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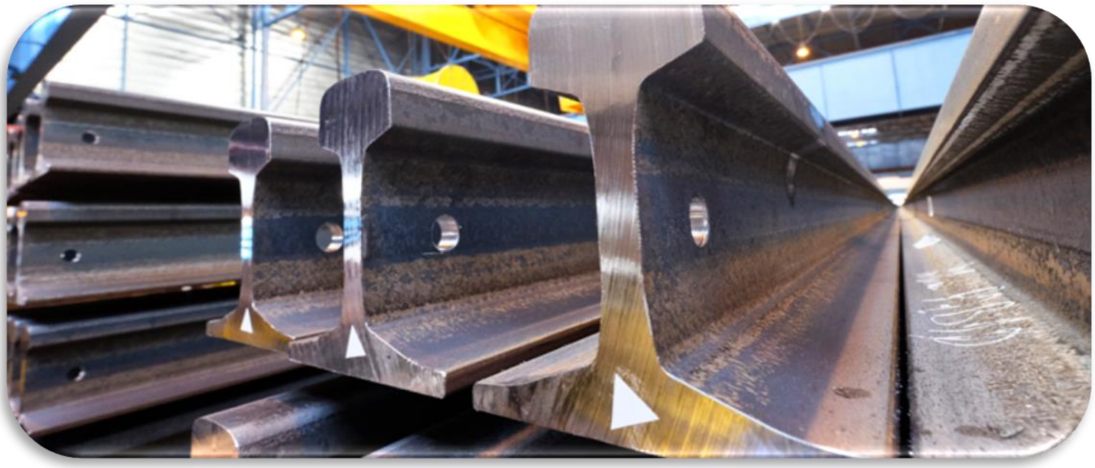
ANNUAL FINANCIAL REPORT
FOR FISCAL YEAR FROM JANUARY 1st TO DECEMBER 31st, 2020
(According to article 4 of Law 3556/2007)



April 2021

Table of Contents

A. Statements of Members of the Board in accordance with article 4 of Law 3556/2007

The members of the Board of Directors of SIDMA STEEL S.A.:

1. PANAGIOTIS I. BITROS
2. ANTONIOS P. KARADELOGLOU
3. MICHAEL C. SAMONAS

in our above-mentioned capacity declare that as far as we know:

A. the attached financial statements of SIDMA STEEL S.A. for the annual period 01/01-31/12/2020, prepared according to the applicable accounting standards, present truly and fairly the assets and liabilities, the equity, and the financial results of SIDMA STEEL S.A. as well as of the companies included in the consolidation in aggregate,

and

B. the attached BoD Report provides a true view of SIDMA STEEL S.A. and the companies, included in the consolidation in aggregate, performance and results including a description of the main risks and uncertainties to which they are exposed to.

Halandri, April 12, 2021

The Members of the Board

CHAIRMAN OF THE BOARD OF DIRECTORS	**C.E.O.**	**MEMBER OF THE BOARD OF DIRECTORS**
PANAGIOTIS I. BITROS	ANTONIOS P. KARADELOGLOU	MICHAEL C. SAMONAS

B. Independent Auditor's Report

To the Shareholders of «MACEDONIAN STEEL PRODUCTS TRADING SIDMA S.A.»

Report on Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of MACEDONIAN STEEL PRODUCTS TRADING SIDMA STEEL S.A. (the Company), which comprise the separate and consolidated statement of financial position as at December 31, 2020, separate and consolidated statements of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the company MACEDONIAN STEEL PRODUCTS TRADING SIDMA STEEL S.A. and its subsidiaries (the Group) as at December 31, 2020, the financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as incorporated into the Greek Law. Our responsibilities, under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company and its subsidiaries, during the whole period of our audit, in accordance with the International Ethics Standards Board for Accountants "Code of Ethics for Professional Accountants as incorporated into the Greek Law and we have fulfilled our ethical responsibilities in accordance with current legislation requirements and the aforementioned Code of Ethics. 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 judgement, were of most significance in our audit of the separate and consolidated financial statements of the current year. These matters and the related risks of material misstatement were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not express a separate opinion on these matters.

Key Audit Matters	How our audit addressed the key audit matter
Recoverability of trade receivables (separate and consolidated financial statements)	
As of December 31, 2020, the trade receivables of the Group and the Company amounted to € 49.6 million and € 43.8 million respectively, while the related accumulated impairment amounted to € 1.3 million and € 0.7 million respectively, as described in Note 8.7 to the financial statements.	The audit procedures we carried out in respect of evaluating recoverability of trade receivables included, among others: • Understanding and reviewing the credit control procedures of the Group as well as examining the key drivers of providing credit to customers • Assessment of the assumptions and methodology used by the Management to determine the

In order to estimate the amount of impairment of trade receivables of the Company and the Group, the Management assesses the recoverability of the trade receivables, taking into account the information provided by the Legal Department of the Group, arising from processing historical data and recent developments in the legal cases it manages, and reviews the maturity of the customers' balances as well as the settlement of the amounts collectible subsequently to the reporting period. Given the significance of the matter and the level of judgment and estimates required from the Management, we believe that the matter in question constitutes one of the key audit matters. The disclosures of the Company and the Group regarding the nature of the above receivables and estimates used in the assessment of their recoverability are included in Notes 4.6 and 8.7 to the accompanying financial statements.	recoverability of trade receivables or their classification as doubtful receivables. • Review of the legal consultant letters of representation regarding doubtful receivables treated during the year, and identification of any issues that present balances from trade receivables that are not recoverable in the future. • Review of maturity of outstanding trade receivables at year end and identification of any debtors in financial difficulty. • Recalculating impairment of trade receivables, taking into account specific parameters for debtors such as maturity of balances and reviewing data arising from discussions with the management. • Assessment of recoverability of balances by comparing the year closing amounts with subsequent collection of the amounts/ settlements. • Assessment of adequacy of the Group's and the Company's disclosures included in the notes to financial statement regarding this matter.

Assessment of impairment of investments in subsidiaries (separate financial statements)	
As of 31 December 2020, the Company has recognized investments in subsidiaries of € 11.2 million, which are measured at cost less any accumulated impairment losses. According to IFRS, an entity is required to assess whether there is evidence of impairment regarding the value of assets. Assessing whether there is an indication that may lead to impairment loss on an asset requires a significant degree of judgment. The recoverable amount of every Cash Generation Unit (CGU) is determined as be the highest amount between the fair value less costs to sell and value in use. This requires management's judgment regarding future cash flows of those CGUs and the discount rates applied to projections of future cash flows. With regard to future cash flows, the management judgments relate to variables such as revenue growth, gross profit margins and operating costs. Given the degree of subjectivity regarding the assumptions that are used as the basis for impairment analysis and significant	The audit procedures we carried out in respect of assessing impairment in subsidiaries included, among others: • Review of the management's assessment of whether there is any indication of impairment of investments in subsidiaries. • Regarding investments in subsidiaries for which there were indications of impairment, we reviewed, with the assistance of our valuation specialists: (i) the reasonableness of the assumptions used in determining projected future cash flows; (ii) application of generally accepted valuation methods (iii) the reasonableness of the discount rates used, evaluating the assumptions and comparing them with externally available business segment and financial data; and (iv) confirming the mathematical precision of s models calculations. • Assessment of the reliability of the management's projections through comparing the actual performance against previous projections. Assessment of adequacy of the disclosures included in the notes to financial statement regarding this matter.

judgments and estimates required from the management, we consider that impairment of investment in subsidiaries is one of the key audit matters. The Company's disclosures regarding the accounting policy and the assumptions and estimates used while assessing investments in subsidiaries are included in Notes 4.1, 5.7 and 8.3 to the financial statements.	

Key Audit Matters	**How our audit addressed the key audit matter**
Fair value measurement of owner-occupied tangible fixed assets and investment property	
As of December 31, 2020, the Company and the Group have recognized investments in real estate amounting to € 12.5 million and € 12.5 million respectively. Furthermore, as of December 31, 2020 the Company and the Group have recognized owner-occupied tangible fixed assets (land, buildings and machinery) measured at readjusted values, as defined under independent estimates, totaling € 31.2 million and € 42.3 million respectively. Given the significance of these items and the use of the management's assumptions and estimates, we consider that fair value measurement of investment property and owner-occupied tangible fixed assets (land, buildings and machinery) measurement at readjusted values at revalued fixed values is one of the key audit matters. The Company's and the Group's disclosures regarding the accounting policy and the assumptions and estimates used under fair value measurement of investment property and owner-occupied tangible fixed assets (land, buildings and machinery) measurement at readjusted values are included in Notes 4.3 , 4.4, 8.1, 8.3 και 8.33.2 to the separate and consolidated financial statements.	Our audit approach included, among others, the following procedures: • Examination of the Management's procedures regarding the fair value measurement of investment property of investment property and owner-occupied tangible fixed assets (land, buildings and machinery) measurement at readjusted values. • Assessment of the independence, objectivity, experience and knowledge of the independent appraiser assigned by Management to assess the fair value. • Examination of the reasonableness of Management's assumptions and estimates used for the assessment of the fair value of particular tangible fixed assets of the Company and the Group. In addition, we tested the appropriateness of the valuation methods used. • Examination, on a sample basis, of the completeness and accuracy of data provided by Management to the independent property appraiser. • For the abovementioned procedures where it was deemed appropriate, we used the services of an external independent expert. • Assessment of adequacy of the disclosures included in the accompanying notes to financial statement regarding this matter.

Other Information

Management is responsible for the other information. The other information is included in the Board of Director's Report, the reference to which is made in the "Report on Other Legal and Regulatory Requirements" section of our Report, 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 will 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 our audit, we conclude that there is a material misstatement therein, we are required to communicate that matter. No such issue has arisen.

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 the IFRSs as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Audit Committee (artic. 44 Law 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 Law, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or 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 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 of 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 Company and the Group to express audit opinions on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the Group 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 current period and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirements

1. Management Report of the Board of Directors

Taking into consideration that Management is responsible for the preparation of the Management Report of the Board of Directors and the Corporate Governance Statement included in this report, according to the provisions of paragraph 5 of article 2 of Law 4336/2015 (part B) we note the following:

a. The Management Report of the Board of Directors includes the Corporate Governance Statement that provides the data and information defined under article 152, of Law 4548/218.

b. In our opinion, the Management Report of the Board of Directors has been prepared in compliance with the effective legal requirements of Articles 150 and 153 and Paragraph 1 (cases c' and d'), Article 152 of Law 4548/2018, and its content corresponds to the accompanying separate and consolidated financial statements for the year ended as at 31/12/2020.

c. Based on the knowledge we acquired during our audit, we have not identified any material misstatements in the Board of Directors' Report in relation to the Company MACEDONIAN STEEL PRODUCTS TRADING SIDMA STEEL S.A. and its environment.

2. Additional Report to the Audit Committee

Our opinion on the accompanying separate and consolidated financial statements is consistent with our Additional Report to the Company Audit Committee, prepared in compliance with Article 11, Regulation (EU) No 537/2014.

3. Provision of Non-Audit Services

We have not provided the prohibited non-audit services referred to in Article 5 of Regulation (EU) No 537/2014 to the Company and its subsidiaries. Authorized non-audit services provided by us to the Company and its subsidiaries during the year ended as at December 31, 2020 are disclosed in Note 8.37 to the accompanying separate and consolidated financial statements.

4. Auditor's Appointment

We were first appointed statutory auditors by the Annual General Meeting of the Company on 13/06/2013. Since then, we have been appointed as the statutory auditors for a total period of 8 years based on the decisions of the Annual General Meeting of Shareholders.

Athens, 12 April 2021
The Certified Accountant

Elpida Leonidou
I.C.P.A Reg.: 19801

Grant Thornton
Chartered Accountants Management Consultants
56, Zefirou str., 175 64 Palaio Faliro, Greece
Registry Number SOEL 127

C. Annual Board of Directors' Management Report

ANNUAL BOARD OF DIRECTORS' MANAGEMENT REPORT
OF THE COMPANY SIDMA STEEL S.A.
on the Financial Statements for the period from 1 January to 31 December 2020

C.1 Introduction

This Annual Report of the Board of Directors (hereinafter referred to as the "Report") refers to the financial year 2020 (1.1.2020-31.12.2020). The Report has been drafted and is in line with the relevant provisions of Articles 150-154 of Law 4548/2018, Article 4 of Law 3556/2007 (Government Gazette 91A / 30.4.2007) as well as the executive decisions of the Board of Directors of the Hellenic Capital Market Commission.

The present report contains in a brief, but substantive manner, all the important units, which are deemed necessary, based on the legal framework and depicts in a truthful way all the relevant legally indispensable information, in order to provide substantive data regarding the operations performed by the Company "**SIDMA STEEL S.A.**" (hereinafter referred to as the "Company" or "SIDMA") as well as its subsidiaries within the aforementioned relevant time period.

The present report has been prepared according to the terms and conditions of the above-described legal framework, accompanies the financial statements of this period and is included in its entirety in the Annual Financial Report for FY 2020.

Given that the Company also prepares consolidated financial statements, the present report is unified, while the main point of reference pertains to consolidated financial figures of the Company and its associates. As far as separate (non-consolidated) data of the parent company is concerned, reference is made only when it is considered necessary to better understand its content.

The units of the Report and their content are as follows.

C.2 Company Performance and Financial Position

During 2020, in an environment wherein the growth of the Greek economy was significantly slowed by the spread of the coronavirus COVID-19 pandemic, recording an 8.2% contraction according to Hellenic Statistical Authority (ELSTAT) data, both the Company and the Group managed to increase their sales volume and operating profit compared to the previous fiscal year, maintaining a leading position in the domestic market. This was the result of the maintenance of the demand for steel products at satisfactory levels despite the pandemic, the increase of international steel prices which led to the expansion of the company's gross profit margins and the completion of the transaction with BITROS STEEL. This transaction appart form the enhancement of the equity and liquidity of the company, had a positive result in the increase of the company's market share in the domestic market during the last four months of the year. Finally, it is worth noting that, after a series of years with loss-making results at the pre-tax level, the company has returned to profitability.

In particular, the consolidated turnover of SIDMA in 2020 was maintained and amounted to €133.3 million, compared to €133.7 million in 2019, recording a marginal decrease of 0.3% that reflects the 5.2% decrease of the average sale price of steel products in 2020 compared to 2019. Together with the consignment sales, it amounted to €162.8 million compared to €166.6 the previous year, i.e. it decreased by 2.3%. Furthermore, the earnings before interest, taxes, depreciation, and amortization (EBITDA) amounted to €6.3 million compared to €4.9 million in 2019, recording a 39% increase mainly due to a 23.64% increase of the gross profit margin. Lastly, the earnings before taxes registered a €1.1 million decrease of losses, from €1.9 million in 2019 to €0.8 million in 2020. The €0,6 million contingency cost incurred due to the completion of the absorption of assets and liabilities of BITROS STEEL S.A. and the negative earnings of the subsidiary in Romania forced the Group to record losses at the earnings before taxes level, though significantly reduced compared to previous fiscal years. The liquidity of the Group increased to €16.7 million compared to €6.2 million in late 2019, whereas the net debt was marginally decreased by 0.2%.

At the Company level, SIDMA's turnover in 2020 increased to €93.9 million from €85.0 million, recording a 10.5% increase, and with the consignment sales it amounted to €123.4 million from €117.8 in 2019, a 4.7% increase (with a sale price 5.2% lower than 2019). The earnings before interest, taxes, depreciation, and amortization (EBITDA) increased to €5.6 million from €3.6 million in 2019, mainly due to a 20.2% increase of the gross profit margin, whereas the earnings before taxes returned to profitability after several years, recording €0.4 million profit from €1.0 million losses in 2019. The improvement of the earnings would be greater if the contingency cost of €0.6 million had not been incurred, as mentioned previously, for consultant fees related to the completion of the absorption of assets and liabilities of BITROS STEEL S.A.

On February 5, 2020, the refinancing of the current debt obligations of the Company was completed and as a result Bank obligations amounting to €72.6 million were reclassified as long-term liabilities of the Company and the Group, consequently improving the working capital of the Company and the Group.

In the Balkan subsidiaries, SIDMA Bulgaria presented a marginal 0.4% increase of its turnover to €26.7 million compared to €26.6 million in 2019, but with a 6.2% lower average sale price, an increase of the EBITDA operating profit to €737 thousand from €635 thousand in 2019 (a 16.1% increase) and an increase of the earnings before taxes to €130 thousand from €21 thousand in the previous fiscal year.

SIDMA Romania presented a 42% decrease of turnover, to €13.3 million, from €23.0 million in 2019 (with an average sale price reduced by 4.0% compared to 2019). The decrease of its turnover is attributed to the reduction of the sale prices; however, the main reason was the liquidity difficulties faced by the subsidiary as the restructuring of its debt to participating banks has not been completed yet. The company has agreed to the restructuring terms and the refinancing of its loans is expected to be completed in 2021. The parent company has already proceeded to increase the share capital of the subsidiary by €2 million early this year. In this context, at the EBITDA operating profit level it recorded marginal losses amounting to €2 thousand compared to €315 thousand profit in 2019, whereas at the earnings before taxes level it recorded a 9.3% increase of losses from €1,170 thousand during the previous fiscal year to €1,280 thousand in 2020. The earnings before taxes here also affected by exchange differences amounting to €127 thousand.

C.3 Alternative Performance Measures

The Company uses Alternative Performance Measures (APMs) in decision-making with regard to its financial, operational and strategic planning, as well as when evaluating and publishing its performance. These APMs serve to understand the financial and operating results of the company, its financial position, and cash flow in a better way. Alternative measures (APMs) should always be considered in conjunction with the financial results prepared under IFRS and under no circumstances replace them.

The main APMs for the Group and the Company for the year 1.1 - 31.12.2020 are as follows:

Group	01.01 - 31.12.2020	01.01 - 31.12.2019	Δ (%)
Turnover	133.254.677	133.721.115	-0,3%
Consignment Sales	29.495.904	32.885.156	-10,3%
Total Sales	**162.750.581**	**166.606.271**	**-2,3%**
Gross Profit Margin	13.618.885	11.056.544	23,2%
Earnings before taxes	(804.992)	(1.918.730)	-58,0%
EBITDA	6.340.130	4.561.584	39,0%

Company	01.01 - 31.12.2020	01.01 - 31.12.2019	Δ (%)
Turnover	93.884.791	84.956.178	10,5%
Consignment Sales	29.495.904	32.885.156	-10,3%
Total Sales	**123.380.695**	**117.841.334**	**4,7%**
Gross Profit Margin	11.363.473	8.557.952	32,8%
Earnings before taxes	355.912	(1.016.810)	-135,0%
EBITDA	5.616.236	3.605.751	55,8%

The calculations for the Alternative Performance Indicators of the Company and the Group are analysed as follows:

Group	01.01 - 31.12.2020	01.01 - 31.12.2019	Δ (%)
Gross Margin			
(Gross Profit/ Turnover)	10,22%	8,27%	2,0%
EBITDA Margin:			
(EBITDA/ Turnover)	4,76%	3,41%	1,3%
Net Profit Margin			
(Profit before Tax / Turnover)	-0,60%	-1,43%	0,8%
Liquidity Ratio			
Current Assets/Current Liabilities (1)	1,0	0,9	9,7%
Interest cover ratio			
EBITDA / Net Interest	1,3	1,1	20,2%

Company	01.01 - 31.12.2020	01.01 - 31.12.2019	Δ (%)
Gross Margin			
(Gross Profit/ Turnover)	12,10%	10,07%	2,0%
EBITDA Margin:			
(EBITDA/ Turnover)	5,98%	4,24%	1,7%
Net Profit Margin			
(Profit before Tax / Turnover)	0,38%	-1,20%	1,6%
Liquidity Ratio			
Current Assets/Current Liabilities (1)	1,1	1,0	13,1%
Interest cover ratio			
EBITDA / Net Interest	1,6	1,4	16,7%

(1) Short-term liabilities do not consider the part of long-term loans that expire in the next 12 months.

C.4 Significant Events During 2020

The important events that took place in the year from 1 January to 31 December 2020 as well as their effect on the financial statements are as follows:

- **Impact of the COVID-19 Pandemic.**
  From the moment that the World Health Organization declared said virus a pandemic, the Company's management took all the necessary measures, primarily focusing on the safety of its employees, to prevent any impact on its operations.
  The measures related to the employees included the rotation of the employment of the personnel and it forced remote working for employees whose duties allow it, whereas for those that their job requires their presence in the offices it applied rotating work schedules to prevent overcrowding. Furthermore, the personnel were fully informed about the symptoms and the modes of transmission of the virus and detailed instructions were given regarding protective measures, whereas the required disinfectant materials are still provided in the workplace and disinfection works are carried out regularly. Lastly, all live corporate meetings were postponed, and all business travels were suspended.

  The Company continued to operate regularly, making sales to customers, purchases from suppliers and fulfilling its obligations since a) the sector in which it operates was one of the least affected in the market; b) it applies a strict credit control ensuring its partner customers are the most reliable in the market to incur the lowest possible losses and c) it has a wide range of suppliers from multiple countries ensuring the unimpeded continuity of its supply chain.
  Regarding points a) and b) above, only 10% of the outstanding balance of the Company's customers regarded outstanding balances of customers included in the Activity Code Numbers ("ΚΑΔ") affected by the pandemic, and the expiration of their securities was extended pursuant to published Acts of Legislative Content.

  Furthermore, during 2020 the Company and the Group optimized the Assets in order to promptly address the impact of the pandemic and in particular they decreased the Reserves by €3 million at the Company level and by €5 million at the Group level and increased the cash and cash equivalent by €10 million at the Company and Group level. The full utilization of the financing solutions and products of the partner banks contributed to this.

  Lastly, the Group continues to maintain credit insurance policies with the partner insurance companies (80% of commercial receivables are insured with 10% deductible), maintains the diversification of the customer base at the same levels as the previous year (no individual customer's contribution in the turnover exceeds 2.0%), whereas it also maintains high cash and cash equivalents to fulfill its obligations in case of adverse changes of the external environment.

- **Ordinary General Meeting Resolutions**
  15 shareholders accounting for 78.96% of the share capital and voting rights attended the Ordinary General Meeting of shareholders that was held in Athens on 25 May 2020 and unanimously approved the following:
  - Annual financial statements pertaining to the financial year 2019 (term 1.1.2019 – 31.12.2019) and the relevant reports of the Board of Directors and Auditors.
  - Total management of 2019, pursuant to article 108 of Law 4548/2018, and discharge of Auditors from any liability under article 177 para. 1(c) of Law 4548/2018.

- Appointment of Auditors, regular and substitute, for the use of 2020 and definition and approval of their fees.
- Remuneration Report for the financial year of 2019 (article 112 of Law 4548/2018, as in force).
- Granting of permission, under article 98 para. 1 of Law 4548/2018, to members of the Board of Directors and General Managers or/and Company Managers for their participation in the Board of Directors or Management of related parties.
- Election of new Board of Directors and appointment of independent non-executive members, pursuant to Law 3016/2002 on corporate governance, as amended and in force.
- Appointment of Audit Committee members.
- Adoption of measures under article 119 para. 4 of Law 4548/2018, due to decrease of the Company's own funds.
- Increase of the Company's share capital through contributions in kind, by issuing new, common, registered shares with voting rights, amendment of article 5 of the Company Articles of Association and provision of Authorizations.
- Adjustment of the Articles of Association of the Company pursuant to Law 4548/2018 by amendment of the total of its articles.
- Amendment of common bond loan program of euro four million (€4,000,000).
- Authorization of the Board of Directors of the Company to apply for the extension of the maturity date of the common bond loan program of euro four million (€ 4,000,000) until 31.12.2020.
- Miscellaneous notifications.

➢ **Extraordinary General Meeting Resolutions**

16 shareholders accounting for 77.59% of the share capital and voting rights attended the Extraordinary General Meeting of shareholders that was held in Athens on 31 August 2020 and unanimously approved the following:

- Issuance of common secured bond loan up to the maximum amount of Euros forty-four million six hundred thirty-five thousand (€44,635,000). Granting of authorization to the Board of Directors of the Company to finalize the specific terms of the bond loan pursuant to the law and to proceed to any necessary action for the conclusion of any relevant document, including the security documents.
- Issuance of common secured bond loan up to the maximum amount of Euros seven million one hundred and seventy-seven thousand (€ 7,177,000). Granting of authorization to the Board of Directors of the Company to finalize the specific terms of the bond loan pursuant to the law and to proceed with any necessary action for the conclusion of any relevant document, including the security documents.
- Issuance of common secured bond loan up to the maximum amount of Euros twenty-four million nine hundred and eighty thousand (€ 24,980,000). Granting of authorization to the Board of Directors of the Company to finalize the specific terms of the bond loan pursuant to the law and to proceed with any necessary action for the conclusion of any relevant document, including the security documents.

➢ **Extraordinary General Meeting Resolutions**

15 shareholders accounting for 82.59% of the share capital and voting rights attended the Extraordinary General Meeting of y shareholders that was held in Athens on 3 December 2020 and unanimously approved the following:

- Election of new Board of Directors and appointment of independent non-executive members, pursuant to l. 3016/2002 on corporate governance, as amended and in force.
- Decision on the type of Auditing Committee Member, the term, the number and qualifications of its members as well as the appointment of its members in case it is appointed independently, in accordance with article 44 of Law 4449/2017, as amended and in force.
- Change of the name of the Company and amendment of article 1 of its Articles of Association.

- **Amendment of MoU with BITROS STEEL S.A.**

On 15.4.2020, the Company signed an amendment of the Memorandum of Understanding (MoU) dated 08.05.2019 which was concluded among SIDMA, BITROS STEEL S.A. (jointly the Borrowers), the principal shareholders of both of the Borrowers, and the banks NATIONAL BANK of GREECE, ALPHA BANK, EUROBANK ERGASIAS, PIRAEUS BANK, ATTICA BANK and the special purpose companies PIRAEUS SNF DAC represented by INTRUM HELLAS A.E.D.A.D.P. and CAIRO NO.3 represented by EUROBANK ERGASIAS (the Creditors), by virtue of which, it has been agreed that the corporate transformation will take place though a capital increase of SIDMA covered by the transfer of assets and liabilities concerning the steel products trading and processing activity of BITROS Steel A.E.B.E., instead of the initially agreed spin-off of BITROS STEEL S.A.'s steel products trading segment and its absorption by SIDMA.

- **Clearance by the Hellenic Competition Commission**

On 21.7.2020, the Hellenic Competition Commission cleared the concentration between SIDMA and BITROS STEEL S.A., resulting from SIDMA's acquisition of sole control over part of BITROS STEEL S.A. through the acquisition of assets.

- **Signing of Transfer Agreement with BITROS METALLOURGIKI A.E.B.E.**

On 24.9.2020 SIDMA signed with BITROS STEEL S.A. ("the Transferor") an agreement for the transfer of assets and liabilities in exchange for securities ("the Transfer Agreement"), by virtue of which the Transferor undertook the obligation to transfer to the Company the assets and liabilities related to the trading activities of steel products of the Transferor, the net worth of which amounts to eight million five thousand five hundred and seventy-one euros and eighty cents (8,005,571.80€) (the "Assets") for the purpose of covering the increase of the Company's share capital, in accordance with the provisions of Article 17 of Law 4548/2018, up to the amount of four million five hundred and eighty-four thousand euros and sixty cents (4,584,000.60€), by issuing three million three hundred and ninety-five thousand five hundred and fifty- six (3,395,556) common, registered shares, with voting rights (the "New Shares") with a nominal value of one euro and thirty-five cents (1.35€) each, as resolved by the General Meeting of the Company on the 25th of May 2020. The consequence of the above transfer agreement is that the turnover of the company increased, from September 2020 onwards, by the sales of customers that contributed from BITROS STEEL SA.

