,839.45
Income from grants of L. 3299/04 & 3908/11	**29,844,379.21**	**15,259,261.70**	**28,737,829.19**	**14,798,849.93**

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).

Amounts in €

Company Data	31.12.2021	31.12.2020
	49,627,078.50	41,339,528.00
Total debt	26,323,191.21	9,436,262.12
Minus: Cash and cash equivalents	**23,303,887.29**	**31,903,265.88**
Net debt	79,683,339.87	65,676,682.41
Total equity	21,944,276.27	5,255,278.88
Equity / Net debt	**3.42**	**2.06**
Net debt / EBITDA	**1.06**	**6.07**

Amounts in €

Group Data	31.12.2021	31.12.2020
Total debt	49,627,078.50	41,460,195.44
Minus: Cash and cash equivalents	26,573,940.06	9,750,656.33
Net debt	**23,053,138.44**	**31,709,539.11**
Total equity	80,804,798.90	66,152,003.19
EBITDA	22,605,859.97	5,957,584.69
Equity / Net debt	**3.51**	**2.09**
Net debt / EBITDA	**1.02**	**5.32**

14. Analysis of suppliers and other liabilities

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

	GROUP		COMPANY	
Amounts in €	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Insurance accounts & other taxes	581,873.97	1,451,236.96	571,156.27	1,371,278.84
Customer prepayments	1,338,151.34	652,291.96	1,324,088.88	638,229.50
Other liabilities / provisions	223,247.90	149,110.77	75,706.67	13,406.26
Total other liabilities	**2,143,273.21**	**2,252,639.69**	**1,970,951.82**	**2,022,914.60**
Suppliers	**25,265,523.30**	**9,826,162.36**	**25,256,293.21**	**9,777,138.90**

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

15. Analysis of loans

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

Long-term loans

	GROUP		COMPANY	
Amounts in €	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Bank loans	25,577,750.50	29,016,000.00	25,577,750.50	29,016,000.00

Short-term loans

Amounts in €	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Bank loans	3,092,328.00	972,195.44	3,092,328.00	851,528.00
Short-term part of long-term loans	20,957,000.00	11,472,000.00	20,957,000.00	11,472,000.00
Total	**24,049,328.00**	**12,444,195.44**	**24,049,328.00**	**12,323,528.00**

TOTAL LOANS	**49,627,078.50**	**41,460,195.44**	**49,627,078.50**	**41,339,528.00**

Amounts in €	GROUP		
	< 1 year	From 1 to 5 years	> 5 years
Bank loans 31.12.21	24,049,328.50	25,577,750.00	0.00

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

Amounts in €	COMPANY		
	< 1 year	From 1 to 5 years	> 5 years
Bank loans 31.12.21	24,049,328.50	25,577,750.00	0.00

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

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

Amounts in €	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Loans outstanding at beginning of the period	**41,460,195.44**	**37,500,003.71**	**41,339,528.00**	**36,896,640.17**
Loans received	55,980,000.00	44,500,000.00	55,980,000.00	44,500,000.00
Change in consolidation method	0.00	0.00	0.00	0.00
Interest for the period	1,527,017.23	1,465,767.73	1,526,062.03	1,443,050.18
Total	**98,967,212.67**	**83,465,771.44**	**98,845,590.03**	**82,839,690.35**
Loans repaid	-48,053,723.00	-40,403,892.00	-47,933,250.00	-39,922,000.00
Interest paid	-1,286,411.17	-1,601,684.00	-1,285,261.53	-1,578,162.35
Balance of Loans	**49,627,078.50**	**41,460,195.44**	**49,627,078.50**	**41,339,528.00**

