

**BOARD OF DIRECTORS' COMMENTS ON THE ITEMS ON THE AGENDA
OF THE ORDINARY GENERAL MEETING OF 10/06/2021**

1st item

Submission and Approval of the Company's annual corporate and consolidated financial statements for the financial year 2020, together with the relevant annual Directors' report and the explanatory report of the Certified Auditors.

The Board of Directors recommends the approval of the Annual Financial Statements (consolidated and non-consolidated) for the financial year 2020 per Article 148 of Law 4548/2018, the Annual Directors' Report for the financial year 2020 per Article 150 of Law 4548/2018, the Board of Directors' Explanatory Report referred to in Article 4(7) and (8) of Law 3556/2007, and the Certified Auditor/Accountant's Report.

The Annual Financial Report 2020, which includes the annual financial statements and the relevant reports of the Board of Directors and the Certified Auditors, is posted on the Company's website www.sidma.gr.

No profits will be distributed as, although the year's result was profitable, the profits will be offset against past loss-making results.

2nd item

Approval of the overall management carried out during the financial year 2020 per article 108 of Law 4548/2018 and discharge of the Certified Auditors from all liability for compensation per Article 117(1)(c) of Law 4548/2018.

It is proposed that the overall management carried out by the Board of Directors in 2020 be approved per Article 108 of Law 4548/2018, and that the members of the Board of Directors and the auditors who audited the financial statements for the financial year 2020 be discharged from any liability for compensation for the transactions of the financial year 2020, per Article 117(1)(c) of Law 4548/2018.

3rd item

Approval of the payment of attendance and directors' fees for the financial year 2020 and advance approval of the payment of attendance and directors' fees for the financial year 2021.

The Board of Directors recommends the approval of the fees granted during the financial year 2020 to members of the Company's Board of Directors, who, during their participation in the Board of Directors, were under a dependent employment relationship. Such fees amounted to €152.8 thousand and are within limits set by the Ordinary General Meeting of Shareholders of 2020.

Moreover, the Board of Directors recommends the approval, per article 109 of Law 4548/2018, of the attendance fees paid to its members for their participation in it, of a total amount of 134.4 thousand Euros, which the Board of Directors had decided during its meetings of 04/07/2019, 01/06/2020, and 04/12/2020 for the period from 01/01/2020 to 31/12/2020.

Furthermore, as regards the attendance and directors fees of the Board of Directors' members employed under a dependent employment relationship for the current financial year 2021, the Board of Directors unanimously recommends to the General Meeting the advance approval of the payment of attendance and directors fees to Board members employed under a dependent employment relationship for the 2021 financial year, per Article 109 of Law 4548/2018, as currently in force, which will amount to 186.5 thousand Euros (a 4% change, as, during the financial year 2020, one additional member was added to the Board of Directors as from 25/05/2020).

4th item

Approval of the Emoluments Report for the financial year 2020 (article 112(3) of Law 4548/2018).

The General Meeting of Shareholders is invited to discuss and approve by advisory vote the Company's Emoluments Report for the financial year 2020, per article 112 of Law 4548/2018, as in force, which contains a comprehensive overview of all emoluments regulated in the Company's approved Emoluments Policy. The Company's Emoluments Report, which was prepared by the Board of Directors and audited, per the law, by the Company's Certified Auditor-Accountant, who found that the information referred to in article 112 of Law 4548/2018, as in force, have been provided, will be available at the Company's website (www.sidma.gr) after the General Meeting, as provided by law. The said Report is as follows:

Report on the Directors' Emoluments for the Financial Year 2020

(per article 112 of Law 4548/18, as in force)

1. Preparation Framework

The Board of Directors of the company under the trade name “**SIDIREMPORIKI MAKEDONIAS SIDMA METAL WORKS SOCIETE ANONYME**” and the distinctive title “**SIDMA STEEL SA**” (hereinafter the “**Company**”) submits this Emoluments Report (hereinafter the “**Report**”) to a discussion as the subject of the fourth (4th) item on the agenda of the Ordinary General Assembly of the company's shareholders to be held on the 10th of June 2021, in application of article 112 of Law 4548/2018, as amended and in force.

The Report contains a comprehensive overview of the total emoluments of the Company's Directors for the last financial year (2020) and all the minimum information required by the Law.