- **Certification that the Share Capital Increase has been subscribed and paid-up in full**

On 16.10.2020, the Board of Director certified that the Share Capital Increase has been subscribed and paid-up in full, through contribution in kind of the assets and liabilities relating to the trading and processing of steel products of BITROS STEEL S.A. and new shares have been issued in accordance with the Ordinary General Meeting of the shareholders dated 25.05.2020.

- **Availability of Prospectus**

On 26.10.2020 the Prospectus of the Company for the listing of the Company's 3,395,556 new ordinary, dematerialised, registered shares with voting rights in the category "Supervision" of the Regulated Market of Athens Exchange which were issued following the share capital increase through contribution in kind of the assets and liabilities of BITROS STEEL S.A., was approved by the Board of Directors of the Hellenic Capital Market Commission

- **Listing and admission of new shares for in the Athens Exchange**

On 27.10.2020 the 3,395,556 new shares, following the Share Capital Increase in kind in accordance with the provisions of Article 17 of Law 4548/2018 which was covered through contribution of assets and liabilities involving the trade and processing of steel products of BITROS STEEL S.A. were admitted and started trading on the Athens Exchange in the category "Supervision".

- **Signing of contractual documents for the issuance of three bond loans**

  On 16.10.2020, the Company signed the contractual documents for the issuance of the following bond loans:
  (a) a common secured bond loan under the provisions of Law 4548/2018, for the amount up to forty-four million six hundred thirty-five thousand euro (€44,635,000).
  (b) a common secured bond loan under the provisions of Law 4548/2018, for the amount up to seven million one hundred seventy-seven thousand euro (€7,177,000).
  (c) a common secured bond loan under the provisions of Law 4548/2018, for the amount up to twenty-four million nine hundred eighty thousand euro (€24,980,000).

- **Changes in voting rights**

  Following the subscription and payment in full of the Share Capital Inrease through contribution in kind of the assets and liabilities relating to the trading and processing of steel products of BITROS STEEL S.A. and the issuance of new shares and with reference date 27.10.2020:

  - Viohalco S.A. holds indirectly 26.80% of SIDMA's total voting rights (decrease as to the previous indirect holding of 35.74%) (3,640,418 shares in total) and the companies SOVEL S.A. and SIDENOR STEEL INDUSTRY S.A. remain direct shareholders holding 20.93% and 5.87% respectively;
  - BITROS STEEL S.A. holds directly 25% of SIDMA's total voting rights (3,395,556 shares in total);
  - Mr Marcel Haris Amariglio holds 5.29% of SIDMA's total voting rights – directly 0.19% [25,190 shares] and undirectly 5.10% (692,602 shares) through SPRINGFLOWER FOUNDATION and RAPALLO INVEST HOLDING S.A.; and
  - SIDACIER HOLDING Sarl holds 11.63% of SIDMA's total voting rights (1,580,230 shares).

- **Change of total number of voting rights and the amount of the share capital**

  Following the subscription and payment in full of the Share Capital Inrease through contribution in kind of the assets and liabilities relating to the trading and processing of steel products of BITROS STEEL S.A. and the issuance of new shares, as resolved by the Annual General Meeting of the Company's Shareholders dated 25.05.2020 and the commencement of trading of the new common registered shares of the Company on 27.10.2020, resulting from the above increase of its share capital, the paid-up share capital of the Company amounts to €18,336,001.05 and is divided into 13,582,223 common registered shares with a nominal value of €1,35 each, while the total number of voting rights on the common registered shares of the Company amounts to 13,582,223.

- **Change in corporate name / trade name**

  On 28.12.2020, the Company changed its corporate name into "MAKEDONIA STEELWORKS SIDMA METALWORKS S.A." and its trade name into "SIDMA STEEL S.A." on the Athens Exchange.

C.5 Risk Management

The major financial risks and the corresponding actions taken by the Group are presented below:

(a) Macroeconomic Environment

The spread of the COVID-19 pandemic affects the global economy and will continue to affect the Greek economy for a yet unknown period of time. According to the provisional ELSTAT data, the annual contraction rate of the Greek economy amounted to 8.2%, with the 2020 GDP shrinking to €168.5 billion from €183.6 billion in 2019.

During 2020 a series of factors such as:
i. public and private investment with significant impact on the construction industry and therefore on the demand of steel products;
ii. the increase of raw material prices with simultaneous improvement of the Group's profit margin, and,
iii. the absorption of the assets and liabilities of BITROS STEEL S.A.,
let to the minimum possible impact on the Company's and the Group's earnings.

Like in 2020, the growth potential of the current year will be determined mainly by the duration and the intensity of the COVID-19 pandemic. The Greek economy, like the economies of all countries globally, remains exposed to disturbances of the demand and potentially of the supply. The state budget for 2021 predicts the return of the Greek economy in a sustainable growth trajectory from the second quarter of 2021. The European Commission's winter 2021 economic forecast (February 2021), predict a 3.5% growth of the Greek economy within 2021. According to the latest quarterly report of the Foundation for Economic & Industrial Research (IOBE) (04/2020), if the crisis starts to gradually subside from the first quarter of 2021, with no new outbreaks, and simultaneously the absorption target of funds from the European Recovery Fund is achieved, a 4.0-4.3% recovery of the Greek economy is expected, whereas in case of faster remission of the pandemic and recovery of economic activity internationally, the recovery of Greek economy will be at the range of 5.0-5.3%. However, the forecasts involve a high degree of uncertainty since the economic developments are correlated with the evolution and the duration of the health crisis. In any case, the return to normality, which will not occur before summer 2021, will primarily depend on the country's vaccination program, combined with other actions, e.g. the expected support from the Recovery Fund.

For 2021, SIDMA STEEL S.A. continues to focus on the safety of its personnel and partners, taking all the necessary precautionary measures. The Company's management follows the developments, assesses the risks and takes all necessary actions in order to mitigate, as much as possible, any impact caused by the unstable environment of the pandemic and uninterruptedly continue its operations and services to its customers.

(b) Credit Risk

The Parent company as well as its subsidiaries have a policy to insure their credit sales through insurance companies and, therefore, no significant concentrations of credit risk are generated. Wholesale sales are mainly made to customers with an appropriate credit history. In 2020, no customer participated in the turnover by more than 2.0%, while there was dispersion to many customers. Retail sales are made in cash. On 31/12/2020, the Management believes that there is no material credit risk exposure that has not already been covered by provisions for bad debts. It has also organized a credit control department, charged with assessing the creditworthiness of its customers as well as determining their credit limits. The Group's exposure to credit risk is limited to financial assets, which are as follows:

	Group		Company	
Financial Assets	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Cash and cash equivalents	16.742.221	6.239.117	15.748.471	5.357.805
Trade and other receivables	52.263.379	46.215.828	46.643.957	39.030.478
Total	**69.005.600**	**52.454.945**	**62.392.428**	**44.388.283**

(c) Interest Rate Risk

The interest rate risk mainly arises from long-term and short-term loans. Loans with variable interest rates expose the Group to cash flow risk. The Group does not consider a rapid increase in Euribor interest rates being possible given the economic situation and development prospects of the Eurozone countries and therefore it has not carried out any interest rate risk management transactions.

The table shows the sensitivity to the Period Results and the Stockholders' Equity in case of a possible change in the Group's interest rates by +/- 1%.

	Group				Company			
	Effect to P & L		Effect to Equity		Effect to P & L		Effect to Equity	
amounts in thousand €	+1%	-1%	+1%	-1%	+1%	-1%	+1%	-1%
31st December 2020	(1.145.939)	1.145.939	(1.145.939)	1.145.939	(940.414)	940.414	(940.414)	940.414
31st December 2019	(1.048.687)	1.048.687	(1.048.687)	1.048.687	(834.844)	834.844	(834.844)	834.844

(d) Liquidity Risk

The financial statements of the company have been prepared based on the principle of activity's continuation.

The Group has a regular policy not to use all its available lines and have, at any time, available credit limits or cash available at least 7.5% of the total. At 31.12.2020 the Group maintained cash of € 16.7 million.

The total value of the current liabilities of the Company and the Group on 31 December 2020, exceeds the total value of their current assets by € 45.7 million and € 55.8 million, respectively. In addition, due to the accumulated losses, the total value of the Group's equity has become negative, while the total equity of the Company, on 31 December 2020 has become less than half (1/2) of its share capital and, as a result, the conditions of par. 4 of article 119 of Law 4548/2018 are applied.

The management of the company after the decision of the General Meeting of shareholders at 31/8/2020, whose shareholders decided to issue common Bond Loans totaling € 76.8 million with a tenor of 10 years, signed with the creditor banks on October 16, 2020 the contractual documents for the issuance of the above bond loans totaling € 76.8 million. The process of disbursement of the new bond loans was not completed until 31/12/2020 resulting that the above loan obligations of the Company are reflected in short-term liabilities burdening the working capital of the Company and the Group. The disbursement of the above bonds was completed on February 5, 2021, resulting that at the date of disbursement bond loans totaling € 72.6 million were reclassified from short-term liabilities to long-term liabilities turning the Company's and Group's working capital back to positive.

In addition, upon completion (February 5, 2021) of the disbursement of the bond loans, the new loan liabilities will be reflected in their fair value, in accordance with the requirements of IFRS 9. The valuation of the dept obligations at their fair value results in a reduction of the dept obligations, as presented in the financial statements, by € 16.3 million and the increase of the Company's and the Group's Equity by approximately € 12.4 million (including the corresponding deferred tax amounting to € 3.9 million). This fact had as a result the compliance of Company's Equity to par. 4 of article 119 of Law 4548/2018.

The effect on the Company's and the Group's Financial Position if the transaction had been completed on 31/12/2020 is presented in detail in note C.8 within this report.

In addition, the Group in the context of a possible need to enhance its liquidity, further to the cost savings program already being implemented, evaluates strategies that can bring significant benefits. Specifically, it is considering a series of actions to improve its financial position such as further organizational restructuring, the reduction of support costs and the exploitation of assets that will bring benefits without affecting the smooth operation of the Group.

The maturity of the Group's financial liabilities is as follows:

	Group							
	31.12.2020				31.12.2019			
Group	**Up to 6 months**	**6-12 months**	**1-5 years**	**More than 5 years**	**Up to 6 months**	**6-12 months**	**1-5 years**	**More than 5 years**
Long-term borrowings	52.867.017	53.877.343	8.407.186	-	41.058.205	54.462.793	9.347.681	-
Trade Payables	31.875.442	-	-	-	40.902.973	-	-	-
Other Payables	4.582.984	-	-	-	3.030.595	-	-	-
Total	**89.325.443**	**53.877.343**	**8.407.186**	**0**	**84.991.773**	**54.462.793**	**9.347.681**	**0**

	Company							
	31.12.2020				31.12.2019			
Group	**Up to 6 months**	**6-12 months**	**1-5 years**	**More than 5 years**	**Up to 6 months**	**6-12 months**	**1-5 years**	**More than 5 years**
Long-term borrowings	39.959.358	53.167.720	1.263.191	-	28.293.313	53.852.722	1.338.321	-
Trade Payables	24.454.017	-	-	-	31.314.809	-	-	-
Other Payables	4.326.660	-	-	-	2.844.079	-	-	-
Total	**68.740.034**	**53.167.720**	**1.263.191**	**0**	**62.452.201**	**53.852.722**	**1.338.321**	**0**

(e) Risk of Fluctuation of Raw Material Prices

The sale prices of the manufactured products are largely dictated by the prices of the raw material. The fluctuations in the international prices of steel products affect (positively or negatively) the Group's profit margin, since the fluctuation of the sale prices of the products cannot be entirely synchronized with the prices of our not yet received orders and the prices of our inventory. The Group's gross profit margin is positively affected in case of increasing prices of the raw materials and negatively otherwise. The fluctuation of the prices of the products marketed by the Group cannot be covered by hedging, therefore its earnings are affected accordingly due to devaluation or overvaluation of the inventory.
Indicatively we report that during a four-year period, from January 2017 to December 2020, the difference between the maximum and minimum CIF price of three of the most important products of the Group, as well as the standard deviation, are as follows:

€ / MT	Hot Rolled Materials	Cold Rolled Materials	Galvanized Materials
Minimum to Maximum Value Difference	167	166	194
Standard Deviation	43	46	50

Correspondingly, the gross profit margin had fluctuations of the order of 262 base points between maximum and minimum prices. An increase of the prices corresponds to an increase of the gross profit %, without being able to quantify the exact ratio between them. For every 50 base points of fluctuation of the gross profit %, the effect on the 2019 and 2020 earnings would be approximately:

GROUP	2019		2020	
THOUSANDS €	50 b.p.	-50 b.p.	+50 b.p.	-50 b.p.
Net Earnings	669	-669	666	-666
Equity	669	-669	666	-666

COMPANY	2019		2020	
THOUSANDS €	50 b.p.	-50 b.p.	+50 b.p.	-50 b.p.
Net Earnings	425	-425	469	-469
Equity	425	-425	469	-469

(f) Currency Risk

The Group operates in Europe and therefore the bulk of its transactions is carried out in Euros. However, for the small part of the Group's goods purchases made in US Dollars, the Group carries currency forward contracts.

In addition, the Group is exposed to currency risks from investments in foreign countries. Specifically, for the subsidiary in Romania, as a natural hedge the Group's policy is to use borrowings in the respective currency - whenever this is possible - to reduce exposure to risk in case of devaluation of local currency against the Euro. The foreign exchange risk problem does not apply to the Bulgarian subsidiary because its currency is locked against the euro.

The tables with the remaining receivables and liabilities in Foreign Currency for the Group are as follows:

	31.12.2020		31.12.2019	
amounts in €	**USD**	**RON**	**USD**	**RON**
Financial Current Assets	1.442	3.562.346	237.935	6.754.299
Financial Liabilities	-	-15.982.575	-	-17.967.346
Short-term elements	**1.442**	**-12.420.230**	**237.935**	**-11.213.047**
Financial Current Assets	-	5.699.595	-	5.524.461
Financial Liabilities	-	-	-	-
Long-term elements	**-**	**5.699.595**	**-**	**5.524.461**

The change in the results and the Stockholders' Equity of the Group from a possible change in the foreign currency exchange rate is as follows:

	31.12.2020			
	+ 10%	**- 10%**	**+ 10%**	**- 10%**
amounts in €	**USD**		**RON**	
Profits (losses) before taxes	-131	160	116.352	-142.207
Equity	-131	160	727.318	-888.945

	31.12.2019			
	+ 10%	**- 10%**	**+ 10%**	**- 10%**
amounts in €	**USD**		**RON**	
Profits (losses) before taxes	-21.630	26.437	120.076	-146.759
Equity	-21.630	26.437	637.220	-778.824

C.6 Objectives and Prospects for 2021

During the last five years, the Company is on a growth trajectory, increasing its sales volume every year, whereas during the last fiscal year returned to profitability at the earnings before taxes level. The Company's management objective continues to be an increase of its turnover and the preservation of its share in the Greek market, that will be further enhanced after the absorption of specific assets and liabilities of BITROS STEEL S.A. Already the results of the above absorption, as well as the refinancing of the company's loans that took place at the beginning of February, have: a. significantly strengthen the capital structure, making working capital positive again and b. healed equity, both at company and group level, as shown in paragraph C8. The positive effect on equity is further enhanced in the first months of 2021, with the further improvement of the profitability of the company and the Group.

In addition, controlling its production and operating costs, mainly to maintain adequate liquidity, is an equally important goal, especially in the current environment of continuing increases in international raw material prices.

The focus of the Greek government on the implementation of the public investment program as well as the ongoing implementation of significant private projects, that are expected to further increase the demand for steel products, are expected to have a positive effect on the Group's and the Company's turnover. However, the foregoing is subject to the condition that, as in 2020, the growth potential of the current year will be determined mainly by the duration and the intensity of the COVID-19 pandemic. The Greek economy, like the economies of all countries globally, remains exposed to disturbances of the demand and potentially of the supply. The state budget for 2021 predicts the return of the Greek economy in a sustainable growth trajectory from the second quarter of 2021. The European Commission's winter 2021 economic forecast (February 2021), predict a 3.5% growth of the Greek economy within 2021. According to the latest quarterly report of the Foundation for Economic & Industrial Research (IOBE) (04/2020), if the crisis starts to gradually subside from the first quarter of 2021, with no new outbreaks, and simultaneously the absorption target of funds from the European Recovery Fund is achieved, a 4.0-4.3% recovery of the Greek economy is expected, whereas in case of faster remission of the pandemic and recovery of economic activity internationally, the recovery of Greek economy will be at the range of 5.0-5.3%. However, the forecasts involve a high degree of uncertainty since the economic developments are correlated with the evolution and the duration of the health crisis. In any case, the return to normality, which will not occur before summer 2021, will primarily depend on the country's vaccination program, combined with other actions, e.g. the expected support from the Recovery Fund.

To this end, SIDMA STEEL S.A., always closely following the developments in the national and international level, continues to focus on the safety of its personnel and partners, taking all the necessary precautionary measures. The Company's management takes all necessary actions in order to mitigate, as much as possible, any impact caused by the unstable environment of the pandemic and uninterruptedly continue its operations and services to its customers.

C.7 Significant Transactions between the Company and Related Parties

The most singificant transactions of the Company with its related parties wihtin the meaning of IAS 24 are pressented below.

	Sales of Goods			
	01/01-31/12/2020		01/01-31/12/2019	
Company	Group	Company	Group	Company
SIDENOR STEEL INDUSTRY SA	24.276	24.276	36.027	36.027
SOVEL S.A.	93.116	93.116	43.591	43.591
STOMANA S.A	511.598	-	213.306	-
ETIL S.A.	239.767	239.767	123.672	123.672
ERLIKON WIRE PROCESSING S.A.	30.210	30.210	27.022	27.022
AEIFOROS SA	7.149	7.149	17.088	17.088
SIDMA Bulgaria S.A.	-	-	-	156.115
ELVALHALCOR S.A.	14.903	14.903	-	-
CORINTH PIPEWORKS S.A.	153.779	153.779	112.500	112.500
ATTICA METALIC WORKS S.A.	369.883	369.883	419.756	419.756
TEKA SYSTEMS S.A.	2.146	2.146	-	-
ANTIMET S.A.	821.368	821.368	732.797	732.797
HELLENIC CABLES S.A.	21.985	21.985	56.615	56.615
ETEM SA	158	158	-	-
VIOMAL S.A.	151.749	151.749	140.868	140.868
SIDMA ROMANIA SRL		5.978	-	-
ANAMET SA	17.087	17.087	11.399	11.399
FITCO SA	9.069	9.069	10.274	10.274
SIGMA AD	-	-	83.387	-
ELVALHALCOR S.A.	168.305	168.305	839.082	839.082
DIA.VI.PE.THI.V. SA	720	720	265	265
VIANATT SA	615	615	7.849	7.849
SYMETAL S.A.	365	365	35.021	35.021
SIDERAL SHPK	6.708	6.708	-	-
DOJRAN STEEL DOO	-	-	5.121	5.121
FULGOR SA	601.789	601.789	360.726	360.726
ECORESET SA	18.442	18.442	5.985	5.985
ERGOSTEEL	8.222	8.222	68.821	68.821
VEPAL SA	492	492	-	-
EPIRUS METALWORKS SA	423.743	423.743	-	-
ICME ECAB SA	71.561	-	167.782	-
ETEM BULGARIA SA	-	-	3.738	3.738
AEIFOROS BULGARIA S.A.	23.446	-	26.725	-
THERMOLITH S.A.	-	-	1.009	1.009
SOFIA MED AD	59.423	2.565	87.473	9.830
Σύνολο	**3.852.074**	**3.194.589**	**3.637.899**	**3.225.171**

Other Income

Company	01/01-31/12/2020 Group	01/01-31/12/2020 Company	01/01-31/12/2019 Group	01/01-31/12/2019 Company
SIDENOR STEEL INDUSTRY SA	1.416.046	1.416.046	1.537.258	1.537.258
SOVEL S.A.	1.064	1.064	260	260
STOMANA S.A	464.983	-	414.221	-
ETIL S.A.	55	55	230	230
ERLIKON WIRE PROCESSING S.A.	254.201	254.201	241.302	241.302
SIDMA Bulgaria S.A.		6.409	-	-
ELVALHALCOR S.A.	103.158	103.158	-	-
CORINTH PIPEWORKS S.A.	351.371	351.371	500.935	500.935
TEKA SYSTEMS S.A.	2	2	-	-
HELLENIC CABLES S.A.	210	210	330	330
ETEM SA	50	50	-	-
SIDMA ROMANIA SRL		6.107	-	-
ANAMET SA	68	68	88	88
ELVALHALCOR S.A.	248.744	248.744	171.307	171.307
VIANATT SA	843	843	1.514	1.514
FULGOR SA	11.700	11.700	3.486	3.486
ECORESET SA	1.124	1.124	99	99
ERGOSTEEL S.A.	230	230	3.400	3.400
VEPAL SA	40	40	-	-
SIDEROM STEEL SRL	117.790	-	351.804	-
ANTIMET S.A.	-	-	1.560	1.560
AEIFOROS SA	-	-	130	130
THERMOLITH S.A.	-	-	55	55
SYMETAL S.A.	-	-	840	840
VIOMAL S.A.	-	-	23	23
Σύνολο	**2.971.678**	**2.401.421**	**3.228.842**	**2.462.817**

Purchases

Company	01/01-31/12/2020 Group	01/01-31/12/2020 Company	01/01-31/12/2019 Group	01/01-31/12/2019 Company
SIDENOR STEEL INDUSTRY SA	403.717	403.717	808.416	808.416
STOMANA S.A	16.449.951	4.466.295	20.160.818	7.337.019
ERLIKON WIRE PROCESSING S.A.	17.053	17.053	17.659	17.659
SIDMA Bulgaria S.A.		34.968	-	-
CORINTH PIPEWORKS S.A.	888.426	875.148	41.908	38.001
SIDMA Romania S.R.L.		-	-	-
ELVALHALCOR S.A.	165.102	165.102	99.877	99.877
LESCO LTD	12.031	12.031	-	-
METALCO BULGARIA S.A.	-	-	1.704	-
PROSAL TUBES S.A.	-	-	13.221	-
SIDEROM STEEL SRL	2.940.402	-	8.794.621	-
Σύνολο	**20.876.682**	**5.974.315**	**29.938.224**	**8.300.972**

Other Expenses

Company	01/01-31/12/2020 Group	01/01-31/12/2020 Company	01/01-31/12/2019 Group	01/01-31/12/2019 Company
ETIL S.A.	300	300	-	-
SIDMA BULGARIA SA		155	-	-
ELVALHALCOR S.A.	4.286	4.286	-	-
TEKA SYSTEMS S.A.	76.112	60.815	77.854	62.046
ANTIMET AEANTIMET S.A.	100.650	100.650	76.022	76.022
VIEXAL S.A.	1.055	1.055	6.992	5.123
Steelmet Property Services S.A.	6.297	6.297	200	200
ELVALHALCOR S.A.	2.804	2.804	14.838	14.838
SIDERAL SHPK	10.528	10.528	26.001	26.001
METALCO BULGARIA S.A.	9.744	-	3.409	-
METALIGN	298.390	298.390	304.686	304.686
VIENER SA	403.501	403.501	339.764	339.764
ETEM BULGARIA SA	-	-	1.728	1.728
ICME ECAB SA	1.570	-	1.218	-
STEELMET S.A.	-	-	45.652	45.652
Σύνολο	**915.236**	**888.780**	**898.364**	**876.060**

Fixed Assets Purchases

Company	01/01-31/12/2020 Group	01/01-31/12/2020 Company	01/01-31/12/2019 Group	01/01-31/12/2019 Company
TEKA SYSTEMS S.A.	34.847	34.847	19.996	8.225
VITROUVIT SA	5.430	5.430	-	-
STEELMET S.A.	1.318	1.318	-	-
HELLENIC CABLES S.A.	-	-	3.879	3.879
Σύνολο	**41.595**	**41.595**	**23.875**	**12.104**

Sales of Fixed Assets

Company	01/01-31/12/2020 Group	01/01-31/12/2020 Company	01/01-31/12/2019 Group	01/01-31/12/2019 Company
VIOMAL S.A.	-	-	50	50
ELVALHALCOR S.A.	11.713	11.713	50.000	50.000
Σύνολο	**11.713**	**11.713**	**50.050**	**50.050**

Payables

Company	01/01-31/12/2020 Group	01/01-31/12/2020 Company	01/01-31/12/2019 Group	01/01-31/12/2019 Company
SIDENOR STEEL INDUSTRY SA	9.988.060	9.988.060	12.304.673	12.304.673
STOMANA S.A	5.046.828	984.634	6.171.244	2.060.878
ETIL S.A.	363	363	-	-
ERLIKON WIRE PROCESSING S.A.	1.605.755	1.605.755	2.512.907	2.512.907
SIDMA BULGARIA SA		141	-	(14)
ELVALHALCOR S.A.	2.103	2.103	33.910	33.910
CORINTH PIPEWORKS S.A.	3.926.705	3.918.364	7.018.240	7.015.776
TEKA SYSTEMS S.A.	48.996	42.008	17.317	13.395
ANTIMET S.A.	63.110	63.110	29.671	29.671
VITROUVIT SA	2.954	2.954	-	-
ELVALHALCOR S.A.	17.872	17.872	-	-
Etem Gestamp Aluminium Extrusions	1.876	1.876	1.876	1.876
METALIGN	(8.118)	(8.118)	31.484	31.484
VIENER SA	40.036	40.036	28.675	28.675
LESCO LTD	12.031	12.031	-	-
ICME ECAB SA	166	-	125	-
SIDERAL SHPK	-	-	7.318	7.318
SIDEROM STEEL SRL	3.120.829	-	5.336.060	-
HELLENIC CABLES S.A.	-	-	5.841	5.841
STEELMET S.A.	-	-	56.609	56.609
Steelmet Property Services S.A.	-	-	248	248
Σύνολο	**23.869.569**	**16.671.190**	**33.556.198**	**24.103.247**

Receivables

Company	01/01-31/12/2020 Group	01/01-31/12/2020 Company	01/01-31/12/2019 Group	01/01-31/12/2019 Company
SIDENOR STEEL INDUSTRY SA	39.991	39.991	104.642	104.642
SOVEL S.A.	87.036	87.036	31.130	31.130
STOMANA S.A	85.379	-	11.731	-
ETIL S.A.	43.524	43.524	83.212	83.212
ERLIKON WIRE PROCESSING S.A.	(41.119)	(41.119)	23.712	23.712
EPIRUS METALWORKS SA	(6.750)	(6.750)	-	-
AEIFOROS SA	2.608	2.608	5.217	5.217
ELVALHALCOR S.A.	40.291	40.291	-	-
CORINTH PIPEWORKS S.A.	70.729	70.729	79.261	79.261
ANTIMET S.A.	1.344.589	1.344.589	974.896	974.896
HELLENIC CABLES S.A.	4.927	4.927	3.056	3.056
VIOMAL S.A.	64.046	64.046	30.927	30.927
SIDMA Romania S.R.L.	0	0	-	-
ANAMET SA	8.783	8.783	5.958	5.958
FITCO SA	6.164	6.164	-	-
SIDMA WORLDWIDE (CYPRUS) LIMITED	837	2	-	2
ELVALHALCOR S.A.	93.774	93.774	212.425	212.425
SYMETAL S.A.	345	345	2.164	2.164
PROSAL TUBES SA	30	30	30	30
DOJRAN STEEL LTD	127	127	127	127
FULGOR SA	422.845	422.845	103.523	103.523
ECORESET SA	14.583	14.583	7.159	7.159
ERGOSTEEL S.A.	2.214	2.214	2.025	2.025
VEPAL SA	660	660	-	-
ETEM BULGARIA SA	(1)	(1)	(1)	(1)
SOFIA MED AD	2.282	-	2.401	-
ETEM SH.P.K.	(1.066)	(1.066)	(1.066)	(1.066)
ICME ECAB SA	19.962	-	60.697	-
SIDEROM STEEL SRL	39.716	-	213.442	-
SIGMA AD	-	-	17.880	-
DIA.VI.PE.THI.V. SA	-	-	123	123
VIANATT S.A.	-	-	8.492	8.492
ATTICA METALIC WORKS S.A.	-	-	99.632	99.632
Σύνολο	**2.346.505**	**2.198.331**	**2.082.795**	**1.776.646**

C.8 Post Balance Sheet Events

➢ **Disbursement of common bond loans**

On 5.2.2021, the following common bond loans were disbursed:

(a) common secured bond loan for forty-four million six hundred thirty-five thousand euro (€44,635,000), which was subscribed by the banks "NATIONAL BANK OF GREECE S.A.", "EUROBANK S.A.", "ALPHA BANK S.A." και "PIRAEUS BANK S.A." as initial bondholders,

(b) common secured bond loan for seven million one hundred seventy-seven thousand euro (€7,177,000), which was subscribed by the banks "NATIONAL BANK OF GREECE S.A." and "EUROBANK S.A.", as initial bondholders,

(c) common secured bond loan for twenty-four million nine hundred eighty thousand euro (€24,980,000), which was subscribed by the banks "NATIONAL BANK OF GREECE S.A.", "EUROBANK S.A.", "ALPHA BANK S.A." and "ATTICA BANK S.A." as initial bondholders,

as set out in the contractual documents for the issuance of the above bond loans, which were signed on 16 October 2020, and as a result:

i. Short term bank obligations amounting to the sum of €72.6 million were reclassified as long-term obligations of the Company and the Group, consequently improving the Group's and the Company's working capital by the same amount. The sum payable within a period of 12 months for said bank obligations now amounts to €3.4 million and remains in the short-term debt of the company.
ii. The earnings of the Company and the Group were charged issuance costs amounting to €576 thousand.
iii. The new loan obligations are measured at fair value in accordance with the requirements of IFRS 9. The valuation of the loan obligations at their fair value results in the reduction of the loan obligations by €16.3 million and the increase of the Company's and the Group's equity by approximately €12.4 million (including the corresponding deferred tax amounting to €3.9 million.).