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 €	01.01.2020	1.1 – 31.12.20	31.12.2020	1.1 – 31.12.21	31.12.2021
Intangible assets	5,812.00	-8,941.29	-3,129.29	-953.47	-4,082.76
Tangible assets	-4,885,316.73	-358,787.96	-5,244,104.69	589,210.18	-4,654,894.51
Inventories	1,636.84	-4,664.85	-3,028.01	2,602.14	-425.87
Impairment of interest	720,000.00	93,600.00	813,600.00	9,200.00	822,800.00
Trade and other receivables	334,601.78	2,490.99	337,092.77	-12,375.58	324,717.19
Employee benefits	94,538.26	9,018.15	103,556.41	-3,696.25	99,860.16
Tax loss offset by taxable earnings of subsequent years	192,000.00	72,000.00	264,000.00	-264,000.00	0.00
Suppliers and other liabilities	160,294.62	-2,062.42	158,232.20	-18,982.45	139,249.75
Other (Derivatives & Securities)	20,174.73	-114,235.60	-94,060.87	91,399.27	-2,661.60
Total	**-3,356,258.50**	**-311,582.98**	**-3,667,841.48**	**392,403.84**	**-3,275,437.64**
Directly to equity		-621.72		9,153.38	
In the results		**-312,204.70**		**401,557.22**	

b) For the Company

	01.01.2020	1.1-31.12.20	31.12.2020	1.1-31.12.21	31.12.2021
Intangible assets	-4,257.61	734.57	-3,523.04	-806.67	-4,329.72
Tangible assets	-3,658,852.28	-264,130.18	-3,922,982.46	566,028.08	-3,356,954.38
Inventories	722.05	-3,750.06	-3,028.01	2,602.15	-425.87
Impairment of interest	720,000.00	93,600.00	813,600.00	9,200.00	822,800.00
Trade and other receivables	326,001.87	-22,058.40	303,943.47	-11,942.36	292,001.12
Employee benefits	93,831.96	10,430.75	104,262.71	-5,050.00	99,212.71
Tax loss offset by taxable earnings of subsequent years	192,000.00	72,000.00	264,000.00	-264,000.00	0.00
Suppliers and other liabilities	71,181.47	2,652.04	73,833.51	-7,338.21	66,495.30
Other (Derivatives & Securities)	20,174.73	-114,235.60	-94,060.87	92,188.30	-1,872.57
Total	**-2,239,197.81**	**-224,756.88**	**-2,463,954.69**	**380,881.29**	**-2,083,073.41**
Directly to equity		-621.72		9,153.38	
In the results		**-225,378.60**		**390,034.67**	

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	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Balance Sheet liabilities	**453,909.78**	**437,370.88**	**450,966.85**	**434,427.95**
Charges to the Results	**51,133.94**	**137,430.51**	**51,133.94**	**137,430.51**
Actuarial gains / (losses	**-16,102.54**	**15,405.96**	**-16,102.54**	**15,405.96**
Present value of financed liabilities	0.00	**0.00**	0.00	0.00
Present value of non-financed liabilities	470,012.32	421,964.92	467,069.39	419,021.99
Balance Sheet Liability	**453,909.78**	**437,370.88**	**450,966.85**	**434,427.95**
Changes in the net liability recognized in the Balance Sheet				
Net liability at beginning of year	437,370.88	393,909.41	434,427.95	390,966.48
Benefits paid	-18,492.50	-109,375.00	-18,492.50	-109,375.00
Total expense recognized in the results	51,133.94	137,430.51	51,133.94	137,430.51
Actuarial gains / (losses)	-16,102.54	15,405.96	**-16,102.54**	**15,405.96**
Net liability at end of year	**453,909.78**	**437,370.88**	**450,966.85**	**434,427.95**
Analysis of expenses recognized in the results				
Cost of current employment	44,490.70	41,966.93	44,490.70	41,966.93
Financial cost	1,303.28	3,127.73	1,303.28	3,127.73
Prior service cost	5,339.96	92,335.85	5,339.96	92,335.85
Total expense recognized in the results	**51,133.94**	**137,430.51**	**51,133.94**	**137,430.51**
Allocation of Expense				
Cost of sales	26,589.65	97,130.51	26,589.65	97,130.51
Distribution expenses	18,408.22	31,000.00	18,408.22	31,000.00
Administrative expenses	6,136.07	9,300.00	6,136.07	9,300.00
Total	**51,133.94**	**137,430.51**	**51,133.94**	**137,430.51**

Amounts in €	31.12.2021				
	< 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	450,966.85	**450,966.85**
Expected average expiration of the liability for employee benefits of group	0.00	0.00	0.00	453,909.78	**453,909.78**