2. Directors' Emoluments

The remuneration schemes that the Company provides to date, separately and/or jointly, for the members of the Board of Directors, are:

- i. Remuneration for the participation of the members in the Board of Directors based on the position that they hold in the Board of Directors.
- ii. Compensation for the participation of non-executive members in Company Committees.
- iii. Monthly salary for persons under an employment relationship (Article 109(3) of Law N.4548/2018).
- iv. Other benefits in kind

The Company currently does not provide variable emoluments and, thus, no incentives are provided, which might lead to risk-taking or conflict of interest.

The table below provides a breakdown of the total annual gross emoluments paid or granted, during the financial year 2020, to current or retired members of the Company's Board of Directors, broken down to their individual components as appropriate.

Table I - Directors' total emoluments for 2020

FULL NAME	CAPACITY	PERIOD	Annual Gross Fees from Holding Company (under a dependent employment contract)	Annual Gross Fees of the Board of Directors	Annual Gross Fees from Participation in Committees	Annual Gross Fees from Subsidiaries	Other Benefits	Total	FIXED FEES %
AMARILIO, MARCEL-HARIS	Chairman of the BoD / Non-executive	01/01/2020 – 03/12/2020	0	0	0	0	3,819	3,819	100%
BITROS, PANAGIOTIS	Chairman of the BoD / Non-executive	03/12/2020 – 31/12/2020	0	0	0	0	0	0	
MARIOU, NIKOLAOS	Vice-chairman of the BoD / Executive Member	01/01/2020 – 25/05/2020	0	0	0	0	0	0	
	Executive Member	25/05/2020 – 31/12/2020							
BENARDOUT, DANIEL	CEO / Executive Member	01/01/2020 – 25/05/2020	0	110,200	0	0	15,113	125,313	100%
	Vice-chairman of the BoD / Non-executive Member	25/05/2020 – 31/12/2020							
KARADELOGLOU, ANTONIOS	General Manager / Executive Member	01/01/2020 – 25/05/2020	105,880	0	0	0	9,083	114,964	100%
	CEO / Executive Member	25/05/2020 – 31/12/2020							
KARONIS, KONSTANTINOS	Non-executive Member	01/01/2020 – 03/12/2020	0	0	0	0	0	0	
NAHMIAS, HAIM	Non-executive Member	01/01/2020 – 25/05/2020	0	0	5,000	0	1,840	6,840	100%
KONSTANTINOU, PANAGIOTIS	Executive Member	01/01/2020 – 25/05/2020	0	0	0	0	0	0	
	Non-executive Member	25/05/2020 – 31/12/2020							
SAMONAS, MICHAEL	CFO / Executive Member	01/06/2020 – 31/12/2020	47,006	0	0	0	5,050	52,056	100%
PIZANTE, VIKTOR	Non-executive Member	03/12/2020 – 31/12/2020	0	0	0	0	0	0	
GATOPOULOS, STAVROS	Non-executive Member	03/12/2020 – 31/12/2020	0	0	0	0	0	0	
MOISIS, AVRAAM	Independent / Non-executive Member	01/01/2020 – 31/12/2020	0	0	9,600	0	0	9,600	100%
KATSAROS, GEORGIOS	Independent / Non-executive Member	01/01/2020 – 31/12/2020	0	0	9,600	0	0	9,600	100%
TOTAL			152,886	110,200	24,200	0	34,906	322,192	100%

Clarifications:

- i. The emoluments shown in the table above are gross. The amount of net emoluments is determined based on tax deductions and insurance contributions charged to each beneficiary.
- ii. The other benefits include the expenses concerning the use of a company car, mobile telephony connection, and the participation in a medical care program
- iii. No other remuneration or compensation was paid to the Directors, in any way, for the financial year 2020.

Other disclosures for the financial year 2020

- i. The Directors do not receive emoluments from any company belonging to the same Group (article 112(2)(c) of Law 4548/2018 as in force).
- ii. No remuneration consisting of participation in the financial year's profits has been granted.
- iii. No stock or stock options have been granted or offered to the members of the Board of Directors (article 112(2)(d) and (e) of Law 4548/2018 as in force).
- iv. There is no possibility to recover variable emoluments (Article 112(2)(f) of Law 4548/2018, as in force).

3. Comparative Table of Total Annual Directors' Emoluments, Performance of the Company, and Average Annual Gross remuneration of employees (other than Directors) for the years 2016-2020 (Article 112(2)(b) of Law 4548/2018 as in force).

The table below shows the annual change in the total emoluments of the Board of Directors members, the performance of the Company and the Group and the average remuneration of full-time employees of the Company, excluding executives, for at least the last five (5) financial years, per the decision of the Company's Management to aggregate such remuneration for the last five (5) financial years, within the framework of Article 187 of Law 4548/2018, jointly presenting these data to facilitate comparison by shareholders.