If the transaction had been concluded on 31/12/2020, the brief Statement of Financial Position would be as follows:

	Company			Group		
€' 000	**Published Financial Statements 31/12/2020**	**Refinancing Effect**	**Adjusted Financial Statements 31/12/2020**	**Published Financial Statements 31/12/2020**	**Refinancing Effect**	**Adjusted Financial Statements 31/12/2020**
Non Current Assets	55.609.442	-	55.609.442	56.118.230	-	56.118.230
Current Assets	76.046.719	-	76.046.719	87.396.796	-	87.396.796
Total Assets	**131.656.161**	**-**	**131.656.161**	**143.515.026**	**-**	**143.515.026**
Total Shareholders Equity	**3.512.870**	**12.392.487**	**15.905.357**	**(13.251.241)**	**12.392.487**	**(858.754)**
Non Current Debt	1.263.191	55.742.156	57.005.347	8.407.186	55.742.156	64.149.342
Differed Tax Liabilities	4.101.452	3.913.417	8.014.869	4.249.437	3.913.417	8.162.854
Other Non Current Liabilities	870.894	-	870.894	906.860	-	906.860
Non Current Liabilities	**6.235.537**	**59.655.573**	**65.891.110**	**13.563.483**	**59.655.573**	**73.219.056**
Current Debt	93.127.077	(72.624.000)	20.503.077	106.744.358	(72.624.000)	34.120.358
Other Current Liabilities	28.780.677	575.940	29.356.617	36.458.426	575.940	37.034.366
Current Liabilities	**121.907.754**	**(72.048.060)**	**49.859.694**	**143.202.785**	**(72.048.060)**	**71.154.725**
Total Liabilities & Shareholders Equity	**131.656.161**	**-**	**131.656.161**	**143.515.027**	**-**	**143.515.027**
Working Capital	**(45.861.035)**	**72.048.060**	**26.187.025**	**(55.805.988)**	**72.048.060**	**16.242.072**

Following the abovementioned disbursements, the restructuring and refinancing of the Company's existing debt obligations were successfully completed.

- **Ongoing impact of COVID-19 pandemic**

Like in 2020, the growth potential of the current year will be determined mainly by the duration and the intensity of the COVID-19 pandemic. The Greek economy, like the economies of all countries globally, remains exposed to disturbances of the demand and potentially of the supply. The state budget for 2021 predicts the return of the Greek economy in a sustainable growth trajectory from the second quarter of 2021. The European Commission's winter 2021 economic forecast (February 2021), predict a 3.5% growth of the Greek economy within 2021. According to the latest quarterly report of the Foundation for Economic & Industrial Research (IOBE) (04/2020), if the crisis starts to gradually subside from the first quarter of 2021, with no new outbreaks, and simultaneously the absorption target of funds from the European Recovery Fund is achieved, a 4.0-4.3% recovery of the Greek economy is expected, whereas in case of faster remission of the pandemic and recovery of economic activity internationally, the recovery of Greek economy will be at the range of 5.0-5.3%. However, the forecasts involve a high degree of uncertainty since the economic developments are correlated with the evolution and the duration of the health crisis.

For 2021, SIDMA STEEL S.A. continues to focus on the safety of its personnel and partners, taking all the necessary precautionary measures. The Company's management follows the developments, assesses the risks and takes all necessary actions in order to mitigate, as much as possible, any impact caused by the unstable environment of the pandemic and uninterruptedly continue its operations and services to its customers.

- **Share Capital Increase of the subsidiary SIDMA ROMANIA.**
  According to the minutes of the meeting of the Board of Directors of the Company of January 15, 2021, it was decided to increase the nominal capital of the subsidiary SIDMA WORLDWIDE (CYPRUS) LIMITED by € 2.5 million which in turn will participate in the increase of the Share Capital of the Romanian subsidiary "SIDMA ROMANIA SRL".

C.9 Statement of Corporate Governance

This Corporate Governance Statement is prepared in accordance with article 152 of Law 4548/2018, as it is in force, and is part of the Annual Management Report of the Company's Board of Directors. Reference date of the Statement of Corporate Governance is the 31.12.2020

INTRODUCTION
The term "corporate governance" describes the way in which companies are managed and audited.
In Greece, the corporate governance framework has been developed mainly through the adoption of binding rules, such as Law 3016/2002 and the Hellenic Capital Market Commission Decision No 5/204/2000, that, inter alia, require the participation of non-executive and independent non-executive members in the Board of Directors of Greek listed companies, the establishing and functioning of an Internal Audit Unit and the adoption of internal rules of operation with minimum mandatory content in accordance with the above provisions as well as Law 4449/2007, as amended by Law 4706/2020 and in force, which requires public interest entities to establish and maintain an Audit Committee.

Finally, yet importantly, the law on Sociétés Anonymes (Law 4548/2018 as amended and in force) provides the basic rules of corporate governance of Sociétés Anonymes.

The provisions of articles 1-24 of Law 4706/2020 on corporate governance will enter into force on July 17, 2021. From the entry into force of articles 1-24 of Law 4706/2020, the provisions of articles 1 to 11 of Law 3016/2002, as well as any other provision of law or regulation that is contrary to the provisions of articles 1-24 of Law 4706/2020 will be repealed. The Company has taken all necessary measures to ensure its compliance with the provisions of articles 1-24 of Law 4706/2020 at the time of their entry into force.

C.9.1 Code of Corporate Governance

Disclosure of the Company's voluntary compliance with the Corporate Governance Code

The Company has voluntarily decided to adopt the Hellenic Corporate Governance Code which was drafted at the initiative of the Hellenic Federation of Enterprises (SEV) and was subsequently amended in the context of its first review by the Hellenic Corporate Governance Council (HCG Council) on 28 June 2013 (hereinafter referred to as "Code"). This Code is available at the following on-line address:
http://www.sev.org.gr/Uploads/pdf/kodikas_etairikis_diakivernisis_GR_20131003.pdf

Deviations from the Corporate Governance Code and their justification. Special provisions - practices of the Code for listed companies - not applied by the Company and explanation of the reasons for non-application

First, with this statement, the Company confirms that it fully adheres to the provisions of Greek law which set out the minimum requirements to be met by any Corporate Governance Code that is applied by a company, whose shares are traded only on a regulated market in Greece.

These minimum requirements are incorporated in the aforementioned Code that is applied by the Company, but this Code also contains a number of additional (to minimum requirements) special provisions.

The Company deviates **from or does not apply in full** certain provisions of the Code, concerning "Special practices for listed companies".

These deviations are detailed below. We note that the following includes exceptions for special practices for smaller listed companies, which are not included in the FTSE / ATHEX 20 and FTSE / ATHEX Mid 40 indices, for which the Code provides in Annex 1 the possibility of their exception from the obligation to explain the non-compliance with them.

Regarding the Board of Directors and its members
Role and responsibilities of the Board
- The Board of Directors has not established one or two separate special committees that would oversee coordinating the process of nomination of Board Members and submitting proposals to the Board regarding the remuneration of executive members and key executives, given that the Company's policy with respect to this remuneration is fixed and formed, and secondly because in view of the Company's size, the existence of such committees is not considered as indispensable. A I (1.2).

However, it is noted that the Company is aware of the provisions of Law 4706/2020 regarding the obligation to establish a Remuneration Committee and a Nomination Committee, which shall apply from July 17, 2021, and intends to comply with them by the time the entry into force of the relevant provisions.

Size and composition of the Board
- There are two (2) independent non-executive members according to the requirements of article 3 para.1 of L.3016/2002 and consequently there are not at least 3 i.e. 1/3 of the 9-member Board, defined by the specific practices in the Code. A II (2.3).

Independence of Board members
One (1) independent non-executive Board Member has served as Board Member for over twelve (12) years from the date of its first election. A II (2.5).

Role and qualifications of the Chairman of the Board of Directors
- The Board does not appoint one of its independent members as Vice-Chairman, but an executive Vice-Chairman, as the Chairman of the Board is both a non-executive member and a person other than the Managing Director. A III (3.3 & 3.4).

Nomination of members of the Board of Directors

- No Nomination Committee has been established, as it is not considered necessary for the time being, due to the structure and operation of the Company. A V (5.4 to 5.8).

However, it is noted that the Company is aware of the provisions of Law 4706/2020 regarding the obligation to establish a Nomination Committee, which shall apply from July 17, 2021, and intends to comply with them by the time the entry into force of the relevant provisions.

Functioning of the Board of Directors

- There is currently no provision for any support of the Board in the performance of its duties by a competent, specialised and experienced corporate secretary, as his/her main duties are assigned to other services of the Company. A VI (6.2, 6.3).
- The Chairman of the Board does not meet regularly with the non-executive members of the Board without the presence of executive members to discuss the performance and remuneration of the latter, since all related matters are discussed in the presence of all Board members without discrimination. A VI (6.5).
- There is no provision for continuing vocational training programs, as the board members have sufficient and proven experience as well as organizational / managerial skills. However, the new members of the Board of Directors attend an induction session and interact with the Company's executives on a regular basis. A VI (6.6).

Evaluation of the Board of Directors

- No procedure has been established for the evaluation of the effectiveness of the Board of Directors and its committees or for the evaluation of the performance of the Chairman of the Board (led by the independent vice-chairman, if appointed, or by another non-executive board member). Apart from the evaluation of the Board of Directors by the annual Ordinary General Meeting of shareholders based on the Annual Management Report, the Board monitors and reviews the implementation of its decisions annually. Subject to the above, there is no evaluation system for the Board and the committees. A VII (7.1, 7.2 and 7.3).

Internal audit system

No specific funds are made available to the Audit Committee for the use of services by external consultants, as the composition of the Committee and the specialized knowledge and experience of its members ensure its efficient operation. B I (1.9).

Remuneration

Level and structure of remuneration

The overall remuneration of the Chairman of the Board, the Managing Director as well as the Board members, both executive and non-executive ones, is approved by the Ordinary General Meeting of shareholders and it is adequately disclosed in the financial statements under IAS 24. No remuneration report is disclosed in the corporate governance statement. C I (1.1 – 1.11).

- No bonuses are provided in the Company's contracts with the executive Board members who hold contracts with the Company. C I (1.3)
- There has been agreed no "compensation package" or variable remuneration for any member of the Board of Directors.

No Remuneration Committee has been established, as it is not considered necessary for the time being, due to the structure and operation of the Company. C I (1.6 to 1.9).

C.9.2 Corporate governance practices applied by the Company in addition to the provisions of the law

The Company fully adheres to the provisions of the relevant corporate governance legal framework. No additional practices are applied.

C.9.3 Main Features of the Internal Audit and Risk Management Systems in relation to the of Financial Statements preparation process and Financial Reporting

The Internal Audit and Risk Management System of the Company in relation to the procedure of preparing financial statements and financial reports includes safeguards and control mechanisms at various levels within the Organization, as described below:

Adequacy of the Internal Audit System:

The Management has designed and performs ongoing supervisory activities, which are integrated into the Company's operations and which ensure that the Internal Audit System maintains its effectiveness over time. The Company also carries out periodic individual evaluations of the suitability of the Internal Audit System, which are mainly implemented through the Internal Audit Unit.

Internal Audit Unit

The Company has established and maintains an independent Internal Audit Unit, according to art. 7 & 8 of Law 3016/2002, which among other things ensures the effectiveness of the risk identification and management procedures applied by the Management as well as the quality and reliability of the information provided by the Management to the Board regarding the Internal Audit System. The Internal Audit Unit informs the Board of Directors in writing about the results of its work on a quarterly basis, which include the identification of the most relevant risks and the measures that must be taken to tackle such risks as well as the effectiveness of the Internal Audit System. The Internal Auditor is appointed by the Board of Directors of the Company, his employment is full-time and on an exclusive basis, reports functionally to the Board of Directors directly and is supervised by the Audit Committee.

In performing its duties, the Internal Auditor is entitled to inspect any record, archive or file of the Company and have full and unhindered access to any unit or department of the Company or its subsidiaries. The members of the Board of Directors and the executives of the Company must cooperate and provide information to the Internal Auditor and generally facilitate its work in any way.

The adequacy of the Internal Audit System is monitored on a regular basis by the Audit Committee, which is established in accordance with article 44 of Law 4449/2017 by means of interactive communication with the Internal Audit Service and the management of the Company. In particular:

a) The Internal Auditor shall meet with the Audit Committee on a quarterly basis to discuss matters within his / her competence, as well as the outcome of the internal audits.

b) The Audit Committee presents and submits to the Board of Directors the reports of the Internal Auditor as well as its annual report along with its observations, which concerns, among others, the adequacy of the Internal Audit System.

c) The Management has elaborated and performs supervisory activities on a continuous basis, which ensure that the Internal Audit System maintains its effectiveness over time. In this context, the Company also carries evaluation of the adequacy of the Internal Audit System out on a periodical basis, which is implemented mainly by the Internal Audit Unit. In addition, the quality of the audit work is ensured through external review by recognized audit firms at least every three years.

Internal Rules of Operation

The Company has drafted relevant Internal Rules of Operation, which are approved by the Board of Directors. Within the framework of the Rules, the role and responsibilities of key jobs are defined, thus promoting the adequate separation of responsibilities within the Company. The Company's Internal Rules of Operation have the minimum content referred to in article 6 of Law 3016/2002, as in force, and the Code adopted and implemented by the Company.

The Company is aware of the amendment of the minimum content of the Internal Rules of Operation as of the entry into force of Law 4706/2020 and is currently preparing the adaptation of its Internal Rules of Operation.

Risk management relating to preparation of financial statements and financial reporting. Rules of Procedure of the Audit Committee:

The Company has adopted an Audit Committee Regulation, which is approved by the Board of Directors and is published on its website. The Audit Committee Regulation is drafted in accordance with the circular of the Hellenic Capital Market Commission no. 1302 / 28.04.2017 and covers the composition, the role, the responsibilities and the way of operation and evaluation of the Audit Committee as defined by the said circular, article 44 of Law 4449/2017 and the Code adopted and implemented by the Company.

Risk identification, assessment, measurement, and management:

The identification and assessment of risks takes place mainly by elaborating the strategic plan as well as the annual business plan. The issues addressed vary depending on the market and the company's conditions, including developments and trends in the industry in which the company operates. The Board carries out an annual review of the corporate strategy, main business risks and Internal Audit Systems.

Planning and monitoring / Budget:

The Company elaborates a detailed budget. The progress of the company's financial figures largely depends on external factors such as the raw material prices and other market factors. For this reason, the budget is adjusted at regular intervals to take account of any changes. The Management monitors the development of the company's financial figures through regular budget reports and comparisons as well as through meetings of the management team.

Safeguards for the preparation of financial statements and financial reporting

The Company has developed appropriate policies and procedures. To manage all risks related to the preparation of the Company's financial statements and financial reporting. As part of the process of preparing the financial statements, the Company has introduced safeguards, which include the use of commonly accepted tools and methodologies based on international practices. The main areas covered by the safeguards relating to the preparation of the Company's financial reports and financial statements are as follows:

Organization - Distribution of Responsibilities

- The assignment of responsibilities and powers to both the top-level Management of the company and to the middle and lower-level managers ensures that the effectiveness of the Internal Audit System is enhanced, while preserving the required separation of responsibilities.
- Appropriate staffing of financial department with individuals who have the necessary technical knowledge and experience for carrying out the duties assigned to them.

Accounting and financial reporting procedures

- Training and provision of information to staff involved in the preparation of the Financial Statements.
- Automated checks and inspections carried out between different information systems.
- The Management's judgements and estimates required for the preparation of financial statements are reviewed at each financial reporting period, in relation to the risks identified.

Internal audit procedures of financial statements

- The internal audit in the preparation procedure of financial statements is designed in such a way that the management's claims are confirmed, by specific processes, against those of third parties and the external auditors on the individual items in the financial statements, that are:

For the Balance Sheet: the existence and ownership of the data, the completeness, the consistent with the accounting framework measurement and classification.

For the Results: The existence of the transaction, the accrual-based accounting, the completeness, the accuracy and the classification based on the accounting framework.

Asset retention procedures

- Existence of safeguards for fixed assets, stocks, available funds - cheques and other company assets, including but not limited to physical security of the treasury and warehouses, the inventory and comparison of the measured quantities with those of accounting records, the adequate security of assets and others.

C.9.4 Board of Directors

Composition of the Board of Directors

The current Board of Directors of the Company consists of nine (9) members, which were elected by the Ordinary General Meeting on 3.12.2020 as follows:

Panagiotis Bitros - Chairman

Mr. Bitros has been managing the family business of trading in steel products since 1960, which he developed into the Business Group of BITROS HOLDINGS SA. He has been a member of the Board. of PIRAEUS Bank and ETVA. In parallel with his business activity, he developed a remarkable activity in the field of employers' trade unionism, financing for a number of years a Member of the Board. of S.E.V. and President of the Piraeus Chamber of Commerce and the Hellenic Chamber of Commerce. Today he holds the positions of Chairman of the Board. of BITROS HOLDINGS and the President of the Association of Importers / Exporters of Steel Products.

Daniel Benardout - Vice Chairman

Civil Engineer (BSc, MSc) from Technion Institute of Technology (Israel). He also holds an executive MBA from the Athens University of Economics and Business. He joined SIDMA in 1981.

Antonis Karadeloglou - CEO and Member of the Board

Chemist graduated from the University of Patra and worked for Viohalco Group Companies since 1985. He joined SIDMA in 2010.

Nikolaos Mariou - Member of the Board

Chemist, graduate of Athens University and holds a postgraduate degree in Biochemical Engineering from University College London, as well as an MBA from Imperial College London. His previous experience was as Area Sales Manager at VIORYL SA, as Category Marketing Manager at COLGATE

PALMOLIVE HELLAS, as Marketing & Exports Manager at P.D. PAPOUTSANIS SA and as Deputy General Manager at APIVITA SA. Mr. Mariou was Commercial Manager of SIDENOR STEEL INDUSTRY S.A. from 2004 to 2007. He currently holds the position of the General Manager of SIDENOR STEEL INDUSTRY S.A.

Victor Pisante - Member of the Board

Mr. Pisante holds a Bachelor of Arts in Economics and International Relations from Brown University and a Master of Business Administration in Finance from the New York University Graduate School of Business Administration. Mr. Pisante co-founded Bluehouse in 2004 and as director of the Company, is primarily responsible for establishing Bluehouse's investment strategy, finance and operations. Prior to founding Bluehouse, Mr. Pisante was a Founder and Managing Director of the Telesis Group of companies, a leading independent investment banking, asset management and brokerage group in Greece. After the merger of Telesis with EFG Eurobank S.A., Mr. Pisante was appointed Chief Executive Officer of EFG Telesis Finance S.A. and General Manager of EFG Eurobank S.A. and was elected a member of its Executive Committee. Prior to founding Telesis, Mr. Pisante worked as an associate in the M&A and corporate finance departments of Bear Stearns in New York.

Stavros Gatopoulos - Member of the Board

Graduate in the Law School of the University of Athens. He was an Advisor to the Mayor of Agia Paraskevi as well as Director of the Association of Commercial Associations of Greece. Since 1992 he holds senior management positions in the companies of the BITROS HOLDINGS S.A.

Michael Samonas - Member of the Board

BSc graduate in Applied Accounting from Oxford Brooks University (U.K) as well as a BSc in Physics from Aristotle University of Thessaloniki. He also holds an MBA from University of LaVerne and a PhD from the Electronic and Electrical Engineering Department of the University of Surrey (U.K.). He is a qualified member of the Association of Chartered Certified Accountants (ACCA) and joined the company in 2004.

Minos Moissis - Independent Member of the Board

Graduate in Mathematics from the University of Athens and a postgraduate degree in Actuarial Science from the Heriot - Watt University at Great Britain.Mr. Moissis has extensive experience in managing companies of the financial sector. From 1998 to 2001 he was employed in Interamerican at several senior positions and from 2001 to 2004 he served as the Managing Director of the Group. From 2005 to 2010 he worked in the Group of the National Bank of Greece, where he initially introduced and developed bancassurance activities and was then appointed as General Manager of Retail Banking, Retail Branch Network, Business Development and Corporate Communication Unit. From 2011 to 2013 he was employed in Emporiki Bank (Credit Agricole Group) as General Manager Retail Banking and Corporate Development. From 2013 he works as a freelancer expertised in consulting services concerning insurance and banking matters.

Georgios Katsaros - Independent Member of the Board

Graduate of the Economics department of the Law School of the University of Athens. He also holds a Master's degree in Industrial Economics from Sussex University (U.K.) and an MBA from INSEAD (France). He has been working as Administration Consultant in EFG Eurobank Ergasias since 2003.

Based on the above composition, the Board of Directors is comprised of three (3) executive and six (6) non-executive members, two (2) of which are independent members, about whom the Board considers that they maintain its independence, based on the definitions of the Code.

The Board's term starts on the day following the election of its members, i.e. on 04.12.2020 and ends on the day of the Ordinary General Meeting of the year 2021 and the taking of the resolution of such Ordinary General Meeting.

Duties and liability of members of the Board of Directors

The role, the duties, and liabilities of the members of the Board of Directors are determined in the Company's articles of association and the Internal Rules of Operation.

The Board of Directors represents the Company judicially and extra-judicially and is responsible for any act concerning the management of the Company, the administration of its assets and the general pursuit of its corporate purpose, without any restrictions or reservations, for any matter that is not in the competence of the General Meeting of Shareholders according to the provisions of the law or the Articles of Association.

In particular, the Board of Directors is responsible for the following matters, and the list is indicative only and not restrictive, and does not affect the above general principle:

A) convenes the General Meetings of shareholders at its discretion or compulsory at the request of shareholders or auditors in accordance with the law, determines the agenda of the General Meetings of shareholders, keeps the minutes book, prepares the annual financial statements submitted to the General Meeting of shareholders and especially the annual financial statements of the Company, prepares all kind of reports on corporate affairs that are submitted to the General Meeting of shareholders and submits proposals on dividend distribution.

B) determines the regulations of the departments and units of the Company, the general management expenses, appoints the directors and other staff and determines their duties and remuneration (except for Board Members), appoints the Company's proxies, lawyers or not, determines the type and terms and conditions of securities issued by the Company, and more specifically the number of shares or bonds incorporated in each title, as well as the methods of placing reserves.

C) makes any decision, on any terms it deems in the best interest for the Company, relating to purchases and sales of immovable property, leases and leases of movable and immovable property, labour or works contracts, establishment and regulation of horizontal ownership, borrowing (with the exception of bond loan), granting credits and guarantees to any third party (Government, Banks, Organizations and other natural or legal persons), in favour of natural or legal persons, with whom the Company enters into a transaction and if this is within the corporate purpose, subject to always of the provisions of article 19 and 99 et seq. of Law 4548/2018, as in force, provides mortgages, as well as pledges on the Company's movable property, exchanges, deposits, deposits of the Company's liquid assets in Banks, or in other natural or legal persons and withdrawals of such deposits, orders, assignments, guarantees, seizures, pledges, supplies, auctions, orders, security rights, relocations, charters, issues and receipts and endorsements of bills of exchange and bills of exchange, checks and credit securities and orders, debit accounts, discharges of mortgage and prenotation of mortgage, releases attached property, brings actions in court, files statements of defence, terminates judicial proceedings, files any means of appeal, waives its right to submit any means of appeal takes oath or requests evidence under oath, files objections and announcements of proceedings, brings criminal proceedings, and performs any judicial and extrajudicial act that lies in the nature and purpose of the Company, and that concerns the administration or management of this property, as well as its participation in existing or newly established related companies of any kind.

The Board of Directors may, by its decision, entrust the exercise of all or some of its rights and powers relating to the administration, management and representation of the Company to one or more persons, apart from the powers that require collective action, irrespective of whether these persons are or are not members of the Board. Such persons may, if provided by the relevant decisions of the Board of Directors, further delegate the exercise of the powers assigned to them or part of them to other or third parties. The title and responsibilities of each of these persons is always determined by the decision of the Board of Directors to appoint them.

The Chairman of the Board of Directors presides over the Board, directs its work, chairs the meetings, accepts any shareholders' request provided by law and performs any other act within its competence or following authorization by the Board of Directors. If the President is absent or indisposed, it is replaced by the Vice-President or the Chief Executive Officer.

Each member of the Board of Directors is liable to the Company in relation to the management of the corporate affairs for any damage suffered due to any act or omission that constitutes breach of duty. Members of the Board are liable themselves if the balance sheet contains omissions or false statements that conceal the actual situation of the Company. This responsibility does not exist if the member proves that it followed the due care and diligence of a prudent businessperson. Such due care and diligence is assessed on the basis of the capacity of each member and the duties incumbent on it. In addition, members of the Board are not liable for any acts and omissions based on lawful decisions of the General Meeting of shareholders or related to a reasonable business decision taken in good faith, based on sufficient information and solely in the shareholders' interest.