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	434,427.95	**434,427.95**
Expected average expiration of the liability for employee benefits of group	0.00	0.00	0.00	437,370.88	**437,370.88**

18. Analysis of tax liabilities

Amounts in €	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Taxable result of the year 2021	18,789,598.52	0.00	18,789,598.52	0.00
Plus				
Tax related revisions of 2021	335,620.71	0.00	335,620.71	0.00
Transferred tax loss of previous years	-1,947,959.50	0.00	-1,947,959.50	0.00
Taxable result of the year 2021	**17,177,259.73**	**0.00**	**17,177,259.73**	**0.00**
	22%		22%	
Corresponding tax for the year	**3,778,997.14**	**0.00**	**3,778,997.14**	**0.00**
Advance tax payment of previous year	37,409.61	0.00	37,409.61	0.00
Total	**3,816,406.75**	**0.00**	**3,816,406.75**	**0.00**

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

Amounts in €	01.01 – 31.12.2021				
	STEEL PRODUCTS	ENERGY SEGMENT	CONSOLIDATION IN THE EQUITY	CONSOLIDATION & ARRANGEMENT ENTRIES	CONSOLIDATED STATEMENT OF INCOME
Sales	162,021,845.16	1,265,770.59	0.00	0.00	163,287,615.75
Gross profit / (loss)	31,176,019.88	643,539.07	0.00	128,553.13	31,948,112.08
Earnings / (losses) before interest, taxes, depreciation and amortization (EBITDA)	22,195,206.75	1,069,640.87	0.00	-260,426.29	23,004,421.33
Earnings / (losses) before interest and taxes (EBIT)	19,562,973.09	561,026.15	0.00	-130,980.81	19,993,018.43
Earnings / (losses) before taxes (EBT)	17,671,128.75	296,259.72	307,868.15	387,704.75	18,662,961.37
Earnings / (losses) after taxes	14,305,648.16	281,601.04	307,868.15	390,404.12	15,285,521.47

Amounts in €	01.01 – 31.12.2020 (Restated Note 2.1)				
	STEEL PRODUCTS	ENERGY SEGMENT	CONSOLIDATION IN THE EQUITY	CONSOLIDATION & ARRANGEMENT ENTRIES	CONSOLIDATED STATEMENT OF INCOME
Sales	102,704,529.20	1,343,616.21	0.00	0.00	104,048,145.41
Gross profit / (loss)	13,037,149.34	680,959.51	0.00	128,553.14	13,846,661.99
Earnings / (losses) before interest, taxes, depreciation and amortization (EBITDA)	5,117,689.17	1,107,015.54	0.00	-267,120.02	5,957,584.69
Earnings / (losses) before interest and taxes (EBIT)	2,911,167.21	591,770.73	0.00	-130,980.82	3,371,957.12
Earnings / (losses) before taxes (EBT)	1,210,572.22	281,450.92	101,601.80	433,883.29	2,027,508.23
Earnings / (losses) after taxes	978,366.49	211,281.18	101,601.80	424,054.06	1,715,303.53

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

- Domestic Sales (approximately 69.04%)
- Foreign Sales (approximately 30.96%)

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

	GROUP		COMPANY	
	01.01-31.12		01.01-31.12	
Amounts in €	2021	2020	2021	2020
Sales of Merchandise	44,783,322.93	33,157,974.37	44,783,322.93	33,157,974.37
Sales of Products	118,477,281.86	70,875,651.40	117,211,511.27	69,532,035.19
Other Sales	27,010.96	14,519.64	27,010.96	14,519.64
Total Sales	**163,287,615.75**	**104,048,145.41**	**162,021,845.16**	**102,704,529.20**

	GROUP		COMPANY	
	01.01-31.12		01.01-31.12	
Amounts in €	2021	2020	2021	2020
Domestic Sales	113,119,434.33	72,689,771.76	111,853,663.74	71,346,155.55
Foreign Sales	50,168,181.42	31,358,373.65	50,168,181.42	31,358,373.65
Total Sales	**163,287,615.75**	**104,048,145.41**	**162,021,845.16**	**102,704,529.20**