YEAR	DIRECTORS' TOTAL EMOLUMENTS	ANNUAL CHANGE IN THE DIRECTORS' TOTAL EMOLUMENTS	Number of directors	AVERAGE GROSS EMOLUMENTS OF EMPLOYEES OTHER THAN DIRECTORS	ANNUAL CHANGE IN AVERAGE OF GROSS ANNUAL EMOLUMENTS OF EMPLOYEES OTHER THAN BOARD MEMBERS	COMPANY SALES in thousand €	CHANGE IN SALES	COMPANY EBITDA in thousand €	CHANGE IN THE EBITDA
2016	212,287	-	9	23,731	-	70,893	-	4,005	-
2017	246,717	16.22%	9	23,774	0.18%	80,567	13.65%	4,725	17.98%
2018	238,333	-3.40%	9	23,351	-1.78%	85,180	5.73%	3,482	-26.31%
2019	237,503	-0.35%	9	23,418	0.29%	84,956	-0.26%	3,606	3.56%
2020	287,287	20.96%	9	23,613	0.83%	93,885	10.51%	5,616	55.74%

YEAR	GROUP SALES in thousand €	CHANGE IN SALES	GROUP EBITDA in thousand €	CHANGE IN THE EBITDA
2016	104,154	-	4,923	-
2017	123,513	18.59%	5,819	18.20%
2018	136,688	10.67%	4,248	-27.00%
2019	133,721	-2.17%	4,562	7.39%
2020	133,255	-0.35%	6,340	38.97%

Notes:

- i. For the purposes of determining the above amounts, account has also been taken of the emoluments of employees who have left the company for any reason at the time of drafting this report.
- ii. The Group uses EBITDA as the ratio measuring profitability because it better reflects the organic profitability and more objectively attributes the performance of executives and staff. The evolution of the indicator over the last five years as published in the financial statements is shown above.
- iii. The annual change in the Directors' emoluments does not include benefits in kind.

4. Disclosures-Publicity

Under Article 112(3) of Law N.4548/2018, this report is submitted for discussion to the Annual Ordinary General Meeting as an item on the agenda, and the shareholders' vote is advisory. The Emoluments Report shall be available on the Company's website for a period of ten (10) years after the General Meeting. The Company may make the Emoluments Report available on its website for a period of more than ten (10) years, provided that it no longer contains personal data of the Board of Directors members and without prejudice to the provisions of the European Union's General Data Protection Framework.

The Board of Directors unanimously recommends to the General Meeting the approval of the Emoluments Report, which has been prepared per Article 112 of Law 4548/2018, as in force, following an advisory vote per Article 117(1)(g) of Law 4548/2018, as in force.

5th item

Election of an Auditing Company and Certified Auditors, both regular and alternate, for the year 2021 and determination and approval of their remuneration.

The evaluation process of the candidate Auditing Companies and Certified Auditors by the Company with the participation of the Audit Committee will be completed before the General Meeting.

6th item

Granting of authorisation, per Article 98(1) of Law 4548/2018, to members of the Board of Directors and the General Management and/or Company Directors to participate in Boards of Directors or the Management of affiliated companies.



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The Board of Directors recommends granting authorisation, per Article 98(1) of Law 4548/2018, to members of the Board of Directors and the General Management or Company Directors to participate in the BoD and the Management of other similar group companies.

7th item

Election of a new Board of Directors of the Company and appointment of its independent non-executive members, under the provisions of Law 3016/2002 & Law 4706/2020 on corporate governance, as amended and in force.

The Board of Directors recommends and proposes to the General Meeting of Shareholders, in compliance with Articles 3 and 4 of Law 3016/2002, and Articles 5 and 9 of Law 4706/2020, the election of a new Board of Directors for a one-year term of office (commencing on the day following the General Meeting which proceeds to its election and extended until the expiry of the deadline, within which the next Ordinary General Assembly must convene and until the relevant decision is taken). The following persons are the BoD's candidate members:

- 1) **PANAGIOTIS BITROS, son of IOANNIS**
- 2) **VICTOR PISANTE, son of ANDREAS**
- 3) **ANTONIOS KARADELOGLOU, son of PAVLOS**
- 4) **NIKOLAOS MARIOU, son of PANAGIOTIS-MARIOS**
- 5) **MICHAIL SAMONAS, son of KONSTANTINOS**
- 6) **PANAGIOTIS KONSTANTINOY, son of KONSTANTINOS**
- 7) **STAVROS GATOPOULOS, son of NIKOLAOS**
- 8) **GERASIMOS VARDARAMATOS, son of SOTIRIOS**
- 9) **VASILEIA MANOLI, daughter of GEORGIOS**
- 10) **EFSTATHIA SALAKA, daughter of VASILEIOS**