Meetings of the Board of Directors

The Board of Directors meets at the Company's headquarters in accordance with the law or the Articles of Association or where the needs of the Company so require and it is convened by the Chairman or the Vice-Chairman deputizing for the Chairman on a day and time specified by him, on invitation notified to its members at least two (2) working days before the meeting and at least five (5) working days if the meeting is to be held outside the Company's Headquarters. The invitation must also clearly indicate the items on the agenda, otherwise decision-making is allowed only if all members of the Board of Directors are present or represented and no one objects to the decision-making. Besides the Chairman or the Vice-Chairman, the convening of the Board of Directors may be requested by two (2) of its members through an application form addressed to the Chairman or his alternate, who are obliged to convene the Board to meet within seven (7) days from the submission of the request. Moreover, the application form must, by penalty of inadmissibility, clearly outline the topics to be discussed at the Board. If the Board of Directors is not convened by the Chairman or his alternate within the above deadline, the members who have requested the convening may convene the Board of Directors themselves within five (5) days from the expiry of the above (7) seven-day period, announcing the relevant invitation to the other members of the Board of Directors.

The Board of Directors may meet by teleconference (for some or all of its members), in accordance with the provisions of paragraph 4 of article 90 of Law 4548/2018. In this case, the invitation to the members of the Board of Directors includes the necessary information for their participation in the meeting. The technical details and security specifications for the teleconference meetings are approved by decision of the Board of Directors.

In the year 2020, 52 meetings of the Board of Directors were held. Of these, 9 took place at the Company's offices, of which 6 were attended by all its members and the remaining were attended by 8 members out of 9. The remaining 43 Board of Directors' resolutions have been passed as resolutions by circulation of which 23 were attended by all its members and the remaining were attended by 5 το 7 members out of 9.

C.9.5 Audit Committee

The Company, in compliance with the provisions and requirements of Law 4449/2017, has set up an Audit Committee to support the Board with its duties relating to financial reporting, internal audit and the supervision of the statutory audit.

The Audit Committee was elected by the Extraordinary General Meeting of the Company's Shareholders held on December 3, 2020, in accordance with the provisions of article 44 of Law 4449/2017, as in force, as an independent committee, consisting of non-executive members of the Board of Directors and third parties and its composition is as follows:

1. Avraam E. Moysis, President of the Audit Committee – Independent non-executive member of the Board
2. Georgios S. Katsaros, Member of the Audit Committee – Independent non-executive member of the Board
3. Panayotis K. Konstantinou, Member of the Audit Committee – Third party

All members of the Audit Committee possess sufficient knowledge in the various areas of activity of the Company. In addition, most of the elected members meet the criteria of independence of article 4 of Law 3016/2002, while at least one member, Mr. George Katsaros, has sufficient knowledge in auditing or accounting, as required by article 44 of Law 4449/2017.

The term of the Audit Committee coincides with the term of the Board of the Company, ie it is one (1) year, and is extended until the expiration of the deadline, within which the next Ordinary General Meeting must be convened in 2021 and until the relevant resolution of the Ordinary General Meeting is taken.

The term of office of the above Committee is the same as that of the Board of Directors and ends on the day of the Ordinary General Meeting of the year 2020.

The responsibilities and obligations of the Audit Committee consist of, inter alia:

a. Informing the Board of Directors for the outcome of the statutory audit,
b. Monitoring the financial reporting procedure,
c. Monitoring the effective operation of the internal audit and risk management systems, as well as supervising the Company's internal audit service and ensuring its independence.
d. Monitoring the progress of the statutory audit for the individual and consolidated financial statements of the Company.
e. Reviewing and monitoring issues relating to the existence and maintenance of objectivity and independence of the statutory auditor or audit firm, particularly with regard to the provision of other services to the Company by the statutory auditor or audit firm.
f. Helping the selection procedure of the statutory auditors and proposing to the Board of Directors their appointment.

In 2020, the Audit Committee convened 9 times in the presence of all its members. The Internal Auditor was also invited to discuss with the Audit Committee, in the presence of all its members.

In addition, the Audit Committee met with the Company's external auditors Grant Thornton, in the presence of the Head of Internal Audit, and discussed their audit findings as well as their proposals. The external auditors did not report any infringements or irregularities to the Committee.

C.9.6 Other management, supervisory bodies, or committees of the Company

On the date of this document, no other management or supervisory bodies or committees of the Company exist under the functioning of the Board of Directors.

C.9.7 Diversity Policy in the composition of the administrative, management and supervisory bodies of the Company

Due to the Company's size and the small number of administrative, management and supervisory bodies of the Company (each of which is composed of a small number of members), the Company does not maintain a separate diversity policy in the composition of these bodies, respecting, however, inter alia, the principle of non-discrimination and equality.

However, the Company is aware of the relevant requirements of Law 4706/2020 regarding diversity of the members of the Board of Directors, which will enter into force on July 17, 2021, as well as Circular No. 60 of the Hellenic Capital Market Commission on the Suitability Policy of the members of the Board of Directors and will introduce in the near future a Suitability Policy applicable to the members of the Board of Directors, including, inter alia, diversity criteria as well as adequate representation by gender at a rate not less than twenty-five percent (25%) of all members of the Board of Directors.

C.9.8 Information required by Article 10 (1) of Directive 2004/25/EC on takeover bids

The above information is detailed in the Explanatory Report of the Board of Directors to the General Meeting of shareholders. (par. C.10)

This Corporate Governance Statement is an integral and distinct part of the annual Management Report of the Company's Board of Directors.

C.10 Explanatory Report of article 4, par. 7 of Law 3556/2007

(a) Share capital structure

On 31.12.2020, the Company’s share capital amounted to 18.336.001,05 € and was divided into 13.582.223 common registered shares of a par value of 1,35 € each.

According to the Shareholders’ Registry of the 31.12.2020, the Company’s share capital structure was the following:

SHAREHOLDERS	Shareholder's book No. of shares	31/12/2020 Stake %
BITROS STEEL S.A.	3.395.556	25,00%
SOVEL S.A.	2.842.500	20,93%
SIDACIER HOLDING S.A.R.L.	1.580.230	11,63%
SIDENOR STEEL INDUSTRY S.A.	797.918	5,87%
ANDREAS PIZANTE, son of HAIM	695.256	5,12%
RAPALLO INVEST HOLDING S.A.	692.602	5,10%
NELLY AMARIGLIO, daughter of DANIIL ANDREA	300.889	2,22%
DAVID AMARIGLIO, son of DANIIL ANDREA	300.889	2,22%
SANTY AMARIGLIO, daughter of ANDREA	173.882	1,28%
NATALY PIZANTE, daughter of ANDREA	88.093	0,65%
MARCEL AMARIGLIO, son of LEON	25.190	0,19%
VICTOR PIZANTE, son of ANDREA	5.021	0,04%
PUBLIC INVESTORS	2.684.197	19,75%
ΣΥΝΟΛΟ	**13.582.223**	**100,00%**

All (100%) of the Company's shares are common, registered, indivisible as well as listed in the Athens Exchange and traded under the "supervision" category. There are no special share categories. Rights and obligations arising from shares are the usual ones and are described in the relevant articles of the Articles of Association (articles 7, 8, 9, 10 and 24).

The main rights and obligations arising from the Company's shares, according to the Company's Articles of Association and Law 4548/2018 read as follows:
• right to participate and vote in the Company's General Meeting of the shareholders.
• right to pre-emptive subscription of shares in the event of a capital increase other than by contributions in kind, or issuance of bonds convertible into shares.
• the right to participate in the distribution of any annually distributable dividend, in proportion to the shareholders' participation in the Company's share capital; and
• right to participate in the liquidation proceeds, in case of dissolution of the Company

The shareholders' liability is limited to the amount of the nominal value of each share.

(b) Restrictions to the transfer of the Company's shares
The Company's Articles of Association does not provide for any restrictions to the transfer of the Company's shares.

The Company's shares are freely transferable and are transferred in accordance with law 4548/2018.

(c) Important direct or indirect participations according to Law 3556/2007
As at 31.12.2020, the Company is not aware of any other shareholder with a direct or indirect interest of 5% or more in the Company's paid-up share capital and the respective voting rights in the Company, apart from the persons under (a).

(d) Holders of shares that grant special control rights
The Company has not issued any shares that grant special control rights.

(e) Restrictions on voting rights – Deadlines in exercising those rights
According to the Company's Articles of Association, each share gives the right to one vote, the number of votes is proportionate to the number of shares held and there are no restrictions on voting rights.
Participation in the General Meetings of shareholders is subject to the l deadlines for deposition/blocking of the shares according to Article 124 para. 4 of Law 4548/2018.

More specifically, eligible to participate and vote in a General Meeting of shareholders is each person that has and proves its capacity as shareholder in accordance with article 124 of Law 4548/2018. As the shares of the Company are listed on the ATHEX, each person appearing as shareholder at the beginning of the fifth (5th) day (record date) prior to the General Meeting (initial or reconvened General Meeting) has the right to participate in the General Meeting. The record date is also valid in case of postponed or reconvened General Meeting, provided that the postponed or reconvened General Meeting takes place no later than thirty (30) days from the record date. If this is not the case or if a new invitation is published for the reconvened meeting, according to the provisions of article 130 of Law 4548/2018, each person appearing as shareholder at the beginning of the third (3rd) day before the postponed or reconvened meeting is entitled to participate in the General Meeting. The capacity as shareholder can be proven any means allowed by law and in any case on the basis of the information that the Company receives by the société anonyme "Hellenic Stock Exchanges SA" (HELEX).

The Shareholder has as many votes as the shares he holds. Shareholders can participate in the General Meeting through a representative. The appointment, revocation or replacement of the representative is made in writing (including by simple letter) or by e-mail and is submitted to the Company no later than forty-eight (48) hours before the scheduled date of the General Meeting. Minors and detainees, as well as legal entities, are represented by their legal representatives.

The shareholders can participate in the General Meeting remotely by audio-visual or other electronic means, without physical presence at the venue. Subject to any relevant decisions and provisions, shareholders may participate in the voting at the General Meeting of Shareholders remotely, by mail or by electronic means, prior to the General Meeting, which is enabled by sending in advance to the shareholders the items of the agenda of the General Meeting and the ballot papers. The items of the agenda as well as the ballot can be made available electronically via the internet. Shareholders voting by such means are counted for quorum and majority purposes, provided that the relevant votes have been received by the Company no later than twenty-four (24) hours prior to the beginning of the General Meeting. A natural person participating in the share capital of the Company and being member of its Board of Directors may not have the right to vote in the General Meeting of Shareholders for the assignment of audit of the financial statements to a statutory auditor or audit firm.

The shareholders or representatives of shareholders who do not comply with the above may participate in the General Meeting only after its permission.

(f) Shareholder agreements providing for restrictions on the transfer of shares or the exercise of voting rights
There are no shareholder agreements regarding restrictions in the exercising of voting rights that are known to the Company.
The shareholders of SIDMA, SOVEL S.A., SIDACIER HOLDING S.A. SIDENOR STEEL INDUSTRY S.A., RAPALLO INVEST HOLDING S.A. and PROSINTER S.A. (the "SIDMA's Main Shareholders") and BITROS STEEL S.A. as well BITROS HOLDINGS S.A., shareholder of BITROS STEEL S.A., have signed a shareholders' agreement dated 08.05.2019 ("Shareholders' Agreement"), which governs the rights between these shareholders in SIDMA and provides for (a) the prohibition to transfer, as well as pledge

or in any other way earmark or encumber SIDMA's shares held by BITROS STEEL S.A., for a five-year period from the completion of the Share Capital Increase without the prior written consent of the majority of SIDMA's Main Shareholders, as well as the prohibition, following the expiration of the above five-year period, to pledge or encumber in any way the shares held by BITROS STEEL S.A. in favour of any person competing with SIDMA, without the prior written consent of the other shareholders; and (b) the right of first refusal of SIDMA's Main Shareholders, following the expiration of the above five-year period, in relation to SIDMA's shares held by BITROS STEEL S.A., under specific conditions and exceptions.

The Shareholders' Agreement is binding solely on the parties to the Shareholders' Agreement and does not bind persons that are not parties thereto.

(g) Rules of appointment and replacement of the members of the Board of Directors and amendment of the Company's Articles of Association in derogation from the provisions of Law 4548/2018.

The Articles of Association do not provide any rules for the appointment or replacement of Board members or amendment of the Articles of Association in derogation from the provisions of Law 4548/2018.

However, the Shareholders' Agreement (see above under f) provides for the right of BITROS STEEL S.A. to nominate, for election by the Company's General Meeting of shareholders, two (2) of the members of the Board of Directors for as long as it holds at least 20% of the Company's share capital, and one (1) member in case BITROS STEEL S.A. holds less than 20% but at least 10% of the Company's share capital.

The Shareholders' Agreement is binding solely on the parties to the Shareholders' Agreement and does not bind persons that are not parties thereto.

(h) Power of the Board of Directors to issue new shares or acquire own shares according to article 49 of Law 4548/2018

h.1. According to article 6 of the Company's articles of association only the General Meeting has the right to increase its share capital by taking a decision by an increased quorum and majority. The Board of Directors has no power to issue new shares. The General Meeting may, however, in the context of the regular share capital increase, authorize the Board of Directors to decide on the sale price of the new shares within a time set by the General Meeting and which may not exceed one (1) year.

h.2. It is forbidden to the Company and the members of the Board of Directors to acquire own shares except in the cases and under the conditions imposed by the legislation in force from time to time.

There is no decision of the General Meeting for the acquisition of own shares according to article 49 of Law 4548/2018, as in force.

There is no decision of the General Meeting for the allocation of options on shares of the Company according to articles 49, 113 and 114 of Law 4548/2018, as in force.

(i) Significant agreements of the Company that enter force / are amended / expire in case of a change in the Company's control following a Public Tender Offer.

No such agreements exist.

(j) Agreements regarding compensation of members of the Board of Directors or personnel in case of resignation, termination of their employment agreement without an essential cause or expiration of their term/ agreement due to public tender offer

No such agreements exist.

C.11 Non-financial Reporting

The parent company, SIDMA STEEL S.A., is a Société Anonyme, which operates in processing and trading steel products in Greece. The company's headquarters are located in Chalandri (at 30 VASILEOS GEORGIOU ST., 152 33) ATHENS, while the Company's Administrative and Commercial departments are located at the Aspropyrgos Branch (Mavri Giora), and its website is www.sidma.gr. The company is listed on the Athens Stock Exchange under the category of Basic Metals.

It also has branches in the following areas:
- Inofyta (54 km EO Athens Lamia Inofyta Viotia 32011)
- Oreokastro (Oreokastro 57013)
- Lamia (VI PE Λαμίας ΟΤ 4Β, 35100)

Quality

SIDMA STEEL S.A., firmly dedicated on the production, marketing and development of high-quality products and the provision of high-quality services, implements appropriate processes to:
- ensure that the processes are sufficient, effective and correspond to the requirements of its customers, encourage innovation and improve the communication, team spirit and cooperation between the various departments of the company, including suppliers, partner contractors and customers.
- implement modern management procedures and scientific methods.
- encourage the continual improvement of the processes that support its activities.

In this context, we are committed to:
- Implement a Quality Management System, in accordance with ELOT Standard EN ISO 9001:2015;
- Conform with relevant Greek and EU laws;
- Continuously improve the effectiveness of the Quality Management System;
- Comply with customer requirements, as well as with the legal and technical requirements for the products and services we provide;
- Acknowledge and meet the needs of the Company's stakeholders;
- Provide products and services that meet the requirements, needs and expectations of our customers and take under serious consideration our customers' feedback (comments, complaints, suggestions);
- Set Quality objectives and monitor their progress;
- Ensure that every employee is fully informed about their specific Quality responsibilities, by participating in the preparation, implementation and evaluation of Quality related activities;
- Ensure that the Company's personnel have the required education, training and information;
- Make available the required financial and human resources, training and means required for the support of the Quality continual improvement process
- Use modern practices and means and optimize our internal operations;
- Recognize potential occupational hazards and implement measures for the prevention thereof.
- Recognize business opportunities and take actions to take advantage of them.
- Make sure that the methods and procedures implemented are environmentally friendly and safe for employees.

The performance of the Quality Management System is continuously monitored through various indicators. Based on continuous information and the annual review of the System the Management is committed to set new objectives and targets and to provide the required resources for their achievement.

Our quality policy is available to the public and is notified to all the Company's employees and partners, who are required to strictly comply with it. The Policy is reviewed regularly regarding its suitability and effectiveness.

Occupational Health & Safety

The objective of SIDMA STEEL S.A.'s Management is to offer a safe work environment to its employees and to create a Safety Culture at the workplace.

Our Company acknowledges Occupational Health & Safety as an absolute priority. The prevention of accidents (incidents) and the creation of a work environment where all hazards have been identified, assessed, prevented, and eliminated is one of our main concerns.

In SIDMA STEEL S.A. we commit to develop and implement effective Occupational Health & Safety systems, standards and practices that correspond to our business activities.

The Company, in collaboration with its employees and following consultation with them, implements the Occupational Health & Safety program through the structural implementation of the ISO 45001:2018, that aims to provide and maintain a Safe & Healthy workplace and minimize hazards to the employees, visitors, contractors and any other persons affected by the Company's activities, while simultaneously meeting the expectations of customers for safe products and high-quality services.

In the context of our commitment to provide a Healthy & Safe work environment, we acknowledge and support the following Health and Safety Principles:

- The Management strives to provide an environment where the workplace accidents (incidents) constitute a hazard preventable by the Company;
- The implementation of the ISO 45001:2018 Standard in all the areas of our Company must at the very least comply with all applicable legal and other requirements.

The implementation of an effective OHS Management program is an integral part of our business activities, and to this end:

- We will work to identify, assess and mitigate any hazards connected to known causes of injury attributable to work in our workplaces;
- We will strive to ensure that all employees, at every level, are aware of the Occupational Health & Safety practices and that they follow them strictly;
- We will ensure that any accidents (incidents) will be evaluated and included in the integrated management review program.

Environment and Sustainable Development

The environment does not belong to us, we are borrowing it from future generations and therefore we must deliver it suitable for living. SIGMA STEEL S.A., strictly dedicated to conduct all its business activities with a sense of social responsibility, takes into serious consideration the impact that they may have on the environment and its sustainable development goals and commits to:

- Conduct its business activities in accordance with applicable legislation and implement high environmental standards at the intracompany level;
- Take all the measures required for the prevention of gaseous, liquid and solid pollution;
- Determine the subject and scope of environmental interventions;
- Evaluate and improve its overall environmental performance;
- Implement continual training of and provide information to the personnel on Environmental issues;
- Establish the concept of ecological awareness and environmental vision, that inspires the highest levels of management, in the entire hierarchical pyramid of the Company's employees.

Labor Relations

In SIDMA STEEL S.A. we systematically invest in human resources since it constitutes our most important asset. A core principle of the modern and anthropocentric philosophy of the company is to attract, retain and develop professionals with enthusiasm, high sense of responsibility, creativity, and a shared vision for the future.

Our personnel consist of talented individuals that advance with us with energy, creativity and inspiration. They will be characterized by making efforts and demonstrating respect for the corporate principles and values and they will actively participate in the daily effort for the success of the company in a highly demanding and rapidly evolving industry.

We promote and support lifelong training and development of our people, with modern and flexible training programs. Said programs, both short and long term, cover a wide range of technical and management subjects related to the Company's activities and aim to enhance the employees' knowledge and skills.

Simultaneously, we evaluate and acknowledge the effort and the performance of our personnel, we offer performance bonus incentives, we ensure a safe and pleasant work environment and respect the balance between professional and personal life.

In SIDMA STEEL S.A. we build and develop relations with our employees based on trust, we envision the future, and we wish to share it with them.

Halandri, 12 April 2021

CHAIRMAN	**C.E.O**
PANAGIOTIS P. BITROS	ANTONIOS. P. KARADELOGLOU

D. Annual Financial Statements

D.1 Statement of Financial Position

S I D M A S T E E L S.A.
Statement of Financial Position
for the period from 1st January to 31st December 2020

Amounts in EURO

		Group		Company	
		31.12.2020	31.12.2019	31.12.2020	31.12.2019
Assets	Notes				
Non Current Assets					
Tangible Assets	**8.1**	43.004.055	50.403.043	31.747.592	40.329.337
Intangible assets	**8.2**	503.520	487.576	79.603	59.113
Investments in subsidiaries	**8.3**	0	0	11.175.716	11.175.716
Other non current assets	**8.4**	80.655	82.456	76.531	78.255
Total Non Current Assets		**56.118.230**	**50.973.076**	**55.609.442**	**51.642.421**
Current Assets					
Inventories	**8.5**	18.471.851	23.429.462	13.730.821	16.794.841
Trade receivables	**8.6**	48.311.383	42.656.614	43.093.143	35.750.618
Other receivables	**8.7**	3.871.341	3.476.758	3.474.284	3.201.605
Cash and cash equivalents	**8.8**	16.742.221	6.239.117	15.748.471	5.357.805
Total Current Assets		**87.396.796**	**75.801.951**	**76.046.718**	**61.104.870**
Total Assets		**143.515.026**	**126.775.026**	**131.656.161**	**112.747.291**
EQUITY					
Shareholders of the mother company:					
Share Capital	**8.9**	18.336.001	13.752.001	18.336.000	13.752.000
Share Premium	**8.9**	13.296.000	9.875.000	13.296.000	9.875.000
Reserves	**8.10**	27.475.282	21.728.620	23.060.222	18.915.678
Retaining Earnings		-72.358.524	-71.262.072	-51.179.352	-51.333.172
Total Shareholders Equity of the mother company		**-13.251.241**	**-25.906.451**	**3.512.870**	**-8.790.494**
Non-controlling interests		0	0	0	0
Total Shareholders Equity		**-13.251.241**	**-25.906.451**	**3.512.870**	**-8.790.494**
Liabilities					
Non Current Liabilities					
Long-term loans	**8.11**	8.407.186	9.347.681	1.263.191	1.338.321
Grants for investments in fixed assets	**8.12**	68.166	109.096	68.166	109.096
Deferred Tax Liabilities	**8.13**	4.249.437	2.979.449	4.101.452	3.024.655
Provision for Retirement benefit obligation	**8.14**	838.693	790.685	802.727	760.790
Total Non-Current Liabilities		**13.563.483**	**13.226.911**	**6.235.537**	**5.232.862**
Current Liabilities					
Trade Payables	**8.15**	31.875.442	40.902.973	24.454.017	31.314.809
Short-term loans	**8.11**	52.867.015	41.058.205	39.959.357	28.293.313
Current installments of long-term loans	**8.11**	53.877.343	54.462.793	53.167.720	53.852.722
Other Payables	**8.16**	4.582.984	3.030.595	4.326.660	2.844.079
Total Current Liabilities		**143.202.785**	**139.454.566**	**121.907.754**	**116.304.923**
Total Liabilities		**156.766.268**	**152.681.478**	**128.143.291**	**121.537.785**
Total Equity and Liabilities		**143.515.027**	**126.775.027**	**131.656.161**	**112.747.291**

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements

D.2 Statement of Comprehensive Income

S I D M A STEEL S.A.
Statement of Comprehensive Income
for the period from 1st January to 31st December 2020

Amounts in EURO	Notes	Group		Company	
		1.1 - 31.12.2020	**1.1 - 31.12.2019**	**1.1 - 31.12.2020**	**1.1 - 31.12.2019**
Turnover (sales)	**8.17**	133.254.677	133.721.115	93.884.791	84.956.178
Cost of Sales	**8.18**	-119.635.792	-122.664.571	-82.521.318	-76.398.226
Gross Profit		**13.618.885**	**11.056.544**	**11.363.473**	**8.557.952**
Other income	**8.19**	5.122.012	5.450.299	4.068.649	4.215.617
Administrative Expenses	**8.20**	-4.330.504	-3.981.019	-3.347.725	-2.949.953
Distribution/Selling Expenses	**8.21**	-10.128.320	-9.725.324	-8.060.724	-7.503.022
Other expenses	**8.22**	-177.193	-480.648	-138.316	-461.396
Operating Profit (EBIT)		**4.104.880**	**2.319.852**	**3.885.356**	**1.859.198**
Finance Costs (net)	**8.23**	-4.929.942	-4.262.687	-3.549.513	-2.658.747
Income from investing operations	**8.24**	-33.161	24.105	-33.161	-217.261
Profit before taxation		**-804.992**	**-1.918.730**	**355.912**	**-1.016.810**
Less: Income Tax Expense	**8.25**	37.448	-91.948	127.823	-277.184
Profit/(loss) after taxation for continued operations (a)		**-767.544**	**-2.010.678**	**483.735**	**-1.293.994**
Profit/(loss) after taxation for discontinued operations (b)		**0**	**0**	**0**	**0**
Profit/(loss) after taxation (a)+(b)		**-767.544**	**-2.010.678**	**483.735**	**-1.293.994**
Attributable to:					
Shareholders of the mother Company		-767.544	-2.010.678		
Non-controlling interests		0	0		
		-767.544	**-2.010.678**		
Basic earnings (losses) after tax per share	**8.26**	***-0,0565***	***-0,1974***	***0,0356***	***-0,1270***
Depreciation & Amortization Expense		2.235.250	2.241.731	1.730.880	1.746.554
EBITDA		**6.340.130**	**4.561.584**	**5.616.236**	**3.605.751**
Actuarial gain/losses	**8.14**	144.029	-22.352	142.910	-23.376
Deferred Taxation	**8.13**	-1.397.644	5.584	-1.204.620	5.584
Exchange differences	**8.10**	155.132	153.390	0	0
Deferred Taxation	**8.13**				
Other Comprehensive Income after taxes		**5.417.755**	**136.622**	**3.814.630**	**-17.792**
Total Comprehensive Income after taxes		**4.650.212**	**-1.874.056**	**4.298.365**	**-1.311.786**
Attributable to:					
Shareholders of the mother Company		4.650.212	-1.874.056		
Non-controlling interests		0	0		
		4.650.212	**-1.874.056**		

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements

D.3 Statements of Changes in Group's Equity

SIDMA STEEL S.A.
Consolidated Statement of changes in net equity for the period from
1st January to 31st December 2020

Amounts in EURO	Group SHAREHOLDER'S EQUITY								
	Share Capital	**Share Premium**	**Reserves**	**Reserves from the revaluation of fixed assets in fair value**	**F.X. Differences**	**Retained Earnings**	**Equity of the shareholders**	**Non-controlling interests**	**Total Equity**
Net Equity Balance on 01.01.2019	**13.752.000**	**9.875.000**	**12.688.604**	**9.094.714**	**-208.084**	**-69.234.629**	**-24.032.395**	**0**	**-24.032.395**
Profit (+)/Loss (-) after taxation	**0**	**0**	**0**	**0**	**0**	**-2.010.678**	**-2.010.678**	**0**	**-2.010.678**
Other Comprehensive Income									
Actuarial gain/losses	0	0	0	0	0	-22.352	-22.352	0	-22.352
F.X. Differences	0	0	0	0	153.390	0	153.390	0	153.390
Deferred Taxation	0	0	0	0	0	5.584	5.584	0	5.584
Other Comprehensive Income after taxes	**0**	**0**	**0**	**0**	**153.390**	**-16.768**	**136.622**	**0**	**136.622**
Total Comprehensive Income after taxes	**0**	**0**	**0**	**0**	**153.390**	**-2.027.446**	**-1.874.056**	**0**	**-1.874.056**
Net Equity Balance on 31.12.2019	**13.752.000**	**9.875.000**	**12.688.604**	**9.094.714**	**-54.694**	**-71.262.075**	**-25.906.451**	**0**	**-25.906.451**
Net Equity Balance on 01.01.2020	**13.752.000**	**9.875.000**	**12.688.604**	**9.094.714**	**-54.694**	**-71.262.075**	**-25.906.451**	**0**	**-25.906.451**
Share Capital Increase due to Merge	**4.584.001**	**3.421.000**	**0**	**0**	**0**	**0**	**8.005.001**	**0**	**8.005.001**
Profit (+)/Loss (-) after taxation	**0**	**0**	**0**	**0**	**0**	**-767.544**	**-767.544**	**0**	**-767.544**
Other Comprehensive Income									
Revaluation of assets in fair values	0	0	0	6.516.238	0	0	**6.516.238**	0	**6.516.238**
Actuarial gain/losses	0	0	0	0	0	144.029	144.029	0	144.029
F.X. Differences	0	0	0	0	155.132	0	155.132	0	155.132
Other Equity Adjustments	0	0	0	438.526	0	-438.526	0	0	0
Deferred Taxation	0	0	0	-1.363.234	0	-34.410	-1.397.644	0	-1.397.644
Other Comprehensive Income after taxes	**0**	**0**	**0**	**5.591.529**	**155.132**	**-328.906**	**5.417.755**	**0**	**5.417.755**
Total Comprehensive Income after taxes	**0**	**0**	**0**	**5.591.529**	**155.132**	**-1.096.450**	**4.650.212**	**0**	**4.650.212**
Net Equity Balance on 31.12.2020	**18.336.001**	**13.296.000**	**12.688.604**	**14.686.243**	**100.438**	**-72.358.525**	**-13.251.239**	**0**	**-13.251.238**