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	
	2021	2020	2021	2020
Income from transport & delivery expenses	1,455,187.65	1,677,557.49	1,455,187.65	1,677,557.49
Rental Income	200.00	600.00	267,320.00	267,720.00
Income from provision of services	17,038.96	12,441.12	17,038.96	12,441.12
Income from Grants	200,674.68	211,729.64	169,435.18	180,293.60
Income from previous years	7,349.29	4,985.92	7,349.29	4,286.39
Other income	206,057.03	210,082.95	200,059.64	209,997.56
Total	**1,886,507.61**	**2,117,397.12**	**2,116,390.72**	**2,352,296.16**

(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	
	2021	2020	2021	2020
Doubtful trade and other receivables	300,000.00	197,963.79	300,000.00	197,921.47
Losses from sale of fixed assets	23,489.54	52,073.60	23,129.26	52,051.04
Previous years’ expenses	46,123.61	1,035.70	45,929.11	1,005.15
Other expenses	161,393.69	291,884.47	161,328.69	291,741.01
Amortization (non-operating)	195,614.30	195,859.38	0.00	0.00
Total	**726,621.14**	**738,816.94**	**530,387.06**	**542,718.67**

(c) Expenses

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

Amounts in €	GROUP		
	01.01-31.12.21		
	COST OF SALES	DISTRIBUTION EXPENSES	ADMINISTRATIVE EXPENSES
Employee fees & expenses	2,699,845.71	2,405,606.99	958,701.97
Third party fees & expenses	1,061,842.83	1,244,299.60	1,043,815.50
Third party benefits	1,168,051.24	496,572.87	513,371.02
Taxes - duties	111,275.03	91,808.27	110,891.84
Sundry expenses	1,142,027.80	5,367,102.75	167,653.81
Depreciation	1,904,280.62	580,530.42	134,625.08
Cost of inventories	123,252,180.45	0.00	0.00
Total	**131,339,503.67**	**10,185,920.90**	**2,929,059.22**

Amounts in €	GROUP 01.01-31.12.20 (Restated Note 2.1) COST OF SALES	DISTRIBUTION EXPENSES	ADMINISTRATIVE EXPENSES
Employee fees & expenses	2,355,642.34	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	**90,201,483.42**	**9,161,372.28**	**2,691,912.77**

Amounts in €	COMPANY 01.01-31.12.21 COST OF SALES	DISTRIBUTION EXPENSES	ADMINISTRATIVE EXPENSES
Employee fees & expenses	2,699,845.71	2,405,606.99	925,276.22
Third party fees & expenses	1,013,532.83	1,244,299.60	956,438.08
Third party benefits	1,144,042.31	496,572.87	483,976.19
Taxes - duties	70,729.09	91,808.27	43,266.20
Sundry expenses	1,142,027.80	5,367,102.75	158,826.01
Depreciation	1,523,467.11	580,530.42	128,414.12
Cost of inventories	123,252,180.45	0.00	0.00
Total	**130,845,825.29**	**10,185,920.90**	**2,696,196.82**

Amounts in €	COMPANY 01.01-31.12.20 (Restated Note 2.1) COST OF SALES	DISTRIBUTION EXPENSES	ADMINISTRATIVE EXPENSES
Employee fees & expenses	2,355,642.35	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	**89,667,379.86**	**9,161,372.28**	**2,466,492.44**

(d) Financial expenses – income

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

Amounts in €	GROUP 01.01-31.12 2021	2020	COMPANY 01.01-31.12 2021	2020
Debit interest	1,674,062.24	1,442,906.87	1,603,596.25	1,473,998.79
Other bank expenses and fees	625,442.47	544,646.66	668,972.70	463,164.22
Foreign exchange differences	17,140.21	3,630.20	17,140.21	3,630.20
Total	**2,316,644.92**	**1,991,183.73**	**2,289,709.16**	**1,940,793.21**

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

Amounts in €	GROUP 01.01-31.12		COMPANY 01.01-31.12	
	2021	2020	2021	2020
Receivable interest from customers and other credit interest	56,223.95	59,026.80	157,956.12	176,567.51
Income from securities	0.00	19,117.57	10,581.31	19,117.57
Foreign exchange differences	280,495.63	3,822.49	280,495.63	3,822.49
Cash flow hedging results (Earnings from derivatives)	10,581.31	21,991.32	0.00	21,991.32
Total	**347,300.89**	**103,958.18**	**449,033.06**	**221,498.89**