Also, the Board of Directors recommends to the General Meeting the appointment of Mr. Gerasimos Vardaramatos, Ms. Vasileia Manoli, and Ms. Efstathia Salaka as its independent members, since they meet the criteria of Article 4 of Law 3016/2002, as currently in force, the stricter independence criteria under Article 9 of Law 4706/2020, which will enter into force on 17 July 2021, and the provisions of the Company's Operating Rules and the Corporate Governance Code adopted by the Company.

The Company has posted a detailed CV of the candidate Board members on the Company's website www.sidma.gr.

The Board of Directors recommends to the General Meeting the election of the persons named above as members of the Board of Directors for a one-year term of office, i.e., until 10/06/2022, which shall be extended until the deadline by which the next Ordinary General Meeting must convene and until the relevant decision is taken.

Decision-making on the type of the Audit Committee, the term of office, the number, and the qualities of its members.

Article 44(1) of Law 4449/2017, as amended by Article 74(4) of Law 4706/2020, provides that each public interest entity has an Audit Committee consisting of at least three (3) members. More specifically, the Audit Committee constitutes: a) a committee of the audited entity's Board of Directors, consisting of its non-executive members; or b) an independent committee, consisting of non-executive members of the Board and third parties; or c) an independent committee consisting only of third parties. The type of the Audit Committee, the term of office, the number, and the qualities of its members are decided by the General Meeting or an equivalent body. The Audit Committee's members are appointed by the Board of Directors when it constitutes its committee or by the General Meeting of the audited entity when it constitutes an independent committee. The Audit Committee's members are, in their majority, independent of the audited entity. The President is appointed by the members and is independent of the audited entity. The Audit Committee's members have sufficient knowledge of the field in which the audited entity operates. At least one member of the Audit Committee, independent of the audited entity, has adequate knowledge and experience in auditing or accounting.

As a result of the election of a new Board of Directors and the new proposed composition of the Board of Directors, the BoD proposes the redefinition of the type of Audit Committee and proposes to the General Meeting, provided that it elects the above-proposed persons as members of the Board of Directors (cf. 7th Item), the election of a new Audit Committee of the Company as follows:

Composition and Term of office of the Audit Committee:

It is proposed that the new Audit Committee be a Board Committee composed of three (3) members, of whom two (2) members should be independent non-executive members of the Board of Directors and one (1) member should be a non-executive member of the Company's Board of Directors per the provisions of Law 3016/2002, as in force, and Law 4706/2020, which will enter into force on 17 July 2021.

The Board of Directors further suggests that the term of office of the Audit Committee's members be one (1) year, as is the term of office of the Board of Directors members, i.e., until 10.06.2022, and to be extended until the deadline by which the next Ordinary General Meeting must convene, and the relevant decision is taken.

9th item

Information of the Shareholders by the President of the Audit Committee about the Audit Committee's proceedings during the financial year 2020.

The Board of Directors informs the General Meeting of Shareholders that the President of the Audit Committee will present the annual report on the Audit Committee's proceedings for the Shareholders' information and, therefore, the Board of Directors suggests that the full text be read for the Shareholders' information.

The Board of Directors recommends to the General Meeting the approval of the Policy on the Suitability of the members of the Board of Directors per Article 3 of Law 4706/2020 and Circular No. 60/2020 of the Hellenic Capital Market Commission ("Guidelines for the Suitability Policy referred to in Article 3 of Law 4706/2020"), as drafted and approved by the Board of Directors at its meeting of 14/05/2021.

The full text of the Policy on the Suitability of the Board of Directors members has been posted on the Company's website www.sidma.gr.

11th item

Approval of the amendment of the Policy on the Directors' Emoluments per articles 110 and 111 of Law 4548/2018.

The Board of Directors proposes to the General Meeting the approval of the amendment of the Policy on the Directors' Emoluments per articles 110 and 111 of Law 4548/2018, as approved by the Board of Directors during the Meeting of 14/05/2021.

The full text of the Policy on the Emoluments of the Directors has been posted on the Company's website www.sidma.gr.

12th item

Taking measures per article 119(4) of Law 4548/2018 due to reduction of the Group's equity.