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements

D.4 Statements of Changes in Company's Equity

SIDMA STEEL S.A.
Statement of changes in net equity for the period from
1st January to 31st December 2020

Amounts in EURO	Company				
	Share Capital	**Share Premium**	**Reserves**	**Retained Earnings**	**Total Equity**
Net Equity Balance on 01.01.2019	**13.752.000**	**9.875.000**	**18.915.678**	**-50.021.386**	**-7.478.709**
Profit (+)/Loss (-) after taxation	**0**	**0**	**0**	**-1.293.994**	**-1.293.994**
Other Comprehensive Income					
Actuarial gain/losses	0	0	0	-23.376	-23.376
Deferred Taxation	0	0	0	5.584	5.584
Other Comprehensive Income after taxes	**0**	**0**	**0**	**-17.792**	**-17.792**
Total Comprehensive Income after taxes	**0**	**0**	**0**	**-1.311.786**	**-1.311.786**
Net Equity Balance on 31.12.2019	**13.752.000**	**9.875.000**	**18.915.678**	**-51.333.173**	**-8.790.495**
Net Equity Balance on 01.01.2020	**13.752.000**	**9.875.000**	**18.915.678**	**-51.333.173**	**-8.790.495**
Share Capital Increase due to Merge	**4.584.001**	**3.421.000**	**0**	**0**	**8.005.001**
Profit (+)/Loss (-) after taxation	**0**	**0**	**0**	**483.735**	**483.735**
Other Comprehensive Income					
Revaluation of assets in fair values	0	0	4.876.339	0	4.876.339
Actuarial gain/losses	0	0	0	142.910	142.910
Other Equity Adjustments	0	0	438.526	-438.526	0
Deferred Taxation	0	0	-1.170.321	-34.298	-1.204.620
Other Comprehensive Income after taxes	**0**	**0**	**4.144.544**	**-329.914**	**3.814.630**
Total Comprehensive Income after taxes	**0**	**0**	**4.144.544**	**153.821**	**4.298.365**
Net Equity Balance on 31.12.2020	**18.336.001**	**13.296.000**	**23.060.221**	**-51.179.352**	**3.512.871**

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements

D.5 Cash Flows Statements

SIDMA STEEL S.A.
Cash Flow Statement
for the period from 1st January to 31st December 2020

Amounts in EURO	Group		Company	
	1.1 - 31.12.2020	**1.1 - 31.12.2019**	**1.1 - 31.12.2020**	**1.1 - 31.12.2019**
Operating Activities				
Profit before taxation	-804.992	-1.918.730	355.912	-1.016.810
Adjustments for:				
Depreciation & amortization	2.276.180	2.283.750	1.771.810	1.788.573
Depreciation of granted assets	-40.930	-42.019	-40.930	-42.019
Provisions	124.198	136.525	53.698	31.323
Income from prior years' provisions	-41.572	-6.289	-11.374	0
Exchange Differences	-136.986	-213.528	0	0
Income and expenses from investing activities	-25.068	-34.212	-24.846	207.677
Other non cash income/expenses	275.980	-871.011	0	-1.000.000
Finance Costs	4.807.957	5.123.869	3.552.026	3.668.821
Adjustments for changes in working capital				
Decrease/(increase) in inventories	8.998.037	-4.402.955	7.104.446	-2.405.648
Decrease/(increase) in receivables	-1.119.652	4.588.813	-2.652.021	3.231.107
(Decrease)/increase in payables(except bank loans and overdrafts)	-7.880.447	2.847.270	-5.639.487	1.915.314
Less:				
Financial Costs paid	-4.765.401	-5.183.788	-3.509.918	-3.729.230
Taxes paid	-90.207	0	0	0
Total inflows / (outflows) from operating activities (a)	**1.577.096**	**2.307.695**	**959.317**	**2.649.108**
Investing activities				
Purchase of tangible and intangible assets	-1.036.718	-658.931	-895.880	-571.808
Proceeds on disposal of tangible and intangible assets	56.713	64.130	56.713	64.130
Interest received	2.358	8.670	2.136	8.147
Total inflows / (outflows) from investing activities (b)	**-977.647**	**-586.131**	**-837.032**	**-499.531**
Financing Activities				
Share Capital Increase	0	0	0	0
New bank loans raised	4.212.381	-9.145	4.401.739	-134.857
Repayments of loans	-493.592	-4.722.066	-318.224	-3.754.845
Cash from share capital increase from contribution in kind	6.184.865	0	6.184.865	0
Total inflows / (outflows) from financing activities (c)	**9.903.654**	**-4.731.211**	**10.268.381**	**-3.889.702**
Net Increase/(Decrease) in cash and cash equivalents (a) + (b) + (c)	**10.503.103**	**-3.009.647**	**10.390.666**	**-1.740.126**
Cash and cash equivalents at the beginning of the period	6.239.118	9.248.764	5.357.806	7.097.932
Cash and cash equivalents at the end of the period	**16.742.221**	**6.239.117**	**15.748.471**	**5.357.806**

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements

1 General Information about the Company and the Group

The parent company, SIDMA STEEL S.A., is a Société Anonyme, which operates in processing and trading steel products in Greece. The company's headquarters are located in Chalandri (at 30 VASILEOS GEORGIOU ST., 152 33) ATHENS, while the Company's Administrative and Commercial departments are located at the Aspropyrgos Branch (Mavri Giora), and its website is www.sidma.gr. The company is listed on the Athens Stock Exchange under the category of Basic Metals.

It also has branches in the following areas:

- Inofyta (54 km EO Athens Lamia Inofyta Viotia 32011)
- Oreokastro (Oreokastro 57013)
- Lamia (VI PE Λαμίας ΟΤ 4Β, 35100)

Apart from the Company SIDMA STEEL S.A., the Consolidated Financial Statements for 2020 include the following companies:

- "SIDMA WORLDWIDE LIMITED" (100% subsidiary), a holding company domiciled in Cyprus, established in
- 100% subsidiaries "SIDMA Romania SRL" domiciled in Romania and "SIDMA Bulgaria S.A.», domiciled in Bulgaria, with the same objective purpose as that of the parent company through the Cyprian holding company "SIDMA WORLDWIDE LIMITED».

The financial statements of our subsidiary companies domiciled abroad, for the fiscal year 2020, have been uploaded in the following link:
https://www.sidma.gr/index.php/el/investement-relations/oikonomika-apotelesmata

2 Framework for Preparing the Financial Statements

These financial statements include the Company's individual financial statements and the consolidated financial statements of the Group dated December 31, 2020, covering the period from January 1, 2020 to December 31, 2020. The financial statements have been prepared in accordance with the historical cost convention as modified by the revaluation of specific assets at fair value and under the going concern principle.

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the Interpretations, as the Interpretations Committee (I.F.R.I.C.) of the IASB published these and approved by the European Union.

The preparation of the financial statements in accordance with the IFRS requires the use of certain significant accounting estimates. It also requires from the Management to exercise judgement on the process of applying the accounting principles. Areas that require a higher degree of judgement or are extremely complex, or areas where assumptions and estimates are important for the financial statements, are mentioned in the significant accounting estimates and judgements under note 5.

The presentation currency is the Euro (the currency of the country of the head office of the Group's parent company).

3 Changes in Accounting Policies

3.1 New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union.

3.1.1. New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union.

The following new Standards, Interpretations, and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2020.

- **Revision of the Conceptual Framework for Financial Reporting (effective for annual periods starting on or after 01/01/2020)**

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), the objective of which was to incorporate some important issues that were not covered, as well as update and clarify some guidance that was unclear or out of date. The revised Conceptual Framework includes a new chapter on measurement, which analyzes the concept on measurement, including factors to be considered when selecting a measurement basis, concepts on presentation and disclosure, and guidance on derecognition of assets and liabilities from financial statements. In addition, the revised Conceptual Framework includes improved definitions of an asset and a liability, guidance supporting these definitions, update of recognition criteria for assets and liabilities, as well as clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The amendments do not affect the consolidated and separate Financial Statements.

- **Amendments to References to the Conceptual Framework in IFRS Standards (effective for annual periods starting on or after 01/01/2020)**

In March 2018, the IASB issued Amendments to References to the Conceptual Framework, following its revision. Some Standards include explicit references to previous versions of the Conceptual Framework. The objective of these amendments is to update those references so that they refer to the revised Conceptual Framework and to support transition to the revised Conceptual Framework. The amendments do not affect the consolidated and separate Financial Statements.

- **Amendments to IAS 1 and IAS 8: "Definition of Material" (effective for annual periods starting on or after 01/01/2020)**

In October 2018, the IASB issued amendments to its definition of material to make it easier for companies to make materiality judgements. The definition of material helps companies decide whether information should be included in their financial statements. The updated definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS Standards. The amendments do not affect the consolidated and separate Financial Statements.

- **Amendments to IFRS 9, IAS 39 and IFRS 7: "Interest Rate Benchmark Reform" (effective for annual periods starting on or after 01/01/2020)**

In September 2019, the IASB issued amendments to some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the Interest Rate Benchmark reform. The amendments are designed to support the provision of useful financial information by companies during the period of uncertainty arising from the phasing out of interest – rate benchmarks such as interbank offered rates (IBORs). It requires companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments do not affect the consolidated and separate Financial Statements.

- **Amendments to IFRS 3: "Definition of a Business" (effective for annual periods starting on or after 01/01/2020)**

In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to improve the definition of a business. The amendments will help companies determine whether an acquisition made is of a business or a group of assets. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance. The amendments do not affect the consolidated and separate Financial Statements.

- **Amendments to IFRS 16 "Leases": Covid-19 – Related Rent Concessions (effective for annual periods starting on or after 01/06/2020)**

In May 2020, the IASB issued amendments to IFRS 16 that provide lessees with an exemption from assessing whether a Covid-19-related rent concession is a lease modification. More specifically, the amendments clarify that if certain conditions are met, lessees are not required to assess whether particular Covid-19-related rent concessions are lease modifications. Instead, lessees that apply the practical expedient, would account for those rent concessions as if they were not lease modifications. It applies to Covid-19-related rent concessions that reduce lease payments due on or before June 30, 2021. The amendments do not affect the consolidated and separate Financial Statements.

3.1.2. New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

- **Amendments to IFRS 4 "Insurance Contracts" – deferral of IFRS 9 (effective for annual periods starting on or after 01/01/2021)**

In June 2020, the IASB issued amendments that declare deferral of the date of initial application of IFRS 17 by two years, to annual periods beginning on or after January 1, 2023. As a consequence, the IASB also extended the fixed expiry date for the temporary exemption from applying IFRS 9 "Financial Instruments" in IFRS 4 "Insurance Contracts", so that the entities are required to apply IFRS 9 for annual periods beginning on or after January 1, 2023. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2021.

- **Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: "Interest Rate Benchmark Reform – Phase 2" (effective for annual periods starting on or after 01/01/2021)**

In August 2020, the IASB has finalized its response to the ongoing reform of IBOR and other interest benchmarks by issuing a package of amendments to IFRS Standards. The amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for a change in its hedging relationships as a result of the reform, as well as relevant information required to be disclosed. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2021.

- **Amendments to IFRS 16 "Leases": Covid-19 – Related Rent Concessions beyond 30 June 2021 (effective for annual periods starting on or after 01/04/2021)**

In March 2021, the IASB issued amendments to the practical expedient of IFRS 16, that extend the application period by one year to cover Covid-19-related rent concessions that reduce only lease payments due on or before 30 June 2022. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment", IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and "Annual Improvements 2018-2020" (effective for annual periods starting on or after 01/01/2022)**

In May 2020, the IASB issued a package of amendments which includes narrow-scope amendments to three Standards as well as the Board's Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards. More specifically

- **Amendments to IFRS 3 Business Combinations** update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- **Amendments to IAS 16 Property, Plant and Equipment** prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.
- **Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets** specify which costs a company includes when assessing whether a contract will be loss-making.
- **Annual Improvements 2018-2020** make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

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

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. Furthermore, in June 2020, the IASB issued amendments, which do not affect the fundamental principles introduced when IFRS 17 has first been issued. The amendments are designed to reduce costs by simplifying some requirements in the Standard, make financial performance easier to explain, as well as ease transition by deferring the effective date of the

Standard to 2023 and by providing additional relief to reduce the effort required when applying the Standard for the first time. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to IAS 1 "Classification of Liabilities as Current or Non-current" (effective for annual periods starting on or after 01/01/2023)**

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity's right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. Furthermore, in July 2020, the IASB issued an amendment to defer by one year the effective date of the initially issued amendment to IAS 1, in response to the Covid-19 pandemic. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

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

In February 2021, the IASB issued narrow-scope amendments that pertain to accounting policy disclosures. The objective of these amendments is to improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. More specifically, companies are required to disclose their material accounting policy information rather than their significant accounting policies. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. 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 starting on or after 01/01/2023**)

In February 2021, the IASB issued narrow-scope amendments that they clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

4 Summary of Accounting Policies

4.1 Consolidation of Subsidiaries

Subsidiaries are the companies in which SIDMA STEEL S.A. has power to exercise control over their operations. The subsidiaries are consolidated in full, starting from the date on which effective control is transferred to the Company and cease to be consolidated from the date on which control is transferred out of the Company. The purchase method of accounting is used to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the sum of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued by the Group, in exchange for control of the acquired plus any costs directly attributable to the acquisition. The acquired identifiable assets, liabilities and contingent liabilities are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interests.

The difference between acquisition cost and fair value of liabilities and contingent liabilities of the subsidiary's acquired assets is recorded as goodwill. When acquisition cost is less than the fair value of the acquired assets, liabilities and contingent liabilities of the subsidiary acquired, the difference is directly posted to period results. SIDMA revalue its participation in subsidiaries in acquisition cost less any impairment that might take place.

Non-controlling interest reflects the portion of profit or loss and net assets attributable to equity interests that are not owned by the Group. Non-controlling interest is reported separately in the consolidated income statement as well as in the consolidated balance sheet separately from the Share capital and reserves. In case of purchase of non-controlling interest, the difference between the value of acquisition and the book value of the share of net assets acquired is recognized as goodwill.

As regards the purchases made by non-controlling shareholders, the difference between the price paid and the acquired relevant stake of the book value of the subsidiary's owner's equity is posted to owner's equity. Any gains or losses arising from the sale to non-controlling shareholders are also posted to owner's equity. As regards the sales made to non-controlling shareholders, the difference between the amounts received and the relevant stake of non-controlling shareholders is also posted to owners' equity.

All significant inter-company balances and transactions have been eliminated. Where necessary, accounting policies for subsidiaries have been revised to ensure consistency with the policies adopted by the Company.
The financial statements of the subsidiaries are prepared for the same reporting date with the parent company.

4.2 Conversion into Foreign Currency

The consolidated financial statements are presented in Euro, which is the functional currency and the Group's reporting currency.

(a) Transactions in Foreign Currency
Foreign currency transactions are converted into the functional currency by using the exchange rates applicable on the date when the said transactions were performed. The monetary assets and liabilities, which are denominated in foreign currency, are converted into the Group's functional currency on the Statement of Financial Position reporting date using the prevailing exchange rate on that day. Any gains or losses due to translation differences that result from the settlement of such transactions during the period, as well as from the conversion of monetary assets denominated in foreign currency based on the prevailing exchange rates on the Statement of Financial Position reporting date, are recognized in the Income Statement.

(b) Foreign Operations
The assets and liabilities in the financial statements, are converted into Euro by using the exchange rates applicable on the Statement of Financial Position reporting date. Revenues and expenses have been converted into the Group's reporting currency by using the average exchange rates prevailing during the financial year. Any differences arising from the said procedure have been debited / (credited) to the "FX

translation reserve" account of the subsidiaries' while it's recognised in other income in the Statement of Comprehensive Income. Upon selling, elimination or derecognition of a foreign subsidiary the above FX translation reserve is transferred to the income statement of the period.

4.3 Property, plant, and equipment

Group's and Company's Land, Buildings and Machinery which are held for use in the production process or for administrative purposes are presented in their revalued amounts in the Consolidated and Separate Financial Statements respectively, which are their fair values at the date of the valuation less accumulated depreciation and any impairment losses. Revaluations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from that, which would be determined using fair value at the end of each reporting period date. If an asset's carrying amount is increased because of a revaluation, the increase is recognised in Other Comprehensive Income and accumulated in equity as revaluation reserve. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. If an asset's carrying amount is decreased because of a revaluation, the decrease is recognised in in profit or loss. However, the decease shall be recognised in Other Comprehensive Income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognised in Other Comprehensive Income reduces the amount accumulated in equity as revaluation reserve.
Transportation and other vehicle are recognized in the financial statements at cost, less accumulated depreciation. The acquisition cost includes all direct costs stemming from the acquisition of the assets. Gain or losses from the sale of tangible assets are recognized in line" Profit/(Losses) from investing operations". Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Depreciation is calculated on the straight-line method to write off the assets to their residual values over their estimated useful lives as follows:

Buildings (Offices & Warehouses)	26 - 45 years
Plants	5 - 14 years
Transportation means - vehicles	6 - 9 years
Other equipment	4 - 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

4.4 Investment property

Investment property includes investments in all types of property, owned (through purchase or development) by the Group, either to earn rentals or for capital appreciation or both, rather than for: (a) use in the production or supply of goods or services or for administrative purposes; or (b) sale in the ordinary course of business.
An investment property is initially measured at its cost. Transaction costs are included in the initial measurement. An investment property is subsequently recognized at fair value. Fair value is determined by independent appraisers, who possess sufficient experience in the issues regarding investment property location and nature.
The carrying amount recognized in the Group's Financial Statements reflects the market conditions as at the Statement of Financial Position reporting date. Gains or losses arising from changes in fair value of investment property constitute a result and are recognized in the income statement for the period when incurred. Repairs and maintenance expenses are recognized in the expense for the period when

performed. Significant subsequent costs are capitalized when they increase the useful life of the property and its production capacity or when they reduce its operating costs.
Property is transferred from investment property category only when there is a change in its use, evidenced by the fact that the Group starts using it as owner-occupied property or by commencement of its development with a view to sale.
An investment property is derecognised (eliminated from the Statement of Financial Position) on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.
Gains or losses arising from the retirement or disposal of investment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement in the period of the retirement or disposal.
Investment property, which is constructed or developed, as well as the completed investment property, is cmonitored at fair value.

4.5 Intangible assets

4.6 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary, joint venture and associate at the date of acquisition. Goodwill on acquisitions of subsidiaries and joint ventures are included in intangible assets. Goodwill on acquisitions of associates occurring is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.
Goodwill is allocated to cash-generating units for the purpose of impairment testing. Each of those cash-generating units represents a separate Group's investment.

4.7 Computer software

Software licenses are stated at historical cost less subsequent depreciation. Depreciation is calculated on the straight-line method over their estimated useful lives which are 4-5 years.

4.8 Financial Instruments

A financial instrument is any contract that creates a financial asset in an enterprise and a financial liability or equity instrument in another enterprise.

4.9 Initial Recognition

A financial asset or a financial liability is recognized in the Balance Sheet of the Group when it arises or when the Group becomes part of the contractual terms of the instrument.
Financial assets are classified at initial recognition and subsequently measured at amortized cost, at fair value through other comprehensive income and at fair value through results.
The Group initially assesses financial assets at their fair value. Trade receivables (which do not contain a significant financial asset) are valued at transaction price.
For a financial asset to be classified and measured at amortized cost or at fair value through comprehensive income, cash flows should be derived which are exclusively capital and interest payments on the initial capital. The Group's business model for managing financial assets refers to the way in which it manages its financial capabilities to generate cash flows. The business model determines whether cash flows arise from the collection of contractual cash flows, the sale of financial assets or both. The purchase or sale of financial assets that require the delivery of assets within a time frame specified by a

regulation or a contract is recognized on the trade date, i.e. on the date on which the Group commits to purchase or sell the asset.

4.10 Classification and Subsequent Measurement

For subsequent measurement, financial assets are classified in the following categories:

i. *Financial assets measured at fair value through results.*
   Financial assets measured at fair value through results include financial assets held for trading purposes, financial assets designated at initial recognition at fair value through results or financial assets that are required to be measured at fair value. Financial assets are classified as held for trading if they are acquired in order to be sold or repurchased in the near future. Derivatives, including embedded derivatives, are also classified as held for trading, unless defined as effective hedging instruments. Financial assets with cash flows that are not only capital and interest payments are classified and measured at fair value through results, irrespective of the business model.
ii. *Financial assets at amortized cost*
   The Group measures financial assets at amortized cost if both of the following conditions are met: (1) The financial asset is retained to hold financial assets for the collection of contractual cash flows; and (2) the contractual terms of the financial asset create cash flows on specified dates that constitute only capital and interest payments on the balance of the initial capital. Financial assets at amortized cost are then measured using the EIR method and are subject to impairment. Profits and losses are recognized in results when the asset is derecognized, modified, or impaired.
iii. *Financial assets classified at fair value through comprehensive income.*
   Upon initial recognition, the Group may elect to irrevocably classify its equity investments as equity instruments that are designated at fair value through comprehensive income when they meet the definition of net position and are not held for trading. Classification is determined by financial instrument. Profits and losses from these financial assets are never recycled to profits or losses. Equity instruments designated at fair value through comprehensive income are not subject to an impairment test.

4.11 Derecognition

A financial asset is derecognized primarily when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has undertaken to fully pay the cash flows received without significant delay to a third party under an agreement and either (a) it has substantially transferred all risks and rewards of the asset; or (b) it has not substantially transferred or held all the risks and estimates of the asset but has transferred the control of the asset.

4.12 Impairment

The Group recognizes a provision for loss against expected credit losses for all financial assets that are not measured at fair value through results. Expected credit losses are based on the difference between all contractual cash flows that are payable and all discounted cash flows that the Group expects to receive.
For client and contractual assets, the Group applies the simplified approach for calculating the expected credit losses. Therefore, on each reporting date, a loss provision for a financial instrument is measured at an amount equal to the expected credit losses over the lifetime without monitoring the changes in credit risk.

4.13 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

4.14 Cash and cash equivalents

Cash, cash equivalents include cash in hand, sight deposits, time deposits, overdraft bank accounts, and other high liquidity investments that are directly convertible to specified amounts of cash that are subject to a material risk of change in value.
To prepare the consolidated statements of cash flows, cash is made up of cash and balances with banks as well as cash as stated above.

4.15 Share capital

Ordinary shares and non-redeemable non-voting preferred shares with minimum statutory nondiscretionary dividend features are classified as equity.
Incremental external costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.
Where the Company or its subsidiaries purchases the Company's own equity share capital, the consideration paid including any attributable incremental external costs net of income taxes is deducted from total shareholders' equity as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

4.16 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date. Long term borrowings that fall due within the next fiscal year are classified as short term.

4.17 Government grants

Government grants related to grants for assets are recognized at fair value when there is reasonable assurance that the grand will be received and that all the relevant conditions attached will be met.
These grants are recognized as deferred income, which is recognized in the profits or loss of each reporting period in equal instalments based on the useful life of the asset after deducting all related depreciation expenses.
Grants relating to expenses are recognized after deducting all the relevant expenses during the period required for their systematic correlation with subsidized expenses.

4.18 Taxation

Income tax includes the statutory tax, deferred taxation as well as provisions for any tax differences that may arise from a tax audit. Income tax is recognized in the P&L statement except the part of deferred tax of transactions carried directly to equity.

During the current year, no income tax has been calculated due to the losses registered by the companies of the Group.

Deferred tax assets are recognized to the extent it is probable that they will be offset against future income taxes. Deferred tax assets are reviewed on each balance sheet date and reduced to the extent it is no longer probable that adequate taxable profit will be available against which all or part of such deferred tax asset can be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized, or the liability is settled based on tax rates that have been enacted or substantively enacted by the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as tax expense in profit or loss. Only changes in deferred tax assets or liabilities relating to a change in the value of asset or liability directly debited to equity shall be debited or credited directly to equity.

The Group recognizes a previously unrecognized deferred tax asset to the extent it is probable that a future taxable profit will enable the recovery of the deferred tax asset.

4.19 Employee benefits

a) **Short-term Benefits:** Short-term benefits to personnel (except for termination of employment benefits) in cash and in kind are recognized as an expense when considered accrued.
b) **Retirement Benefits:** Benefits following termination of employment include lump-sum severance grants, pensions and other benefits paid to employees after termination of employment in exchange for their service.

Defined Benefit Plan (non- funded)

Under Laws 2112/20 and 4093/2012, the Company must pay compensation upon retirement or termination to its employees. The amount of compensation paid depends on the years of service, the level of wages and the way of leaving service (dismissal or retirement). The entitlement to participate in these plans is usually based on years of service of the employee until retirement.

The liability recognized in the Statement of financial Position for defined benefit plans is the present value of the liability for the defined benefit less the plan assets' fair value (reserve from payments to an insurance company), the changes deriving from any actuarial profit or loss and the service cost. The defined benefit commitment is calculated on an annual basis by an independent actuary through the use of the projected unit credit method.

A defined benefit plan establishes, based on various parameters, such as age, years of service, salary, the specific obligations for payable benefits. Provisions for the period are included in the relative staff costs in the accompanying separate and consolidated Income Statements and comprise of the current and past service cost, the relative financial cost, the actuarial gains or losses and any possible additional charges. Regarding unrecognized actuarial gains or losses, the revised IAS 19 is applied, which includes a number of changes to accounting for defined benefit plans, including:

• recognition of actuarial gains / losses in other comprehensive income and their permanent exclusion from the income statement,

• non-recognition of the expected returns on the plan investment in the income statement but recognition of the relative interest on net liability / (asset) of the benefits calculated based on the discount rate used to measure the defined benefit obligation,

• recognition of past service cost in the income statement at the earliest between the plan modification date or when the relative restructuring or terminal provision,
• other changes include new disclosures, such as quantitative sensitivity analysis.

4.20 Provisions, Contingent Liabilities and Contingent Assets

The Group forms provisions when:
(a) the group or the company has a present obligation (legal or constructive) as a result of a past event;
(b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
(c) a reliable estimate can be made of the amount of the obligation.
If these conditions are not met, no provision shall be recognized.
Contingent liabilities and contingent assets are not recognized in the financial statements. Contingent assets are disclosed, where an inflow of economic benefits is probable while contingent liabilities are disclosed when the possibility of an outflow of resources embodying economic benefits, is high.