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

Amounts in €	01.01-31.12.2021		
	Results for the period	Other comprehensive income	Total
THRACE GREENHOUSES SA	337,596.83	0.00	337,596.83
BALKAN IRON GROUP SRL	-29,728.68	-2,757.42	-32,486.10
Total	**307,868.15**	**-2,757.42**	**305,110.73**

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	-32,094.25	-7,603.99	-39,698.24
Total	**101,601.79**	**-7,603.99**	**93,997.80**

(f) Income / expense of income tax

Amounts in €	GROUP 01.01-31.12		COMPANY 01.01-31.12	
	2021	2020	2021	2020
Income tax of current year / provision	-3,778,997.14	0.00	-3,778,997.14	0.00
Deferred taxation	401,557.24	-312,204.70	390,034.66	-225,378.60
Tax audit differences	0.00	0.00	0.00	0.00
Total	**-3,377,439.90**	**-312,204.70**	**-3,388,962.48**	**-225,378.60**

(g) Other comprehensive income / expenses after taxes

Amounts in €	GROUP		COMPANY	
	01.01-31.12		01.01-31.12	
	2021	2020 (Restated Note 2.1)	2021	2020 (Restated Note 2.1)
Amounts which are not reclassified in the Statement of Results in subsequent periods				
New standard IFRS 16 - Transition adjustments 1/1	0.00	0.00	0.00	0.00
Amounts which are reclassified in the Statement of Results in subsequent periods				
Results from cash flow hedging minus the corresponding tax	16,791.86	9,739.79	16,791.86	9,739.79
Foreign exchange differences from consolidation	-2,757.42	-7,603.99	0.00	0.00
Actuarial gains / losses	12,251.86	-11,708.53	12,251.86	-11,708.53
Total	**26,286.30**	**-9,572.73**	**29,043.72**	**-1,968.74**
Minority rights	0.00	0.00	0.00	0.00
Total shareholders of parent company	**26,286.30**	**-9,572.73**	**29,043.72**	**-1,968.74**

21. Investment Results

The Investment Results of the Company concern the sale and valuation of securities, as well as the impairments of participation in subsidiaries and joint ventures, and are analyzed in the following table:

Amounts €	GROUP		COMPANY	
	01.01 - 31.12		01.01 - 31.12	
Description	**2021**	**2020**	**2021**	**2020**
SALE AND VALUATION OF SECURITIES				
Profit / (Loss) from sale of participations and securities	322,707.13	0.00	322,707.13	0.00
Profit / (Loss) from the valuation of securities	8,711.73	441,174.87	8,711.73	441,174.87
Total	**331,418.86**	**441,174.87**	**331,418.86**	**441,174.87**
IMPAIRMENT OF PARTICIPATIONS				
NORTHERN GREECE METAL PRODUCTS S.A.	0.00	0.00	-120,000.00	-340,000.00
BALKAN IRON GROUP S.R.L.	0.00	0.00	-230,000.00	-50,000.00
Total	**0.00**	**0.00**	**-350,000.00**	**-390,000.00**
Total	**331,418.86**	**441,174.87**	**-18,581.15**	**51,174.87**

On 31/12/2021, 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 € 350,000.00. The accumulated impairment arising from participation in subsidiaries and joint ventures until 31.12.2021 for the Company amounted to 3,740,000.00 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	
	2021	2020 (Restated Note 2.1)	2021	2020 (Restated Note 2.1)
Net earnings corresponding to shareholders	15,280,581.75	1,711,543.96	14,631,686.08	1,325,364.06
Number of shares (W. Avg)	18,410,839	18,410,839	18,410,839	18,410,839
Earnings / (losses) per share (€)	**0.8300**	**0.0930**	**0.7947**	**0.0720**

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 31.12.2021 and 31.12.2020 respectively

Financial Year 2021:

Amounts in €	SALES			
PURCHASES	ELASTRON S.A.	THRACE GREENHOUSES SA	NORTHERN GREECE METAL PRODUCTS S.A.	TOTAL
ELASTRON S.A.	0.00	0.00	0.00	**0.00**
THRACE GREENHOUSES S.A.	55,393.74	0.00	0.00	**55,393.74**
PHOTOENERGY S.A.	46,857.75	0.00	0.00	**46,857.75**
PHOTODEVELOPMENT S.A.	108,398.00	0.00	0.00	**108,398.00**
PHOTODIODOS S.A.	94,831.35	0.00	0.00	**94,831.35**
PHOTOKYPSELI S.A.	31,092.12	0.00	0.00	**31,092.12**
ILIOSKOPIO S.A.	43,689.27	0.00	0.00	**43,689.27**
PHOTOISHIS LTD	12,717.50	0.00	0.00	**12,717.50**
NORTHERN GREECE METAL PRODUCTS S.A.	0.00	0.00	0.00	**0.00**
TOTAL	**392,979.73**	**0.00**	**0.00**	**392,979.73**

Financial Year 2020:

Amounts in €	SALES			
PURCHASES	**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**

(b) Intra-company receivables / liabilities on 31.12.2021 and 31.12.2020 respectively:

Balance of 31.12.2021:

Amounts in €	RECEIVABLES			
LIABILITIES	**ELASTRON S.A.**	**NORTHERN GREECE METAL PRODUCTS S.A.**	**COMPANIES OF PHOTOVOLTAIC STATIONS**	**TOTAL**
ELASTRON S.A.	0.00	0.00	0.00	**0.00**
THRACE GREENHOUSES S.A.	63,088.72	0.00	0.00	**63,088.72**
PHOTOENERGY S.A.	81,035.94	0.00	0.00	**81,035.94**
PHOTODEVELOPMENT S.A.	194,161.95	0.00	0.00	**194,161.95**
PHOTODIODOS S.A.	182,833.22	0.00	0.00	**182,833.22**
PHOTOKYPSELI S.A.	2,559.13	0.00	0.00	**2,559.13**
ILIOSKOPIO S.A.	52,273.01	0.00	0.00	**52,273.01**
PHOTOISHIS LTD	188,022.72	0.00	0.00	**188,022.72**
NORTHERN GREECE METAL PRODUCTS S.A.	166,629.71	0.00	0.00	**166,629.71**
BALKAN IRON GROUP SRL	155,700.00	0.00	0.00	**155,700.00**
KALPINIS SIMOS BULGARIA EOOD	815,771.50	0.00	0.00	**815,771.50**
TOTAL	**1,902,075.90**	**0.00**	**0.00**	**1,902,075.90**

Balance of 31.12.2020:

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.	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**

	GROUP		COMPANY	
	1.1-31.12		1.1-31.12	
Amounts in €	2021	2020	2021	2020
c) Transactions and remuneration of Board Members & senior executives				
Remuneration of Board Members	545,079.91	584,385.79	535,979.91	575,245.17
Remuneration of senior executives	219,721.52	125,624.96	189,721.52	95,624.96
Remuneration of other related entities	26,704.86	84,524.29	26,704.86	84,524.29
Other benefits granted to members of the Board of Directors & Senior Executives	40,894.75	47,862.67	40,894.75	47,862.67
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 €	31.12.2021 GROUP	31.12.2021 COMPANY
Guarantees to secure trade receivables	2,061,091.57	2,061,091.57
Guarantees to secure obligations to suppliers	20,015,315.00	20,015,315.00
Other Guarantees	57,874.46	43,954.46
Total	**22,134,281.03**	**22,120,361.03**

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:

	GROUP		COMPANY	
Amounts in €	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Until 1 year	95,884.58	116,631.96	73,521.78	95,672.83
From 2-5 years	328,858.54	306,969.65	228,729.60	211,966.82
After 5 years	208,210.27	235,699.18	0.00	0.00
Total	**632,953.39**	**659,300.79**	**302,251.38**	**307,639.65**