Following the refinancing of the company's debt obligations on 5/2/2021 and due to its accounting treatment under IFRS 9, an amount of 12.4 million Euros had a positive impact on the equity of both the company and the Group. This amount results from the difference between the actual cost of refinancing loans amounting to 76 million Euros and the interest rate (EIR) 7% that a company with the credit profile of SIDMA would borrow. It concerns the difference between the fair value of the new loan's cash outflows discounted at 7%. In addition, the improvement of the profitability recorded by the Company and the Group in 2020 continues in 2021, resulting in the further improvement of the Company's and the Group's equity.

Issuance of a common secured bond loan up to a total amount of five million three hundred and seven thousand Euros (€5,307,000) - Authorising the Company's Board of Directors to finalise the specific terms of the bond loan in accordance with the law and to take all necessary steps to conclude all relevant documents, including collateral documents.

To cover the planned increase in the capital stock of the subsidiary SIDMA ROMANIA SRL with a view to restructuring the latter's loans, the Board of Directors recommends to the General Meeting the issue of a common secured bond loan per the provisions of Law 4548/2018 and Article 14 of Law 3156/2003, up to five million three hundred and seven thousand Euros (€5,307,000), to be covered by the National Bank of Greece S.A. as the original bondholder, which will also act as the Bondholders' Representative (hereinafter, the "Bondholders' Representative").

The final repayment date for the bonds to be issued in a tranche under the above bond loan will be the tenth (10th) anniversary of the respective issue date of the bonds.

To ensure the timely and proper fulfilment of all claims arising from the bond loan, it is proposed that the Bondholders' Representative be granted, on behalf of the bondholders, at least the following security rights over the Company's assets:

(A) A C [or next] class mortgage, amounting to six million three hundred sixty-eight thousand four hundred Euros (€6,368,400), on the following properties of the Issuer:

1. an agricultural parcel measuring 34,531.80 sq.m. (per a more recent measurement) bearing the National Cadastre Code Number (KAEK) 050256404003, with its buildings, components, fixtures, and appurtenances, situated in the municipality of Aspropyrgos, Attica, Regional Unit of Western Attica of the Region of Attica, Mavri Ora location, on Megaridos street, outside the town plan, within the Aspropyrgos industrial area;
2. a plot of land measuring 52,855.18 sq.m., bearing the National Cadastre Code Number (KAEK) 191250601137, with its buildings, components, fixtures, and appurtenances, situated in the Region of the Municipality of Oreokastro in the Prefecture of Thessaloniki, outside the approved town plan and outside the area of that municipality, in the Paleokastro area, which forms part of land parcel No. 1508 that resulted from the land consolidation of the Oraokastro estate of 1963;
3. property located within the Land District of the Community of Roditsa, in the Industrial Area of LAMIA, Municipality of Lamia, Regional Unit of Fthiotida, Region of Central Greece, more specifically in Block 4B, which came from the de facto consolidation of the following two (2) adjacent properties:
 - (i) a plot with an industrial complex of buildings, measuring [26,180.00 sq.m.] and
 - (ii) a site of an area of 18,480.00 sq.m.,

(B) A class B Pledge on the shares of SIDMA ROMANIA, directly or indirectly owned by the Issuer, and

(C) A class C Pledge on the claims from the relevant insurance policies.

Finally, it is proposed that the Company's Board of Directors should be given complete discretion both to negotiate the conclusion of the common bond loan and to lay down the conditions governing it, within the framework of the applicable legislation, under Law 4548/2018, so that the board of directors (collectively or by the delegation of third parties) decides on all specific matters relating to its issue and the conclusion of any

14th item

Amendment of article 2 of the Company's Statute.

The Board of Directors suggests the change of the company's registered seat. More specifically, after the transfer of the administrative headquarters from Oinofyta to the Aspropyrgos Branch, it is proposed to transfer the company's registered seat from the Municipality of Chalandri (30, Vasileos Georgiou Str., 15233, Chalandri), where it is currently located, to the company's Branch in Aspropyrgos, Attica (188, Megaridos Ave., 19300, Aspropyrgos).

This change of the company's registered seat requires the amendment of the articles of incorporation and, therefore, article 2 of the company's articles of incorporation are amended as follows:

Article 2

1. The Company's registered seat is in the Municipality of Aspropyrgos, Attica.
 2. The Company may establish branches or offices in other cities in Greece or abroad by decision of its Board of Directors, which shall, at the same time, determine their competence.
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