4.21 Revenue and Expenses recognition

Revenue and expenses are recognized in accordance with the principle of accrual basis.
Revenue comprises the fair value of the sale of goods and services, net of value-added tax, rebates and discounts and after eliminating sales within the Group. Revenue is recognized as follows:

a) Sales of goods – wholesale
Sales of goods are recognized when a Group entity has delivered products to the customer; the customer has accepted the products; and collectability of the related receivables is reasonably assured.

b) Services
Revenue from provision of services is accounted for in the period, in which the services are rendered, based on the stage of completion of the service provided in relation to all the services provided.

c) Revenue from electricity generation
Electricity sales are recognized on the date that the relevant risks are transferred to the buyer, and in particular, according to the monthly electricity production provided to the Greek network and confirmed by the LAGHE (the operator of the Greek electricity market) and ADMHE (the independent power transmission operator). Revenue also includes the ancillary services received from ADMHE.

d) Interest income
Interest income is recognized on a time-proportion basis using the effective interest method.

e) Dividend income
Dividend income is recognized when the right to receive payment is established, that means when dividends are approved by the General Assembly of the Shareholders.

f) Expenses
Expenses are recognized in profit or loss on an accrual basis. Payments made for operating leases are transferred to the income statement as expenses when the lease is used. Interest expense is recognized on an accrual basis.

4.22 Leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the Lease period. Where the Group has substantially all the risks and rewards of ownership, the leases are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in liabilities. The interest element of the finance cost is charged to the income statement over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Property, plant and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

4.23 Dividends

The allotment of dividends and management fees (from the profits of each year) is recognized as a liability in the financial statements, only when the allotment is being approved by the General Assembly of the Shareholders.

5 Important accounting estimates and judgements of Management

The preparation of Financial Statements in accordance with the International Financial Reporting Standards (IFRS) requires the Management to make judgements, estimates and assumptions that affect the assets and liabilities, the notifications of contingent assets and liabilities, as well as income and expenses during the periods presented. Actual results may differ from those estimates. Estimates and judgements are based on historical experience and other factors, including expectations of future events that are considered reasonable under specific circumstances, while they are reassessed continuously based on all available information.
During the preparation of the financial statements, the significant accounting estimates and judgements adopted by the Management for the implementation of the Group's accounting principles are consistent with those applied in the annual financial statements of December 31, 2020 and mainly related to the following:

5.1 Provision for Income Tax

The provision for income tax based on IAS 12 is calculated by estimating the taxes payable to the tax authorities and includes the current income tax for each fiscal year and a provision for any additional taxes that may arise in tax audits.
The companies of the Group are subject to income taxes in different jurisdictions. For the overall evaluation of the provision for income taxes as shown in the Balance Sheet, significant assumptions are required. For specific transactions and calculations, the final tax determination is uncertain. The Group recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will come up. Where the final tax outcome of these issues is different from the amount that was originally recognized, the differences affect the provision for income tax and deferred tax in the period in which these were determined.

5.2 Deferred Tax Assets on Tax Losses

Deferred tax assets are recognized for all unused tax losses to the extent that it is possible to have sufficient taxable profits that will offset these tax losses. For determining the amount of deferred tax assets that can be recognized, the Group's Management must make significant judgements and estimates, based on future taxable profits together with future tax planning strategies that will be followed.

5.3 Provisions for Doubtful Debts

The Group makes provisions for doubtful debts in relation to specific customers, when there are data or evidence showing that the recovery of the relevant claim is not possible in whole or in part. The Group's Management periodically reassess the adequacy of the provision for doubtful debts in connection with its credit policy and considers data from the Legal Department of the Group, which arise from processing past data and recent developments in the cases handled.

5.4 Contingencies

The Group is involved in litigations and claims in the normal course of its operations. The Management reckons that any resulting settlements would not materially affect the financial position of the Group on December 31, 2020. However, the determination of contingent liabilities relating to litigations and claims is a complex process that involves judgements regarding the outcomes and the interpretation of laws and regulations. Changes in the judgements or interpretations may result in an increase or a decrease in the Group's contingent liabilities in the future.

5.5 Useful Life of Depreciable Assets

The Management examines the useful lives of depreciable assets at each annual reporting period. On December 31, 2020, the Management estimates that the useful lives represent the expected utility of the assets.

5.6 Goodwill Impairment tests

The Group carries out the relevant goodwill impairment testing arisen from a subsidiary at least on an annual basis and/or whenever there is indication of impairment, in accordance with the provisions of IAS 36. To determine whether there are reasons for impairment, the calculation of the value in present use and of the fair value less costs to sell the business unit is required. Usually, the methods of the present value of cash flows, the valuation based on indices of similar transactions or businesses traded in an active market and the stock price are used. For the application of these methods, the Management is required to use elements such as estimated future profitability of the subsidiary, business plans as well as market factors, such as interest rates etc.

5.7 Subsidiary Impairment test

The Group conducts a related impairment test of investments in subsidiaries whenever there is evidence of impairment in accordance with IAS 36. In order to determine whether there are any reasons for impairment, it is necessary to calculate the use value and the fair value less costs to sell of each Cash Generation Unit (CGU). Recoverable amounts of CGUs have been determined for impairment testing purposes based on the calculation of their value in use, which requires estimates. To calculate the value in use, the estimated cash flows are discounted at their present value using a discount rate that reflects the risks associated with that particular CGU. The calculation uses cash forecasts based on business-approved business plans. These business plans and cash flow projections usually cover a five-year period. Cash flows, beyond the period in which provisions are available, projected at the estimated growth rates. The key assumptions used to determine the recoverable amount of the different CGUs are reported in note 8.3 of the financial statements.

6 Group's structure

The parent company and the subsidiaries included in the Consolidated Financial Statements, with the percentage of participation and the country located as of 31st December 2020, are presented in the following table:

Company	Direct % of participation	Indirect % of participation	Total percentage	Country	Consolidation Method	Activity Sectors
SIDMA STEEL S.A.	Mother	-	Mother	Greece	Full	
SIDMA WORLDWIDE LIMITED	100%	0%	100%	Cyprus	Full	HOLDING
SIDMA ROMANIA SRL.	0%	100%	100%	Romania	Full	STEEL SERVICE CENTER
SIDMA BULGARIA S.A	0%	100%	100%	Bulgaria	Full	STEEL SERVICE CENTER

The Consolidated Financial Statements of SIDMA STEEL S.A. Group are included under Equity Method, in the Consolidated Financial Statements of VIOHALCO S.A. group of companies, domiciled in Brussels. The percentage applied for the consolidation of the period 01/01/2020 – 31/12/2020 is calculated at 25.32%.

7 Operating Segments

In accordance with IFRS 8, reportable operating segments are identified based on the "management approach". This approach stipulates external segment reporting based on the Group's internal organizational and management structure and on key figures of internal financial reporting to the chief operating decision maker who, in the case of SIDMA Group, is the Chief Executive Officer that is responsible for measuring the business performance of the segments.
For management purposes, the Group is organized in into business units based on the nature of the product and services provided. SIDMA STEEL had identified two reportable profit generating segments, "Steel segment" and "Other".

	1.1 - 31.12.2020				1.1 - 31.12.2019			
Amounts in Euros	Steel	Other	Intergroup	Total	Steel	Other	Intergroup	Total
Sales to other companies	132.888.493	366.183	-	133.254.677	133.364.015	357.100	-	133.721.115
Sales to the companies of group	0	0	-	0	0	0	-	0
Total Sales	**132.888.493**	**366.183**	**-**	**133.254.677**	**133.364.015**	**357.100**	**-**	**133.721.115**
Operational Profits	**3.881.199**	**223.681**	**-**	**4.104.880**	**2.106.125**	**213.727**	**-**	**2.319.852**
Finance cost	-4.929.942	0	-	-4.929.942	-4.262.687	0	-	-4.262.687
Result from investing activities	-33.161	0	-	-33.161	24.105	0	-	24.105
Profit before taxation	-1.028.673	223.681	-	-804.992	-2.132.458	213.727	-	-1.918.730
Profit after taxation	-986.406	218.863	-	-767.544	-2.213.412	202.734	-	-2.010.678
Depreciation	2.108.607	126.643	-	2.235.250	2.115.088	126.643	-	2.241.731
EBITDA	**5.989.806**	**350.324**	**-**	**6.340.130**	**4.221.213**	**340.370**	**-**	**4.561.584**
Non Current Assets	140.808.625	2.706.401	-	143.515.026	125.387.037	1.387.990	-	126.775.027
	140.808.625	**2.706.401**	**-**	**143.515.026**	**125.387.037**	**1.387.990**	**-**	**126.775.027**
Long-term & Short-term Liabilities	156.640.523	125.744	-	156.766.268	152.387.569	293.909	-	152.681.478
	156.640.523	**125.744**	**-**	**156.766.268**	**152.387.569**	**293.909**	**-**	**152.681.478**

The analysis of the turnover in respect of domestic and foreign geographical operations is presented below:

Amounts in Euro	1.1 - 31.12.2020			1.1 - 31.12.2019		
Company	Greece	Abroad	Total	Greece	Abroad	Total
SIDMA S.A.	83.253.995	10.624.819	**93.878.814**	74.092.690	10.707.372	**84.800.063**
SIDMA BULGARIA S.A.	0	25.939.776	**25.939.776**	0	25.871.597	**25.871.597**
SIDMA ROMANIA SRL	0	13.436.087	**13.436.087**	0	23.049.455	**23.049.455**
Total	**83.253.995**	**50.000.682**	**133.254.677**	**74.092.690**	**59.628.425**	**133.721.115**

8 Financial Data Analysis

8.1 Property Plant and Equipment

Property, plant and equipment for the Group and the company as of December 31, 2020 are shown in the following tables:

Tangible Assets	Group						
	Land	Buildings	Machinery	Transportation	Other equipment	Assets under construction	Grand Total
Acquisition cost							
Acquisition cost or deemed cost 1.1.2019	**17.900.202**	**27.481.840**	**12.310.250**	**1.727.861**	**2.111.953**	**20.571**	**61.552.677**
Right of use assets (IFRS 16)	**0**	**0**		**366.250**			**366.250**
Right of use assets - Additions	**0**	**191.333**		**75.685**			**267.018**
Additions	0	10.047	104.141	79.381	43.139	435.484	**672.192**
Sales or Deletions	0	0	-53.743	-56.031	-20.854	0	**-130.627**
Transfers		7.373	27.989	0	25.867	-61.229	**0**
Exchange differences	-45.276	-58.777	-24.515	10	-182	0	**-128.740**
Acquisition cost or deemed cost 31.12.2019	**17.854.926**	**27.631.817**	**12.364.122**	**2.193.156**	**2.159.923**	**394.827**	**62.598.771**
Depreciation							
Accumulated Depreciation 01.01.2019	**0**	**-1.968.211**	**-4.379.559**	**-1.708.040**	**-1.993.287**	**0**	**-10.049.097**
Right of use depreciation of the year	**0**	**-52.182**	**0**	**-168.829**	**0**	**0**	**-221.011**
Depreciation of the year	0	-842.993	-1.086.798	-29.232	-54.514	0	**-2.013.536**
Depreciation of sold or deleted assets	0	0	13.718	56.031	18.167	0	**87.916**
Accumulated Depreciation 31.12.2019	**0**	**-2.863.385**	**-5.452.639**	**-1.850.070**	**-2.029.633**	**0**	**-12.195.728**
Book value in 31.12.2019	**17.854.926**	**24.768.431**	**6.911.484**	**343.086**	**130.290**	**394.826**	**50.403.043**
Acquisition cost							
Acquisition cost or deemed cost 1.1.2020	**17.854.926**	**27.631.817**	**12.364.122**	**2.193.156**	**2.159.923**	**394.827**	**62.598.771**
Additions	0	3.427	84.388	394.396	27.466	488.698	**998.375**
Sales or Deletions	0	0	-422.939	-7.653	-245.134	0	**-675.726**
Revaluation in fair values	949.754	1.714.086	3.833.811	71.818	0	0	**6.569.469**
Transfer of depreciation due to revaluation in fair values	0	-3.656.933	-6.189.842	-130.180	0	0	**-9.976.955**
Transfers	0	744.253	97.925	0	8.252	-853.495	**-3.065**
Transfer to Investment Property	-6.110.000	-6.420.000	0	0	0	0	**-12.530.000**
Exchange differences	-33.858	-42.744	-20.728	-593	-164	0	**-98.088**
Acquisition cost or deemed cost 31.12.2020	**12.660.821**	**19.973.906**	**9.746.739**	**2.520.944**	**1.950.343**	**30.030**	**46.882.783**
Depreciation							
Accumulated Depreciation 01.01.2020	**0**	**-2.863.385**	**-5.452.639**	**-1.850.070**	**-2.029.633**	**0**	**-12.195.728**
Depreciation of the year	0	-897.912	-1.071.140	-218.035	-51.644	0	**-2.238.730**
Transfer of depreciation due to revaluation in fair values	0	3.656.933	6.189.842	130.180	0	0	**9.976.955**
Depreciation of sold or deleted assets	0	0	333.938	0	245.131	0	**579.069**
Accumulated Depreciation 31.12.2020	**0**	**-104.364**	**1**	**-1.937.925**	**-1.836.146**	**0**	**-3.878.434**
Book value in 31.12.2020	**12.660.821**	**19.869.542**	**9.746.741**	**583.019**	**114.197**	**30.030**	**43.004.350**

Tangible Assets	Company						
	Land	Buildings	Machinery	Transportation	Other equipment	Assets under construction	Grand Total
Acquisition cost							
Acquisition cost or deemed cost 1.1.2019	**13.662.000**	**22.419.321**	**10.070.653**	**1.489.927**	**1.884.079**	**20.570**	**49.546.549**
Right of use assets (IFRS 16)	***0***	***0***	***0***	***244.709***	***0***	***0***	**244.709**
Right of use assets - Additions	***0***	***0***	***0***	***54.290***	***0***	***0***	**54.290**
Additions	0	10.047	46.348	85.754	31.681	435.484	**609.314**
Sales or Deletions	0	0	-53.743	-56.031	-5.941		**-115.715**
Transfers	0	7.373	27.989	0	25.867	-61.229	**0**
Acquisition cost or deemed cost 31.12.2019	**13.662.000**	**22.436.741**	**10.091.247**	**1.818.649**	**1.935.685**	**394.825**	**50.339.147**
Depreciation							
Accumulated Depreciation 01.01.2020	**0**	**-1.349.949**	**-3.728.291**	**-1.478.863**	**-1.784.543**	**0**	**-8.341.646**
Αποσβέσεις δικαιωμάτων χρήσης	0	0	0	-122.944	0	0	**-122.944**
Depreciation of the year	0	-675.634	-879.321	-19.428	-46.527	0	**-1.620.909**
Depreciation of sold or deleted assets	0	0	13.718	56.031	5.941	0	**75.690**
Transfers	0	0	0			0	**0**
Accumulated Depreciation 31.12.2019	**0**	**-2.025.583**	**-4.593.894**	**-1.565.205**	**-1.825.129**	**0**	**-10.009.811**
Book value in 31.12.2019	**13.662.000**	**20.411.158**	**5.497.353**	**253.444**	**110.557**	**394.825**	**40.329.337**
Acquisition cost							
Acquisition cost or deemed cost 1.1.2020	**13.662.000**	**22.436.741**	**10.091.247**	**1.818.649**	**1.935.685**	**394.825**	**50.339.147**
Additions	0	3.427	52.152	290.003	23.257	488.698	**857.537**
Sales or Deletions	0	0	-403.473	-7.653	-244.736		**-655.861**
Revaluation in fair values	370.000	979.561	3.580.011	0	0	0	**4.929.571**
Transfer of depreciation due to revaluation in fair values	0	-2.705.562	-5.143.393	0	0	0	**-7.848.955**
Transfers		744.253	97.925		8.252	-853.495	**-3.065**
Transfer to Investment Property	-6.110.000	-6.420.000	0	0	0	0	**-12.530.000**
Acquisition cost or deemed cost 31.12.2020	**7.922.000**	**15.038.420**	**8.274.469**	**2.100.999**	**1.722.459**	**30.028**	**35.088.375**
Depreciation							
Accumulated Depreciation 01.01.2020	**0**	**-2.025.583**	**-4.593.894**	**-1.565.205**	**-1.825.129**	**0**	**-10.009.811**
Depreciation of the year	0	-679.979	-863.970	-150.219	-44.670	0	**-1.738.838**
Transfer of depreciation due to revaluation in fair values	0	2.705.562	5.143.393	0	0	0	**7.848.955**
Depreciation of sold or deleted assets	0	0	314.471	0	244.733	0	**559.204**
Accumulated Depreciation 31.12.2020	**0**	**0**	**0**	**-1.715.425**	**-1.625.066**	**0**	**-3.340.490**
Book value in 31.12.2020	**7.922.000**	**15.038.420**	**8.274.469**	**385.574**	**97.393**	**30.028**	**31.747.885**

Land, buildings, and machinery are measured at their revalued value (revaluation method). Means of transport, other equipment and fixed assets under construction are stated at cost less accumulated depreciation. To secure the Group's and the Company's loans, there are mortgage foreclosures listed in note 8.30.2 below.

Revaluation of property, plant, and equipment:
With reference date 31/12/2020, the Company and the Group re-evaluated the value of the plots, buildings and machinery based on the estimates of an independent appraiser regarding their fair values as detailed in note 8.33.2. The effect of the revaluation of the value of the land, buildings, and machinery on the results for the period and on the Equity of the Company and the Group are set out below:

	Group		
	P & L	Other Comprehensive Income	Equity effect
Land	110.000	839.754	949.754
Buildings	-179.612	1.893.698	1.714.086
Machinery	122.842	3.782.786	3.905.628
Total revaluation of fixed assets in fair values	**53.230**	**6.516.237**	**6.569.467**
Deferred taxation	-12.775	-1.363.234	-1.376.009
Reserve from revaluation of fixed assets in fair values	**40.455**	**5.153.004**	**5.193.458**

	Company		
	P & L	Other Comprehensive Income	Equity effect
Land	110.000	260.000	370.000
Buildings	-179.612	1.159.172	979.560
Machinery	122.842	3.457.167	3.580.009
Total revaluation of fixed assets in fair values	**53.230**	**4.876.340**	**4.929.570**
Deferred taxation	-12.775	-1.170.322	-1.183.097
Reserve from revaluation of fixed assets in fair values	**40.455**	**3.706.018**	**3.746.473**

8.2 Intangible Assets

The intangible assets for the Group and the Company are shown in the following tables:

Amounts in €	Group Goodwill	Group Software	Group Total	Company Software
Acquisition cost				
Acquisition cost or deemed cost 1.1.2019	**419.115**	**1.607.915**	**2.027.030**	**1.428.100**
Additions	0	13.199	13.199	12.275
Exchange differences	0	(144)	(144)	0
Acquisition cost or deemed cost 31.12.2019	**419.115**	**1.620.970**	**2.040.085**	**1.440.375**
Depreciation				
Accumulated Depreciation 01.01.2019	**0**	**(1.502.599)**	**(1.502.599)**	**(1.336.537)**
Depreciation of the year	0	(51.895)	(51.895)	(46.710)
Accumulated Depreciation 31.12.2019	**0**	**-1.554.494**	**-1.554.494**	**-1.383.247**
Book value in 31.12.2019	**419.115**	**66.476**	**485.591**	**57.128**
Acquisition cost				
Acquisition cost or deemed cost 1.1.2020	**419.115**	**1.620.970**	**2.040.085**	**1.440.375**
Additions	0	53.433	53.433	53.433
Exchange differences	0	(67)	(67)	0
Acquisition cost or deemed cost 31.12.2020	**419.115**	**1.674.336**	**2.093.451**	**1.493.808**
Depreciation				
Accumulated Depreciation 01.01.2020	**0**	**(1.554.494)**	**(1.554.494)**	**(1.383.247)**
Depreciation of the year	0	(35.437)	(35.437)	(30.958)
Accumulated Depreciation 31.12.2020	**0**	**-1.589.931**	**-1.589.931**	**-1.414.205**
Book value in 31.12.2020	**419.115**	**84.405**	**503.520**	**79.603**

The goodwill arose from the acquisition of the subsidiary in Romania, which is considered as a cash-generating unit and consists of one operating sector (steel). The recoverable amount of the above cash-generating unit was defined according to the method of value in use.
Goodwill impairment test is conducted annually and when indicators of impairment appear. Under those circumstances the corresponding forecasts are taken into consideration.

At 31.12.2020, Group management performed an impairment test for the goodwill and no indicator for impairment arose. The recoverable amount 31.12.2020 was determined by the value in use calculated based on projected cash flows of the Group financial budgets approved by management covering a period of five years. The projected cash flows were calculated to reflect the operating segment's demand conditions. The provision for future income over the next five years was based on the ratio between the sector's expected sales and the company's respective sales (this ratio determines the company's market share).

The pre-tax rate used to discount projected cash flows is 7.1%, while the growth rate in perpetuity (after five years) used is 3.2% and EBITDA margin of 2.5% - 4.6%. The above percentages are based on estimates of the Group's and are consistent with independent external information sources.

The calculation of the Value in Use is more sensitive to the assumptions below:
a) Gross profit margin before depreciation
b) Discount rate
c) Market share during the budget period
d) Growth rate on perpetuity.

Gross profit margin before depreciation – The gross profit margins before depreciation are based on estimates during the budget 5-year period and converge to the gross margins achieved in the past before the outbreak of the crisis.

Discount rate – Discount rates reflect the assessment of risk current situation with respect to each cash flow generating unit. The discount rate was calculated based on the average percentage of the sector's weighted average cost of capital. This percentage was further adjusted to reflect the market assumptions about each risk of cash flow generating units for which the estimates of future cash flows have not been adjusted. The discount rate used in the impairment test incorporates the creditworthiness of Romania and Eurozone as a whole.

Market share during the budget period – Management anticipates a slight upward trend in the market where the segment operates, during the budgeting period, in line with the GDP growth estimates of the Romanian economy according to IMF. The average rate of growth is 6.0% per annum. Also expecting its market share to increase from 1.25 % today to 2.37 % at the end of the budgeting period.

Growth rate on perpetuity – The growth rate is based on the Group's long-term prospects about the segment under review.

8.3 Investments in Subsidiaries

The Company participates 100% in the subsidiary SIDMA WORLDWIDE LIMITED. The value of the company SIDMA WORLDWIDE LIMITED on 31/12/2020 was as follows:

	Balance at the beginning of the year	Cumulative Impairment	Balance on 31.12.2020
SIDMA WORLWIDE LIMITED	17.002.387	(5.826.671)	11.175.716

The value of the participation in the subsidiary SIDMA WORLDWIDE LIMITED in the individual financial statements was as follows:

	Company	
	31.12.2020	31.12.2019
Balance at the beginning of the year	**11.175.716**	**11.417.082**
Profit/Loss from Impermeant test	0	(241.366)
Balance at the end of the year	**11.175.716**	**11.175.716**

The subsidiary SIDMA WORLDWIDE LIMITED in turn participates 100% in the companies SIDMA BULGARIA and SIDMA ROMANIA.

On 31/12/2020, impairment testing of subsidiaries was carried out and no amount to be impaired arose. For impairment testing, the recoverable amount was determined based on the Valuation performed according to the business plans of the Group approved by the Management, covering a period of five years. The discount rate used to discount the expected cash flows is 7.1% for SIDMA BULGARIA S.A. and 6.4% for SIDMA ROMANIA SRL, while the growth rate on perpetuity (following the lapse of 5 years) was 2.0% for SIDMA BULGARIA S.A. and 3.2% for SIDMA ROMANIA SRL, considering the Group's long-term prospects.

8.4 Investment Property

Investment Property is analysed in the table below:

Investment Property	Group	Company
Beginning Balance 01/01/2020	0	0
Transfer of Oinofyta facilities to Investment Property	12.530.000	12.530.000
Ending Balance 31/12/2020	12.530.000	12.530.000

With the completion of the relocation of Company's Administration from Oinofyta to Aspropyrgos, it was decided on 31/12/2020, the reclassification of Inofyta facilities as Investment Property. To secure the loans of the Group and the company, there are pre-notes of real estate mentioned in note 8.30.2 below.

The fair value was determined by an independent appraiser as detailed in note 8.33.2.

8.5 Other non-current assets

The other non-current assets are analyzed in the table below:

	Group		Company	
Amounts in Euros	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Non-current assets (guarantees)	79.155	81.956	75.031	77.755
Other	1.500	500	1.500	500
Total	**80.655**	**82.456**	**76.531**	**78.255**

8.6 Inventories

	Group		Company	
Amounts in Euros	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Merchandise	6.023.541	6.870.274	5.440.048	5.607.907
Finished and semi-finished products	3.961.802	4.607.645	3.309.021	3.505.810
Raw, auxiliary materials and spare parts	6.157.635	11.018.235	4.981.752	7.681.125
Payments in advances to suppliers	2.328.873	933.308	0	0
Total	**18.471.851**	**23.429.462**	**13.730.821**	**16.794.841**

To secure the Group's and Company's loans, there is a floating collateral on stocks as mentioned in paragraph 8.30.2 below.

8.7 Trade Receivables

The Group's and Company's receivables and other trade receivables are analysed in the table below:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Customers	33.843.596	29.374.682	28.377.782	23.137.147
Notes receivable	327.425	1.190.633	0	0
Cheques receivable	15.453.772	14.237.071	15.390.072	14.074.538
Less: Allowances for doubtful trade receivables	-1.313.410	-2.145.772	-674.711	-1.461.066
Total	**48.311.383**	**42.656.614**	**43.093.143**	**35.750.618**

The account "Allowances for doubtful trade receivables" is analysed below:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Balance at the beginning of the year	2.145.772	2.082.147	1.461.066	1.476.411
Deletion of doubtful clients/debtors	-786.356	-15.346	-786.356	-15.346
IFRS 9 Adjustments	0	0	0	0
Provisions for doubtful receivables	29.998	99.840	0	0
Income from prior years' provisions	-63.335	-6.245	0	0
FX differences	-12.670	-14.625	0	0
Balance at the end of the year	**1.313.409**	**2.145.772**	**674.710**	**1.461.066**

The Company has specified criteria applying to the credit granted to customers who are generally based on the size of the customer's activity, economic circumstances, and the assessment of relevant financial information. On each date of statement of financial situation, all overdue or doubtful debts are assessed to determine whether it is necessary to raise provisions for doubtful debts or not. Any balances of customers that are crossed out are charged to the current provision for doubtful debts.

The fair values of the above receivables are approximately the same with their book values.

The time horizon of receivables collection for both the Company and the Group is set out below:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Non-due trade receivables	40.668.165	29.300.252	35.552.428	23.099.183
Overdue and non-impaired receivables				
<90 days	5.711.444	11.060.636	5.652.141	10.859.104
<91 - 180 days	1.127.435	1.336.598	1.127.435	1.271.023
<181 - 360 days	321.869	792.497	278.669	759.266
> 360 days	720.427	404.588	720.427	0
Estimated credit losses	-237.957	-237.957	-237.957	-237.957
Total	**48.311.383**	**42.656.614**	**43.093.143**	**35.750.618**

Balances up to 120 days from the invoice date are considered as non-matured.

8.8 Other Receivables

The Other receivables of the Group and the Company are analysed in the table below:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Sundry debtors	1.369.749	513.756	1.051.093	374.765
Receivables from the State (taxes, etc)	35.167	112.631	10.804	14.153
Purchases in transit	2.147.208	2.479.237	2.147.208	2.479.237
Blocked deposits	31.684	0	0	0
Short-term receivables against associated companies	0	0	0	0
Prepaid expenses	190.278	194.818	167.923	157.135
Accrued Income	97.255	176.315	97.255	176.315
Advances account	0	0	0	0
Total	**3.871.341**	**3.476.758**	**3.474.284**	**3.201.605**

8.9 Cash and Cash Equivalents

The cash and cash equivalents of the Group and the Company are analysed in the table below:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Cash on hand	12.017	32.517	2.732	11.275
Short-term deposits	16.730.204	6.206.601	15.745.739	5.346.530
Total	**16.742.221**	**6.239.118**	**15.748.471**	**5.357.806**

8.10 Share Capital and Share Premium

After absorbing the subsidiary PANELCO, the share capital of SIDMA STEEL SA amounts to a total of € 18,336,001 divided into 13,582,223 common registered shares of nominal value € 1.35 each.