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	2021
NORTHERN GREECE METAL PRODUCTS S.A.	Thessaloniki, Greece	Commerce and processing of steel products	2021
BALKAN IRON GROUP S.R.L.	Bucharest, Romania	Commerce and processing of steel products	2011-2021
PHOTODEVELOPMENT SA	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2021
PHOTODIODOS SA	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2021
PHOTOENERGY SA	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2021
ILIOSKOPIO SA	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2021
PHOTOKYPSELI SA	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2021
PHOTOISXYS LTD	Aspropyrgos, Greece	Production of solar energy from PV stations	2013&2021
THRACE GREENHOUSES SA	Xanthi, Greece	Production of agricultural products from glasshouse cultivations	2021
KALPINIS SIMOS BULGARIA EOOD	Sofia, Bulgaria	Commerce and processing of steel products	2008-2021

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 2020, 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 2021, 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 37, L. 4646/2019. This audit is in progress and the relevant tax certificates are expected to be granted after the release of the financial statements for year 2021. 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. For the financial year 2021, the Management intends to propose to the next Ordinary General Meeting of shareholders the distribution of a gross dividend of € 0.262 per share. The proposed distribution is subject to the relevant approval by the Ordinary General Meeting of shareholders.

26. Personnel information

(α) 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	
	2021	2020	2021	2020
Regular staff	80	76	78	74
Staff on day-wage basis	120	116	120	116
Total staff	**200**	**192**	**198**	**190**

(b) Personnel's remuneration

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

	GROUP		COMPANY	
	01.01-31.12		01.01-31.12	
Amounts in €	2021	2020	2021	2020
Employee remuneration	4,577,123.54	3,960,523.86	4,550,332.53	3,933,732.85
Employer contributions	1,066,279.80	1,010,053.17	1,059,645.06	1,002,888.39
Other benefits	369,617.39	283,244.71	369,617.39	283,244.71
Total	**6,013,020.73**	**5,253,821.74**	**5,979,594.98**	**5,219,865.95**

27. Government Grants

Amounts in €	31.12.2021		31.12.2020	
	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	-199,280.68	-168,041.18	-211,729.64	-180,293.60
Grants on revenue from previous financial years	-4,295,114.62	-2,372,510.87	-4,083,384.98	-2,192,217.27
Balance on deferred income	**3,479,802.27**	**2,548,141.48**	**3,679,082.95**	**2,716,182.66**
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 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 31/12/2021 and 31/12/2020 for the Company and the Group are as following:

ELASTRON
STEEL SERVICE CENTERS

GROUP

Amounts in €

31.12.2021			
Amounts in €	**Liabilities of Financial and Operating Leases**	**Minus: Future financial debits of financial and operating leases**	**Total**
Within the following year	375,400.44	-31,980.93	343,419.51
From the 2^{nd} until the 5^{th} year	1,169,138.88	-170,708.22	998,430.66
After the 5^{th} year	252,000.00	-43,789.73	208,210.27
Total	**1,796,539.32**	**-246,478.88**	**1,550,060.44**

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**

COMPANY

Amounts in €

31.12.2021			
Amounts in €	**Liabilities of Financial and Operating Leases**	**Minus: Future financial debits of financial and operating leases**	**Total**
Within the following year	332,200.44	-11,143.74	321,056.70
From the 2^{nd} until the 5^{th} year	1,001,038.88	-102,737.16	898,301.72
After the 5^{th} year	0.00	0.00	0.00
Total	**1,333,239.32**	**-113,880.90**	**1,219,358.42**

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**

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:

31.12.2021

1 € = 4.9490 RON (Exchange rate used in the Statement of Financial Position)
1 € = 4.9215 RON (Exchange rate used in the Statement of Comprehensive Income)

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)

30. Online Availability of Financial Reports

The Annual Financial Report of "ELASTRON S.A. – STEEL SERVICE CENTERS" 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 31.12.2021, have been posted on the Company's website www.elastron.gr.

31. Events after the end of the reporting period of Financial Statements

There are no other events after 31/12/2021 which may materially and significantly affect the financial position and the results of the Group.

Aspropyrgos, 20 April 2022

The Chairman of the Board of Directors	The Chief Executive Officer	The Chief Financial Officer
Simos Panagiotis ID No. AE 063856	Kalpinis Athanasios ID No. AH 062852	Manesis Vasileios ID No. AE 008927 Prof. License No. 0072242