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Share Capital (10.186.667 shares * 1,35 €)	18.336.001	13.752.000	18.336.001	13.752.000
Share Premium	13.296.000	9.875.000	13.296.000	9.875.000
Total	**31.632.000**	**23.627.000**	**31.632.000**	**23.627.000**

<u>Share Capital Increase with contribution of assets and liabilities BITROS STEEL SA</u>

The Board of Directors certified on October 16, 2020 the full and timely payment of the share capital increase in accordance with article 20 par. 8 of Law 4548/2018 decided by the Ordinary General Meeting of the Company shareholders on May 25, 2020, ie the amount of four million five hundred eighty-four thousand euros and sixty cents (4,584,000.60), as well as the amount corresponding to the premium difference, ie the amount of three million four hundred twenty-one thousand five hundred five hundred and seventy-one minutes. (3,421,571.20), through the contribution of assets and liabilities of BITROS STEEL SA. The contribution of assets and liabilities is analysed in the table below:

ASSETS (€' 000)	Transferred Amount
Inventory	4.040
Other Receivables	43
Receivables	5.003
Cash	6.185
Total Current Assets	**15.271**
Total Assets	**15.271**

Shareholder Equity	Transferred Amount
Share Capital	4.584
Share Premium	3.422
Total Shareholder Equity	**8.006**

LIABILITIES	Transferred Amount
IAS 19 Provisions	131
Total Non Current Liabilities	**131**
Payables	258
Current Debt	6.866
Other Current Liabilities	10
Total Current Liabilities	**7.134**
Total Liabilities	**7.265**
Total Liabilities & Equity	**15.271**

8.11 Reserves

The breakdown of the capital reserves is as follows:

	Group						
	Legal Reserve	Extraordinary Reserves	Special Reserves	Tax-free reserves under special laws	Difference from the revaluation of assets in fair values	FX differences from the consolidation of associates	Total
Balance in 1.1.2019	**2.518.248**	**239.720**	**866.370**	**9.064.267**	**9.094.714**	**(208.088)**	**21.575.230**
Changes during the current year	-	-	-	-	-	153.390	153.389,98
Balance in 31.12.2019	**2.518.248**	**239.720**	**866.370**	**9.064.267**	**9.094.714**	**(54.699)**	**21.728.620**
Changes during the current year	0	0	0	0	5.591.530	155.132	**5.746.662**
Balance in 31.12.2020	**2.518.248**	**239.720**	**866.370**	**9.064.267**	**14.686.244**	**100.434**	**27.475.282**

	Company					
	Legal Reserve	Extraordinary Reserves	Special Reserves	Tax-free reserves under special laws	Difference from the revaluation of assets	Total
Balance in 1.1.2019	**2.518.248**	**239.720**	**866.379**	**9.064.267**	**6.227.065**	**18.915.678**
Changes during the current year	-	-	-	-	-	**-**
Balance in 31.12.2019	**2.518.248**	**239.720**	**866.379**	**9.064.267**	**6.227.065**	**18.915.678**
Changes during the current year	-	-	-	-	4.144.544	**4.144.544**
Balance in 31.12.2020	**2.518.248**	**239.720**	**866.379**	**9.064.267**	**10.371.609**	**23.060.222**

8.12 Loans

The borrowings of the Group and of the Company are as follows:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Long-term loan liabilities				
Bond loans	52.967.719	53.677.720	52.967.719	53.677.720
Long-term bank loans	9.006.234	9.886.694	1.249.998	1.425.000
Derivative Financial Instruments	0	0	0	0
Leasing liabilities (long-term)	310.576	246.060	213.193	88.323
Less: Current installments of long-term loans	-53.877.343	-54.462.793	-53.167.720	-53.852.722
Total long-term liabilities (a)	**8.407.186**	**9.347.681**	**1.263.191**	**1.338.321**
Short-term loan liabilities				
Short-term bank loans	36.004.643	28.606.656	23.793.239	16.397.432
Derivative Products	0	0	0	0
Leasing liabilities (short-term)	245.737	198.240	134.290	120.272
Financing through factoring	16.616.636	12.253.309	16.031.828	11.775.609
Total short-term liabilities (b)	**52.867.016**	**41.058.205**	**39.959.358**	**28.293.313**
Plus: Current installments of long-term loans (c)	53.877.343	54.462.793	53.167.720	53.852.722
Grand Total (a)+(b)+(c)	**115.151.545**	**104.868.679**	**94.390.268**	**83.484.356**

Regarding total debt (short and long-term loans) the following table shows the future payments for the Group and the Company as at 31/12/2020 and 31/12/2019 respectively:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Up to 1 year	106.744.359	95.520.998	93.127.077	82.146.035
Between 1 and 5 years	8.407.186	9.347.681	1.263.191	1.338.321
More than 5 years	0	0	0	0
Total	**115.151.545**	**104.868.679**	**94.390.268**	**83.484.356**

The Bond Loans of the Company

- Bond loan of the company amounting to € 49 million with the banks "EUROBANK ERGASIAS S.A., NATIONAL BANK OF GREECE S.A., PIREUS BANK S.A., COMMERCIAL BANK OF GREECE S.A., ALPHA BANK S.A." and "HSBC BANK PLC" as bondholders and "EUROBANK ERGASIAS S.A." as paying agent and representative of the bondholders.
- Bond loans of the absorbed company PANELCO S.A. amounting to € 4 million with the "NATIONAL BANK OF GREECE S.A." and to € 4 million with the "EUROBANK ERGASIAS S.A.".

On 31/12/2020 the balances of the above loans are reflected in the short-term liabilities of the Company and the Group. However, as analyzed in note 8.38, the disbursement in February 2021 of the new common bond loans of the Company following the signing of the contractual documents with the bond lenders from October 16, 2020, refinanced their full repayment.

Signing of contractual documents for the issuance of three bond loans

On 16.10.2020, the Company signed the contractual documents for the issuance of the following bond loans:
(a) a common secured bond loan under the provisions of Law 4548/2018, for the amount up to forty-four million six hundred thirty-five thousand euro (€44,635,000).
(b) a common secured bond loan under the provisions of Law 4548/2018, for the amount up to seven million one hundred seventy-seven thousand euro (€7,177,000).
(c) a common secured bond loan under the provisions of Law 4548/2018, for the amount up to twenty-four million nine hundred eighty thousand euro (€24,980,000).

The Group's loans in foreign currency amount to € 6,839 thousand (RON 33,302 thousand).

The average cost of borrowing for the Company amounted to 4.2% while for the Group to 4.9%.
The Group's standard practice is not to make use of all available routes, but to have disposable credit limits or cash flows at least 7.5% of the total on any occasion. The company's financial statements have been prepared based on the principle of going concern.

To secure the Group's and Company's loans, there are prenotations of property, floating security on a group of stocks and guarantees (postdated cheques and customer invoices) referred to in paragraphs 8.30.1 and 8.30.2 below.

8.13 Government Grants

Government Grants relate to grants received from the parent Company and are analyzed below:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Grants	68.166	109.096	68.166	109.096
Total	**68.166**	**109.096**	**68.166**	**109.096**

Depreciated Government Grants amounted to € 42,930 in 2020 and € 42,019 in 2018.

8.14 Deferred Tax

The Group has chosen to set off the deferred tax assets against the deferred tax liability of the same taxable entity if, and only if, they relate to income taxes levied by the same taxation authority and the entity has a legally enforceable right to do so.

Deferred taxes of the Group and the Company are reviewed in each financial year so that the balance set out in the balance sheet is reflected at the applicable tax rates.

The tax rate of public limited companies in Greece for the fiscal year ended 31/12/2020 is 24%.

	Group						
	Fixed Assets	Investments	Retirement Benefits to personnel	Provision for doubtful debtors	Losses	other provisions	Total
01.01.2019	**-4.978.500**	**-**	**171.534**	**302.833**	**1.615.022**	**672**	**-2.888.440**
(Credit)/Debit of profit - loss statement	46.886	-	11.542	-3.836	-226.865	-	**-172.272**
Effect from the change of tax rate in the P&L	191.978	-	-7.358	-12.231	-96.959	-	**75.430**
(Credit)/Debit of Comprehensive Income	-	-	6.613	-	-	-	**6.613**
Effect from the change of tax rate in the O.C.I Statement	-	-	-1.029	-	-	-	**-1.029**
FX differences	249	-	-	-	-	-	**249**
31.12.2019	**-4.739.387**	**-**	**181.303**	**286.766**	**1.291.197**	**672**	**-2.979.449**
01.01.2020	**-4.739.387**	**-**	**181.303**	**286.766**	**1.291.197**	**672**	**-2.979.449**
(Credit)/Debit of profit - loss statement	83.020	-	42.960	-131.614	133.290	-	**127.656**
Effect from the change of tax rate in the P&L							
(Credit)/Debit of Comprehensive Income	-1.363.233	-	-34.410	-	-	-	**-1.397.644**
Effect from the change of tax rate in the O.C.I Statement							
FX differences							
31.12.2020	**-6.019.601**	**-**	**189.853**	**155.151**	**1.424.488**	**672**	**-4.249.437**

	Company						
	Fixed Assets	Investments	Retirement Benefits to personnel	Provision for doubtful debtors	Losses	other provisions	Total
01.01.2019	**-4.671.434**	**384.842**	**173.232**	**309.612**	**1.050.694**	**-**	**-2.753.054**
Adjustments due to absorption of subsidiary company							**-**
(Credit)/Debit of profit - loss statement	63.081	-384.842	11.131	-3.836	-38.149	-	**-352.615**
Effect from the change of tax rate in the P&L	191.978	-	-7.358	-12.231	-96.959	-	**75.431**
(Credit)/Debit of Comprehensive Income	-	-	6.613	-	-	-	**6.613**
Effect from the change of tax rate in the O.C.I Statement	-	-	-1.029	-	-	-	**-1.029**
31.12.2019	**-4.416.375**	**-**	**182.590**	**293.545**	**915.586**	**-**	**-3.024.655**
01.01.2020	**-4.416.375**	**-**	**182.590**	**293.545**	**915.586**	**-**	**-3.024.655**
(Credit)/Debit of profit - loss statement	83.459	-	44.363	-131.614	131.614	-	**127.823**
Effect from the change of tax rate in the P&L	191.978	0	-7.358	-12.231	-96.959	-	**75.430**
(Credit)/Debit of Comprehensive Income	-1.170.322	-	-34.298	-	-	-	**-1.204.620**
Effect from the change of tax rate in the O.C.I Statement	-	-	-1.029	-	-	-	**-1.029**
31.12.2020	**-5.503.237**	**0**	**192.654**	**161.930**	**1.047.200**	**-**	**-4.101.452**

8.15 Pension's obligations

The change in the present value of the liability for defined benefit plans is as follows:

	Group		Company	
Defined Benefit	31.12.2020	31.12.2019	31.12.2020	31.12.2019
DBO at start of period	**790.685**	**718.709**	**760.790**	**692.925**
Service Cost	34.083	35.968	27.341	31.323
Interest Cost	11.860	13.656	11.412	13.166
Settlement/Termination loss/(gain)	26.167	-	26.167	-
Past service cost arising over the period	26.090		26.090	-
Benefits paid directly by the companies	-37.541	-	(37.541)	-
DBO adjustment through OCI	-195.826	-	(195.826)	-
Actuarial (gain)/loss - Demographic assumptions	0	-	-	-
Actuarial (gain)/loss- financial assumptions	42.917	22.352	44.036	23.376
Actuarial (gain)/loss - other assumptions	8.880	-	8.880	-
Transfer of Personnel from BITROS STEEL	131.378	-	131.378	-
DBO at end of period	**838.693**	**790.685**	**802.727**	**760.790**

The amounts recognized in the Income Statement are:

	Group		Company	
Amounts recognized in P & L Statement	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Service Cost	34.083	35.968	27.341	31.323
Interest Cost	11.860	13.656	11.412	13.166
Settlement/Termination loss/(gain)	26.167	-	26.167	-
Past service cost arising over the period	26.090	-	26.090	-
Total P & L Charge	**98.200**	**49.623**	**91.010**	**44.489**

The amounts recognized in other comprehensive income in the Statement of Other Comprehensive Income are:

	Group		Company	
Amounts recognized in OCI	31.12.2020	31.12.2019	31.12.2020	31.12.2019
DBO adjustment through OCI	195.826	0	195.826	0
Actuarial (gain)/loss- financial assumptions	-42.917	-22.352	-44.036	-23.376
Actuarial (gain)/loss - other assumptions	-8.880	0	-8.880	0
Total amount recognized in OCI	**144.029**	**-22.352**	**142.910**	**-23.376**

For determination of the pension liability, the following actual assumptions were used:

	Group		Company	
Assumptions	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Discount Rate	0,9%	1,5%	0,9%	1,5%
Rate of compensation increase	1,0%	1,0%	1,0%	1,0%

The amount of the obligation is particularly sensitive to the assumptions used, and especially in cases of compensation increase and the discount rate. A sensitivity analysis of such changes is shown below:

31.12.2020	Group		Company	
Discount Rate	+ 0,50%	- 0,50%	+ 0,50%	- 0,50%
Benefit Obligation	800.328	880.902	766.007	843.126

31.12.2020	Group		Company	
Future price inflation	+ 1%	- 1%	+ 1%	- 1%
Benefit Obligation	927.210	762.192	887.448	729.507

8.16 Trade payables

Trade suppliers and other liabilities of the Group and the Company are as follows:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Trade Suppliers	31.875.442	40.902.973	24.454.017	31.314.809
Total	**31.875.442**	**40.902.973**	**24.454.017**	**31.314.809**

Payment terms of domestic suppliers amounted to 90 days. Regarding foreign suppliers, the payment terms range from cash up to 90 days. The weighted average payment terms are 43 days.

8.17 Other Current Liabilities

Other liabilities of the Group and the Company are as follows:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Advances from trade debtors	512.520	515.931	506.309	510.456
Social Security	260.902	222.574	260.902	222.574
Sundry debtors	2.023.190	1.923.148	1.909.758	1.783.793
Accrued Expenses	352.671	264.361	352.671	248.081
Other short-term liabilities	1.328.225	93.844	1.191.544	68.438
Other (accruals or deffered income)	105.475	10.736	105.475	10.736
Total	**4.582.984**	**3.030.595**	**4.326.660**	**2.844.079**

8.18 Turnover (Sales)

Sales are analysed by category of products and services as follows:

	1.1 - 31.12.2020		1.1 - 31.12.2019	
	Group	Company	Group	Company
Manufacture of basic iron, steel and ferro-alloys	58.214.618	39.567.884	60.307.311	38.368.397
Wholesale of metals and metal ores	48.585.342	27.862.190	49.123.824	22.297.800
Manufacture of metal structures and parts of structures	14.404.124	14.404.124	14.326.070	14.326.070
Treatment and coating of metals	7.585.076	7.585.076	7.110.754	7.110.754
Produstion of Electricity	366.183	366.183	357.100	357.100
Manufacture of steel tubes	4.099.333	4.099.333	2.496.056	2.496.056
Σύνολο	**133.254.677**	**93.884.791**	**133.721.115**	**84.956.178**

The turnover amounts as appeared in the Statement of Comprehensive Income, do not include the sales made by the parent company on behalf of third parties (consignment) amounting to € 29,495,904. The respective amount of the previous year 2019 was € 32,885,156. The above amounts should be considered for the calculation of any ratios based on the turnover of the Group and the Company.

8.19 Cost of Sales

The Group's and Company's Cost of Sales is analysed in the table below:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Cost of Goods	114.383.516	117.536.986	77.779.216	72.003.018
Devaluation of stock	0	0	0	0
Payroll & Related Expenses	1.352.409	1.443.550	1.175.960	1.096.415
Third Party Fees & Related Expenses	1.955.575	1.750.882	1.899.362	1.689.154
Utilities - Services	546.484	545.561	499.671	473.924
Taxes - Stamp Duties	28.088	64.227	16.919	17.842
Various Expenses	225.768	152.595	156.109	109.301
Depreciation	1.143.952	1.170.770	994.082	1.008.572
Total	**119.635.792**	**122.664.571**	**82.521.318**	**76.398.226**

8.20 Other Income

The Other Income for the Group and the Company is analysed in the table below:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Income from rendering services to third parties	741.690	773.562	741.690	773.562
Agency Fees	1.817.362	2.020.116	1.391.076	1.565.819
Rentals	295.887	159.757	295.887	159.757
Invoiced expenses for dispatching goods	1.464.618	1.410.280	1.140.179	1.109.526
Incidental activity income	62.146	64.758	0	0
Prior year's income	142.490	217.972	57.348	180.966
Income from the depreciation of granted assets	40.930	42.019	40.930	42.019
Other non-operating income	509.890	760.047	401.538	383.968
Income from prior years' provisions	46.999	1.789	0	0
Total	**5.122.012**	**5.450.299**	**4.068.649**	**4.215.617**

8.21 Administrative expenses

The administrative expenses of the Group and the Company are analysed in the following table:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Payroll & Related Expenses	1.892.817	1.835.569	1.374.666	1.327.972
Third Party Fees & Related Expenses	1.220.869	901.813	1.026.796	695.529
Utilities - Services	185.801	240.567	110.099	120.545
Taxes - Stamp Duties	349.466	324.343	313.545	272.227
Various Expenses	255.876	250.728	129.398	149.110
Depreciation	371.977	396.676	339.525	353.247
Provisions	53.698	31.323	53.698	31.323
Total	**4.330.504**	**3.981.019**	**3.347.725**	**2.949.953**

8.22 Selling/Distribution expenses

The Selling and Distribution expenses of the Group and the Company are analysed in the following table:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Payroll & Related Expenses	3.628.175	3.402.108	2.553.962	2.284.136
Third Party Fees & Related Expenses	1.020.688	1.074.647	597.342	622.337
Utilities - Services	1.032.878	998.095	942.030	869.397
Taxes - Stamp Duties	120.521	101.714	62.803	66.539
Various Expenses	3.549.051	3.330.842	3.466.400	3.233.859
Depreciation	746.462	716.784	438.188	426.754
Provisions	30.545	101.135	0	0
Total	**10.128.320**	**9.725.324**	**8.060.724**	**7.503.022**

8.23 Other expenses

The other expenses of the Group and the Company are analysed in the following table:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Prior years expenses	135.684	303.566	135.684	303.566
Other non-operating expenses	41.508	177.083	2.631	157.830
Provisions for doubtful receivables	0	0	0	0
Total	**177.193**	**480.648**	**138.316**	**461.396**

8.24 Finance expenses (net)

The Group's and Company's net financial expenses are analysed in the table below:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Credit interest	2.731	10.634	2.512	10.074
Other related income	0	1.000.000	0	1.000.000
Financial Income	**2.731**	**1.010.634**	**2.512**	**1.010.074**
Interest Expense	-4.115.759	-4.288.957	-2.902.822	-2.907.399
Other bank expenses	-679.712	-787.602	-638.943	-730.327
Τόκοι από χρηματοδοτική μίσθωση (leasing)	-11.195	-47.310	-10.261	-31.095
F.X. differences	-126.007	-149.452	0	0
Financial Expenses	**-4.932.673**	**-5.273.322**	**-3.552.026**	**-3.668.821**
Total	**-4.929.942**	**-4.262.687**	**-3.549.513**	**-2.658.747**

8.25 Investing Activities

The Group's and Company's Investment Activities are analysed in the table below:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Extraordinary Profits\Losses	-33.161	24.105	-33.161	24.105
Reversal of impairment in subsidiaries	0	0	0	-241.366
Total	**-33.161**	**24.105**	**-33.161**	**-217.261**

From the impairment test carried out on 31/12/2020 (see note 8.3) no relevant amounts emerged.

8.26 Taxation

The Group's and Company's taxes are analysed in the table below:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Income Tax	-13.251	-3.750	0	0
Deferred Tax	131.979	-88.198	127.823	-277.184
Tax audit differences	-81.279	0	0	0
Total	**37.448**	**-91.948**	**127.823**	**-277.184**

The tax of the Group and the Company differs from the theoretical amount that would arise using the basic tax rate as follows:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Income tax of the year	-9.095	-3.750	0	0
Deffered tax	127.823	-88.198	127.823	-277.184
Other taxes	-81.279	0	0	0
Total	**37.448**	**-91.948**	**127.823**	**-277.184**
Profit before taxation	-804.992	-1.918.730	355.912	-1.016.810
Tax rate	24%	24%	24%	24%
Expected Tax Cost	**193.198**	**460.495**	**-85.419**	**244.034**
Previous years' losses without recognition of a deffered tax asset	223.846	-123.743	426.096	-96.607
Deffered taxes of previous years	131.614	-282.528	131.614	-384.842
Effect from non-deductable expenses	-344.469	-131.631	-344.469	-115.201
Effect from the change of the tax rates	0	75.431	0	75.431
Taxes of previous years	-81.279	0	0	0
Effects from differences in the tax rates of foreign subs	-85.462	-89.972	0	0
Total	**37.448**	**-91.948**	**127.823**	**-277.185**

8.27 Basic Earnings per Share

The basic earnings per share have been calculated using the net results attributable to shareholders of SIDMA STEEL S.A. as numerator. The weighted average number of outstanding shares used as denominator.

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Profit to the Shareholders of the mother company	-767.544	-2.010.678	483.735	-1.293.994
Weighted number of shares	13.582.223	10.186.667	13.582.223	10.186.667
Basic Earnings Per Share (EURO/share)	-0,0565	-0,1974	0,0356	-0,1270

8.28 Dividends per share

Due to accumulated losses no distribution of dividends is possible.

8.29 Non-Audited Fiscal Years

The Company has been audited by the tax authorities up to and including 2010. For the fiscal years 2011 to 2019 included, the Company received a Tax Compliance Report, according to par. 5 of article 82 of L. 2238/1994 and article 65A par.1 of L. 4174/2013, without any substantial differences. According to circular POL. 1006/2016, the companies which have been subject to the above special tax audit are not exempted from the regular audit carried out by the competent tax authorities. The Company's Management reckons that in any future re-audits by the tax authorities, if conducted, additional tax differences with significant effect on the Financial Statements will not incur.

For the fiscal year 2020, the special audit to obtain a Tax Compliance Report is in progress and the related tax certificates are expected to be granted upon publication of the Financial Statements for the fiscal year 2020. If, until the completion of the tax audit, additional tax liabilities arise, the Company believes that these will not have a significant effect on the Interim Condensed Financial Statements. It should be noted that, in accordance with the recent legislation, the audit and the issuance of the Tax Compliance Report apply for the fiscal years 2016 onwards on a voluntary basis.

For the other companies of the Group, the following applies: "SIDMA WORLDWIDE CYPRUS" has been tax audited until the fiscal year 2011 included, "SIDMA Romania S.R.L." until September 2008 included, while "SIDMA Bulgaria S.A." has not been tax audited for the years 2005 to 2020. Due to accumulated tax losses, no additional taxes are foreseen.

8.30 Contingent liabilities

8.30.1 Guarantees

On 31 December 2020, the Group and the Company had the following contingent assets & liabilities:
Guarantees for assets.

- Issuance of letter of guarantees as assurance for receivables, amounting to € 2 million for the Group and the Company.

Guarantees for liabilities.

- Issuance of letter of guarantees as assurance for payables, amounting to € 13 thousand for the Group and the Company.
- Guarantees (cheques receivable and ceded receivables-invoice factoring) amounting to € 2.4 million, for the assurance of bank financing of the subsidiaries in Romania and Bulgaria.
- Issuance of guarantees amounting to € 12.2 million and letters of guarantees amounting to € 2.1 million for the assurance of bank financing of the subsidiaries in Romania and Bulgaria.

8.30.2 Encumbrances

There are prenotations of property mortgages on the assets of the Group and the Company and floating security right on inventory and receivables amounting to a total of € 81.5 million as detailed below:

a) An amount of € 49 million, recorded on the property of the company for the Common Bond Loan of € 46.5 million of the Parent company and an amount of € 8 million on a property of the absorbed subsidiary PANELCO following the amendments of the bond loans of a total value of € 7.2 million.
b) An amount of € 9 million (creation of a floating security right in rem) in accordance with L. 2844/2000, on a group of its stocks for the Common Bond Loan of € 46,5 million of the Parent company as well as a bilateral one of € 7.2 million.
c) An amount of € 7.2 million (mortgage on the premises and machinery of the subsidiary in Bulgaria, SIDMA Bulgaria, as well as the creation of a floating security right in rem on its inventory and receivables) for loans with a nominal value of € 6.5 million.
d) An amount of € 5 million, recorded on the property, an amount of € 0.5 million, recorded on the mechanical equipment and an amount of € 1.8 million (establishment of a floating security right over its stocks and receivables) of the subsidiary SIDMA Romania S.R.L. for loans with a nominal value of € 10.1 million.

8.30.3 Legal Affairs

There are no legal or arbitration decisions by judicial or arbitration bodies that may have an impact on the financial position or operating results of the Group companies.

8.31 Risk management

8.31.1 Macroeconomic Environment

The spread of the COVID-19 pandemic affects the global economy and will continue to affect the Greek economy for a yet unknown period. According to the provisional ELSTAT data, the annual contraction rate of the Greek economy amounted to 8.2%, with the 2020 GDP shrinking to €168.5 billion from €183.6 billion in 2019.

During 2020 a series of factors such as:
i. public and private investment with significant impact on the construction industry and therefore on the demand of steel products;
ii. the increase of raw material prices with simultaneous improvement of the Group's profit margin, and,
iii. the absorption of the assets and liabilities of BITROS STEEL S.A.,
let to the minimum possible impact on the Company's and the Group's earnings.

Like in 2020, the growth potential of the current year will be determined mainly by the duration and the intensity of the COVID-19 pandemic. The Greek economy, like the economies of all countries globally, remains exposed to disturbances of the demand and potentially of the supply. The state budget for 2021 predicts the return of the Greek economy in a sustainable growth trajectory from the second quarter of 2021. The European Commission's winter 2021 economic forecast (February 2021), predict a 3.5% growth of the Greek economy within 2021. According to the latest quarterly report of the Foundation for Economic & Industrial Research (IOBE) (04/2020), if the crisis starts to gradually subside from the first quarter of 2021, with no new outbreaks, and simultaneously the absorption target of funds from the European Recovery Fund is achieved, a 4.0-4.3% recovery of the Greek economy is expected, whereas in case of faster remission of the pandemic and recovery of economic activity internationally, the recovery of Greek economy will be at the range of 5.0-5.3%. However, the forecasts involve a high degree of uncertainty since the economic developments are correlated with the evolution and the duration of the health crisis. In any case, the return to normality, which will not occur before summer 2021, will primarily depend on the country's vaccination program, combined with other actions, e.g. the expected support from the Recovery Fund.

For 2021, SIDMA STEEL S.A. continues to focus on the safety of its personnel and partners, taking all the necessary precautionary measures. The Company's management follows the developments, assesses the risks and takes all necessary actions in order to mitigate, as much as possible, any impact caused by the unstable environment of the pandemic and uninterruptedly continue its operations and services to its customers.

8.31.2 Credit Risk

The Parent company as well as its subsidiaries have a policy to insure their credit sales through insurance companies and, therefore, no significant concentrations of credit risk are generated. Wholesale sales are mainly made to customers with an appropriate credit history. In 2020, no customer participated in the turnover by more than 2.0%, while there was dispersion to many customers. Retail sales are made in cash. On 31/12/2020, the Management believes that there is no material credit risk exposure that has not already been covered by provisions for bad debts. It has also organized a credit control department, charged with assessing the creditworthiness of its customers as well as determining their credit limits. The Group's exposure to credit risk is limited to financial assets, which are as follows:

	Group		Company	
Financial Assets	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Cash and cash equivalents	16.742.221	6.239.117	15.748.471	5.357.805
Trade and other receivables	52.263.379	46.215.828	46.643.957	39.030.478
Total	**69.005.600**	**52.454.945**	**62.392.428**	**44.388.283**

8.31.3 Interest Rate Risk

The interest rate risk mainly arises from long-term and short-term loans. Loans with variable interest rates expose the Group to cash flow risk. The Group does not consider a rapid increase in Euribor interest rates being possible given the economic situation and development prospects of the Eurozone countries and therefore it has not carried out any interest rate risk management transactions.

The table shows the sensitivity to the Period Results and the Stockholders' Equity in case of a possible change in the Group's interest rates by +/- 1%.

	Group				Company			
	Effect to P & L		Effect to Equity		Effect to P & L		Effect to Equity	
amounts in thousand €	+1%	-1%	+1%	-1%	+1%	-1%	+1%	-1%
31st December 2020	(1.145.939)	1.145.939	(1.145.939)	1.145.939	(940.414)	940.414	(940.414)	940.414
31st December 2019	(1.048.687)	1.048.687	(1.048.687)	1.048.687	(834.844)	834.844	(834.844)	834.844

8.31.4 Liquidity Risk

The financial statements of the company have been prepared based on the principle of activity's continuation.

The Group has a regular policy not to use all its available lines and have, at any time, available credit limits or cash available at least 7.5% of the total. At 31.12.2020 the Group maintained cash of € 16.7 million.

The total value of the current liabilities of the Company and the Group on 31 December 2020, exceeds the total value of their current assets by € 45.7 million and € 55.8 million, respectively. In addition, due to the accumulated losses, the total value of the Group's equity has become negative, while the total equity of the Company, on 31 December 2020 has become less than half (1/2) of its share capital and, as a result, the conditions of par. 4 of article 119 of Law 4548/2018 are applied.

The management of the company after the decision of the General Meeting of shareholders at 31/8/2020, whose shareholders decided to issue common Bond Loans totaling € 76.8 million with a tenor of 10 years, signed with the creditor banks on October 16, 2020 the contractual documents for the issuance of the above bond loans totaling € 76.8 million. The process of disbursement of the new bond loans was not completed until 31/12/2020 resulting that the above loan obligations of the Company are reflected in short-term liabilities burdening the working capital of the Company and the Group. The disbursement of the above bonds was completed on February 5, 2021, resulting that at the date of disbursement bond loans totaling € 72.6 million were reclassified from short-term liabilities to long-term liabilities turning the Company's and Group's working capital back to positive.

In addition, upon completion (February 5, 2021) of the disbursement of the bond loans, the new loan liabilities will be reflected in their fair value, in accordance with the requirements of IFRS 9. The valuation of the dept obligations at their fair value results in a reduction of the dept obligations, as presented in the financial statements, by € 16.3 million and the increase of the Company's and the Group's Equity by approximately € 12.4 million (including the corresponding deferred tax amounting to € 3.9 million). This fact had as a result the compliance of Company's Equity to par. 4 of article 119 of Law 4548/2018.

The effect on the Company's and the Group's Financial Position if the transaction had been completed on 31/12/2020 is presented in detail in note C.8 within this report.

In addition, the Group in the context of a possible need to enhance its liquidity, further to the cost savings program already being implemented, evaluates strategies that can bring significant benefits. Specifically, it is considering a series of actions to improve its financial position such as further organizational restructuring, the reduction of support costs and the exploitation of assets that will bring benefits without affecting the smooth operation of the Group.

The maturity of the Group's financial liabilities is as follows:

	Group							
	31.12.2020				31.12.2019			
Group	**Up to 6 months**	**6-12 months**	**1-5 years**	**More than 5 years**	**Up to 6 months**	**6-12 months**	**1-5 years**	**More than 5 years**
Long-term borrowings	52.867.017	53.877.343	8.407.186	-	41.058.205	54.462.793	9.347.681	-
Trade Payables	31.875.442	-	-	-	40.902.973	-	-	-
Other Payables	4.582.984	-	-	-	3.030.595	-	-	-
Total	**89.325.443**	**53.877.343**	**8.407.186**	**0**	**84.991.773**	**54.462.793**	**9.347.681**	**0**

	Company							
	31.12.2020				31.12.2019			
Group	**Up to 6 months**	**6-12 months**	**1-5 years**	**More than 5 years**	**Up to 6 months**	**6-12 months**	**1-5 years**	**More than 5 years**
Long-term borrowings	39.959.358	53.167.720	1.263.191	-	28.293.313	53.852.722	1.338.321	-
Trade Payables	24.454.017	-	-	-	31.314.809	-	-	-
Other Payables	4.326.660	-	-	-	2.844.079	-	-	-
Total	**68.740.034**	**53.167.720**	**1.263.191**	**0**	**62.452.201**	**53.852.722**	**1.338.321**	**0**

8.31.5 Risk of Fluctuation of Raw Material Prices

The sale prices of the manufactured products are largely dictated by the prices of the raw material. The fluctuations in the international prices of steel products affect (positively or negatively) the Group’s profit margin, since the fluctuation of the sale prices of the products cannot be entirely synchronized with the prices of our not yet received orders and the prices of our inventory. The Group’s gross profit margin is positively affected in case of increasing prices of the raw materials and negatively otherwise. The fluctuation of the prices of the products marketed by the Group cannot be covered by hedging, therefore its earnings are affected accordingly due to devaluation or overvaluation of the inventory.

Indicatively we report that during a four-year period, from January 2017 to December 2020, the difference between the maximum and minimum CIF price of three of the most important products of the Group, as well as the standard deviation, are as follows:

€ / MT	Hot Rolled Materials	Cold Rolled Materials	Galvanized Materials
Minimum to Maximum Value Difference	167	166	194
Standard Deviation	43	46	50

Correspondingly, the gross profit margin had fluctuations of the order of 262 base points between maximum and minimum prices. An increase of the prices corresponds to an increase of the gross profit %, without being able to quantify the exact ratio between them. For every 50 base points of fluctuation of the gross profit %, the effect on the 2019 and 2020 earnings would be approximately:

GROUP	2019		2020	
THOUSANDS €	50 b.p.	-50 b.p.	+50 b.p.	-50 b.p.
Net Earnings	669	-669	666	-666
Equity	669	-669	666	-666

COMPANY	2019		2020	
THOUSANDS €	50 b.p.	-50 b.p.	+50 b.p.	-50 b.p.
Net Earnings	425	-425	469	-469
Equity	425	-425	469	-469

8.31.6 Currency Risk

The Group operates in Europe and therefore the bulk of its transactions is carried out in Euros. However, for the small part of the Group's goods purchases made in US Dollars, the Group carries currency forward contracts.
In addition, the Group is exposed to currency risks from investments in foreign countries. Specifically, for the subsidiary in Romania, as a natural hedge the Group's policy is to use borrowings in the respective currency - whenever this is possible - to reduce exposure to risk in case of devaluation of local currency against the Euro. The foreign exchange risk problem does not apply to the Bulgarian subsidiary because its currency is locked against the euro.

The tables with the remaining receivables and liabilities in Foreign Currency for the Group are as follows:

	31.12.2020		31.12.2019	
amounts in €	**USD**	**RON**	**USD**	**RON**
Financial Current Assets	1.442	3.562.346	237.935	6.754.299
Financial Liabilities	-	-15.982.575	-	-17.967.346
Short-term elements	**1.442**	**-12.420.230**	**237.935**	**-11.213.047**
Financial Current Assets	-	5.699.595	-	5.524.461
Financial Liabilities	-	-	-	-
Long-term elements	**-**	**5.699.595**	**-**	**5.524.461**

The change in the results and the Stockholders' Equity of the Group from a possible change in the foreign currency exchange rate is as follows:

	31.12.2020			
	+ 10%	**- 10%**	**+ 10%**	**- 10%**
amounts in €	**USD**		**RON**	
Profits (losses) before taxes	-131	160	116.352	-142.207
Equity	-131	160	727.318	-888.945

	31.12.2019			
	+ 10%	**- 10%**	**+ 10%**	**- 10%**
amounts in €	**USD**		**RON**	
Profits (losses) before taxes	-21.630	26.437	120.076	-146.759
Equity	-21.630	26.437	637.220	-778.824

8.32 Capital Management

The policy of the Group consists in maintaining a strong capital base to preserve the trust of investors, creditors and the market and enable the future development of Group activities. The Group monitors capital performance which is defined as net results divided by total equity, excluding the non-controlling interests. In addition, the Group monitors the level of dividends distributed to shareholders.

The Group tries to maintain the equilibrium between higher returns that could be attained through higher borrowing levels and the advantages and security provided by a robust and sound capital structure. The Group does not have a specific plan for own shares acquisition. There were no changes in the approach adopted by the Group in relation to capital management during the fiscal year.
On December 31, 2020, the Company's and the Group's Equity are negative. However, Management is considering immediate measures to address the Company's and the Group's negative equity.

8.33 Fair value measurement

8.33.1 Financial assets and liabilities

Financial assets and liabilities measured at fair values in the Balance Sheet were classified into three hierarchical levels. The classification table of financial data is defined by the quality of the data used to determine the fair value, as follows:

Level 1: financial instruments measured at fair value using quoted prices in active markets.

Level 2: financial instruments measured at fair value using other indisputable objective prices outside active markets.

Level 3: financial instruments measured based on the Company's estimates, as there are no observable market data.

The fair value of the following financial assets and liabilities of the Group and the company approximate their carrying amount:

- Trade and other receivables
- Other current assets
- Trade and other financial liabilities
- Loans
- Cash and cash equivalents

8.33.2 Non financials assets

Regarding the non-financial assets (land, buildings, and machinery), their fair values (level 3) on 31/12/2020 and 31/12/2019 were for the Group and the company as follows:

	Group		Company	
Level 3	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Own Land, Buildings, Machinery	42.277.103	49.534.840	31.234.890	39.570.510
Investment Property	12.530.000	0	12.530.000	0
	54.807.103	**49.534.840**	**43.764.890**	**39.570.510**

Company's and Group's own properties (land, buildings & mechanical equipment) are shown on their adjusted value, which is the fair value at the date of revaluation less subsequent accumulated depreciation and impairment. Investment property is shown on their fair value.

Revaluations of assets are made periodically so that carrying amounts do not differ materially from those would have been calculated using the fair value at the end of each reporting period. Any goodwill arising from revaluations of such land, buildings, and production equipment is being recognized in other comprehensive income and transferred directly to equity in the revaluation reserve, except for the amount reversing a previous impairment loss for the same asset that had been recognized in the results.

The decrease in fair value arising from the revaluation of land, buildings and production equipment is recognized in the income statement, except for the amount that reverses a previous goodwill on the same asset, which had been recognized in the revaluation reserve.

The fair value of the Company's and the Group's properties was calculated by an independent appraisal firm, which determined the fair value of the properties following the internationally recognized valuation methods.

For the calculation of properties' fair value, three valuation methods were used based on the type of real estate under assessment, the existence or not of comparative data and on the data collected during the autopsy.

Specifically, the valuation methods used in calculating the estimated fair value are:

<u>Market Approach</u>

The Market Approach is considered to reflect the most reliable secondary market and forms the value based on the analysis and comparison of past or recent sales of comparable assets.

The Comparative Approach, as it is otherwise stated, assumes that an informed buyer would not pay for the acquisition of a property or an asset, more than the cost of purchasing a similar one, for the exact same use and purpose. When the Market Approach is applied, on-the-spot inspections identify the actual technical details of the assets under investigation and compare them with those available on the open market.

<u>Cost Approach</u>

The Cost Approach is mainly applied on the estimation of specialized mechanical equipment, where it is found that there is no organized secondary market, and forms the value based on the Cost of Reproduction or Replacement of the fixed asset. This method also is being applied on cases where the assets can only be sold individually as part of an operating business. Additionally, this method is applied on estimations where there is insufficient comparative data on the sale of similar assets. The value resulting from the application of the Cost Approach method assumes that an informed buyer is not willing to pay, for the acquisition of a particular asset, a price higher than what he would pay for the reproduction or replacement of the same asset, in its current form and situation.

The Reproduction or Replacement Cost of the asset represents the New Value of the asset, which with the utilization of appropriate rates and the experience of the appraiser, is then reduced, to reflect the loss of value that the asset has suffered due to Physical, Functional and Economic Devaluation. The value resulting from the above calculations reflects the Residual Replacement Cost of the estimated asset or as stated in IFRS, the Amortized Replacement Cost.

<u>Revenue Approach</u>

The Revenue Approach is mainly applied on the valuation of enterprises or other assets and rights, and determines the value based on the capitalization of the sources of income that the property earns or can earn according to its current use. For the application of the Revenue Approach, according to international practices, the sources of income are being identified by the analysis of the individual holdings carried out in the enterprise and the determination of the net income resulting from the individual revenue / cost centres.

To ascertain the net cash flows of the individual holdings, for each one of them both the income revenues in the holding and the administrative and operational expenses (such as maintenance or replacement costs of fixed assets) that are realized during the operating / exercising rights period are being identified and capitalized.

In the following table there are the fair values of the Company and the Group per facility / category of asset:

Lamia	**Weights**	**Fair Values**	**Weighted Fair Value**
Comparable Method	50%	5.319.000	2.659.500
Replacement Cost Method	50%	5.799.000	2.899.500
Fair Value €			5.559.000
Fair Value (rounded)			5.560.000
Distributed to:		**m^2**	**Fair Value**
Land		44.660	1.608.000
Buildings		10.647	3.952.000
Total			**5.560.000**

Aspropyrgos	**Weights**	**Fair Values**	**Weighted Fair Value**
Comparable Method	50%	9.304.000	4.652.000
Replacement Cost Method	50%	9.470.000	4.735.000
Fair Value €			9.387.000
Fair Value (rounded)			9.390.000
Distributed to:		**m^2**	**Fair Value**
Land		34.532	4.518.000
Buildings		13.765	4.872.000
Total			**9.390.000**

Oraiokastro	**Weights**	**Fair Values**	**Weighted Fair Value**
Comparable Method	50%	6.730.000	3.365.000
Replacement Cost Method	50%	9.296.000	4.648.000
Fair Value €			8.013.000
Fair Value (rounded)			8.010.000
Distributed to:		**m^2**	**Fair Value**
Land		52.855	1.796.000
Buildings		22.254	6.214.000
Total			**8.010.000**

Oinofyta	**m^2**	**Comparable Method**
Land	78.306	6.110.000
Buildings	18.537	6.420.000
Total		**12.530.000**

Location of Photovoltaics	Code ΕΛΡΕΘ	Capacity (KWp)	Revenue Method
Oraiokastro	398	98	331.000
Oraiokastro	5.271	901	1.829.000
Aspropyrgos	399	98	376.000
Total			**2.536.000**

Location of Machinery	Cost Method
Aspropyrgos	938.000
Lamia	1.512.000
Oraiokastro	2.012.000
Oinofyta	1.212.000
Total	**5.674.000**

SIDMA Bulgaria	m^2	Fair Value
Land	37.854	2.727.366
Buildings	8.692	2.335.379
Machinery		600.137
Total		**5.662.882**

SIDMA Romania	m^2	Fair Value
Land	34.900	2.011.498
Buildings	6.485	2.408.790
Machinery		966.844
Total		**5.387.132**

The readjusted values of the privately owned properties as well as the investment properties of the Company and the Group, in comparison with their book values at 31/12/2020, are listed below for all facilities / categories of fixed assets:

	Aspropyrgos			Oraiokastro		
Fixed Asset Category	Book Value	Fair Value	Difference	Book Value	Fair Value	Difference
Land	4.420.000	4.518.000	98.000	1.784.000	1.796.000	12.000
Buildings	4.732.001	4.872.000	139.999	5.741.295	6.214.000	472.705
Machinery	829.941	1.313.910	483.969	2.513.893	4.192.273	1.678.380
Total	**9.981.943**	**10.703.910**	**721.967**	**10.039.188**	**12.202.273**	**2.163.085**

	Lamia			Oinofyta		
Fixed Asset Category	Book Value	Fair Value	Difference	Book Value	Fair Value	Difference
Land	1.608.000	1.608.000	0	5.850.000	6.110.000	260.000
Buildings	3.405.532	3.952.000	546.468	6.599.612	6.420.000	-179.612
Machinery	526.730	1.544.480	1.017.750	823.508	1.223.419	399.911
Total	**5.540.262**	**7.104.480**	**1.564.218**	**13.273.120**	**13.753.419**	**480.299**

	Bulgaria			Romania		
Fixed Asset Category	Book Value	Fair Value	Difference	Book Value	Fair Value	Difference
Land	2.363.124	2.727.366	364.242	1.795.980	2.011.498	215.518
Buildings	1.819.598	2.335.379	515.781	2.190.038	2.408.790	218.752
Machinery	369.405	600.137	230.732	889.625	966.844	77.219
Total	**4.552.128**	**5.662.882**	**1.110.755**	**4.875.643**	**5.387.132**	**511.489**

	Total Company			Total Group		
Fixed Asset Category	**Book Value**	**Fair Value**	**Difference**	**Book Value**	**Fair Value**	**Difference**
Land	13.662.000	14.032.000	370.000	17.821.104	18.770.864	949.759
Buildings	20.478.440	21.458.000	979.560	24.488.076	26.202.170	1.714.094
Machinery	4.694.073	8.274.082	3.580.009	5.953.103	9.858.730	3.905.627
Total	**38.834.512**	**43.764.082**	**4.929.570**	**48.262.283**	**54.831.763**	**6.569.480**

8.34 Number of personnel

The average number of employees at the end of the reporting and the previous year for the group and the company is presented in the following table:

	Group		Company	
No. of persons	1.1-31.12.2020	1.1-31.12.2019	1.1-31.12.2020	1.1-31.12.2019
Average no. of personnel	230	223	154	144

8.35 Intra-Group Transactions and Balances

	1.1-31.12.2020		1.1-31.12.2019	
Amounts in euros	**Group**	**Company**	**Group**	**Company**
Sales of goods				
Subsidiares	0	5.978	0	156.115
Other companies of the group	3.852.074	3.188.612	3.637.899	3.069.055
Total	**3.852.074**	**3.194.589**	**3.637.899**	**3.225.170**

	1.1-31.12.2020		1.1-31.12.2019	
Amounts in euros	**Group**	**Company**	**Group**	**Company**
Sales from services rendering				
Subsidiares	0	12.516	0	0
Other companies of the group	2.971.678	2.388.905	3.228.841	2.462.816
Total	**2.971.678**	**2.401.421**	**3.228.841**	**2.462.816**

	1.1-31.12.2020		1.1-31.12.2019	
Amounts in euros	**Group**	**Company**	**Group**	**Company**
Sales of fixed assets				
Subsidiares	0	0	0	0
Other companies of the group	11.713	11.713	50.050	50.050
Total	**11.713**	**11.713**	**50.050**	**50.050**

	1.1-31.12.2020		1.1-31.12.2019	
Amounts in euros	**Group**	**Company**	**Group**	**Company**
Receivalbes				
Subsidiares	0	2	0	2
Other companies of the group	2.346.503	2.198.330	2.082.797	1.776.645
Total	**2.346.503**	**2.198.331**	**2.082.797**	**1.776.647**

	1.1-31.12.2020		1.1-31.12.2019	
Amounts in euros	**Group**	**Company**	**Group**	**Company**
Purchases of goods				
Subsidiares	0	34.968	0	0
Other companies of the group	20.876.682	5.939.347	29.938.225	8.300.972
Total	**20.876.682**	**5.974.315**	**29.938.225**	**8.300.972**

	1.1-31.12.2020		1.1-31.12.2019	
Amounts in euros	**Group**	**Company**	**Group**	**Company**
Receiving of services				
Subsidiares	0	155	0	0
Other companies of the group	915.236	888.625	898.363	876.060
Total	**915.236**	**888.780**	**898.363**	**876.060**

	1.1-31.12.2020		1.1-31.12.2019	
Amounts in euros	**Group**	**Company**	**Group**	**Company**
Purchases of fixed assets				
Subsidiares	0	0	0	0
Other companies of the group	41.595	41.595	23.875	12.103
Total	**41.595**	**41.595**	**23.875**	**12.103**

	1.1-31.12.2020		1.1-31.12.2019	
Amounts in euros	**Group**	**Company**	**Group**	**Company**
Payables				
Subsidiares	0	141	0	-14
Other companies of the group	23.869.569	16.671.049	33.556.199	24.103.261
Total	**23.869.569**	**16.671.190**	**33.556.199**	**24.103.247**

8.36 Management and Board of Directors' fees

	Group		Company	
	1.1-31.12.2020	1.1-31.12.2019	1.1-31.12.2020	1.1-31.12.2019
Management Fees (short-term)	561.961	505.003	406.259	304.251
Board of Directors fees (short-term)	151.081	254.184	134.400	237.503
Total	**713.042**	**759.187**	**540.659**	**541.755**

8.37 Independent Auditors' Fees

The fees paid by the Group to auditors or auditing firms for the mandatory audit of the annual accounts and the total fees charged for tax audit services are presented in the following table:

	31.12.2020			
Companies	**Auditing Services Fees**	**Fees for Tax Compliance Services**	**Fees for other non Auditing Services**	**Total Fees**
SIDMA	50.000	27.000	10.900	**87.900**

The other non-audit services provided by statutory auditors or audit firms in the company and its subsidiaries during the year ended 31 December 2020 amount to € 10,900.

8.38 Events after the Reporting Period

- **Disbursement of common bond loans**

On 5.2.2021, the following common bond loans were disbursed:

(a) common secured bond loan for forty-four million six hundred thirty-five thousand euro (€44,635,000), which was subscribed by the banks "NATIONAL BANK OF GREECE S.A.", "EUROBANK S.A.", "ALPHA BANK S.A." και "PIRAEUS BANK S.A." as initial bondholders,
(b) common secured bond loan for seven million one hundred seventy-seven thousand euro (€7,177,000), which was subscribed by the banks "NATIONAL BANK OF GREECE S.A." and "EUROBANK S.A.", as initial bondholders,
(c) common secured bond loan for twenty-four million nine hundred eighty thousand euro (€24,980,000), which was subscribed by the banks "NATIONAL BANK OF GREECE S.A.", "EUROBANK S.A.", "ALPHA BANK S.A." and "ATTICA BANK S.A." as initial bondholders,
as set out in the contractual documents for the issuance of the above bond loans, which were signed on 16 October 2020, and as a result:
i. Short term bank obligations amounting to the sum of €72.6 million were reclassified as long-term obligations of the Company and the Group, consequently improving the Group's and the Company's working capital by the same amount. The sum payable within a period of 12 months for said bank obligations now amounts to €3.4 million and remains in the short-term debt of the company.
ii. The earnings of the Company and the Group were charged issuance costs amounting to €576 thousand.
iii. The new loan obligations are measured at fair value in accordance with the requirements of IFRS 9. The valuation of the loan obligations at their fair value results in the reduction of the loan obligations by €16.3 million and the increase of the Company's and the Group's equity by approximately €12.4 million (including the corresponding deferred tax amounting to €3.9 million.).

If the transaction had been concluded on 31/12/2020, the brief Statement of Financial Position would be as follows:

	Company			Group		
€' 000	Published Financial Statements 31/12/2020	Refinancing Effect	Adjusted Financial Statements 31/12/2020	Published Financial Statements 31/12/2020	Refinancing Effect	Adjusted Financial Statements 31/12/2020
Non Current Assets	55.609.442	-	55.609.442	56.118.230	-	56.118.230
Current Assets	76.046.719	-	76.046.719	87.396.796	-	87.396.796
Total Assets	**131.656.161**	**-**	**131.656.161**	**143.515.026**	**-**	**143.515.026**
Total Shareholders Equity	**3.512.870**	**12.392.487**	**15.905.357**	**(13.251.241)**	**12.392.487**	**(858.754)**
Non Current Debt	1.263.191	55.742.156	57.005.347	8.407.186	55.742.156	64.149.342
Differed Tax Liabilities	4.101.452	3.913.417	8.014.869	4.249.437	3.913.417	8.162.854
Other Non Current Liabilities	870.894	-	870.894	906.860	-	906.860
Non Current Liabilities	**6.235.537**	**59.655.573**	**65.891.110**	**13.563.483**	**59.655.573**	**73.219.056**
Current Debt	93.127.077	(72.624.000)	20.503.077	106.744.358	(72.624.000)	34.120.358
Other Current Liabilities	28.780.677	575.940	29.356.617	36.458.426	575.940	37.034.366
Current Liabilities	**121.907.754**	**(72.048.060)**	**49.859.694**	**143.202.785**	**(72.048.060)**	**71.154.725**
Total Liabilities & Shareholders Equity	**131.656.161**	**-**	**131.656.161**	**143.515.027**	**-**	**143.515.027**
Working Capital	**(45.861.035)**	**72.048.060**	**26.187.025**	**(55.805.988)**	**72.048.060**	**16.242.072**

Following the abovementioned disbursements, the restructuring and refinancing of the Company's existing debt obligations were successfully completed.

- **Ongoing impact of COVID-19 pandemic**

Like in 2020, the growth potential of the current year will be determined mainly by the duration and the intensity of the COVID-19 pandemic. The Greek economy, like the economies of all countries globally, remains exposed to disturbances of the demand and potentially of the supply. The state budget for 2021 predicts the return of the Greek economy in a sustainable growth trajectory from the second quarter of 2021. The European Commission's winter 2021 economic forecast (February 2021), predict a 3.5% growth of the Greek economy within 2021. According to the latest quarterly report of the Foundation for Economic & Industrial Research (IOBE) (04/2020), if the crisis starts to gradually subside from the first quarter of 2021, with no new outbreaks, and simultaneously the absorption target of funds from the European Recovery Fund is achieved, a 4.0-4.3% recovery of the Greek economy is expected, whereas in case of faster remission of the pandemic and recovery of economic activity internationally, the recovery of Greek economy will be at the range of 5.0-5.3%. However, the forecasts involve a high degree of uncertainty since the economic developments are correlated with the evolution and the duration of the health crisis.

For 2021, SIDMA STEEL S.A. continues to focus on the safety of its personnel and partners, taking all the necessary precautionary measures. The Company's management follows the developments, assesses the risks and takes all necessary actions in order to mitigate, as much as possible, any impact caused by the unstable environment of the pandemic and uninterruptedly continue its operations and services to its customers.

- **Share Capital Increase of the subsidiary SIDMA ROMANIA.**

  According to the minutes of the meeting of the Board of Directors of the Company of January 15, 2021, it was decided to increase the nominal capital of the subsidiary SIDMA WORLDWIDE (CYPRUS) LIMITED by € 2.5 million which in turn will participate in the increase of the Share Capital of the Romanian subsidiary "SIDMA ROMANIA SRL".

There are no post balance sheet events which require disclosure in accordance with IFRS.

8.39 Approval of Financial Statements

The Annual Financial Report for the year 2020 (1.1.2020 to 31.12.2020) was approved by the Company's Board of Directors on April 12, 2021 and has been posted on the Company's website www.sidma.gr.

Halandri – April 12, 2021

PRESIDENT OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER
PANAGIOTIS P. BITROS	ANTONIOS P. KARADELOGLOU
THE CHIEF FINANCIAL OFFICER	ACCOUNTING DEP. HEAD
MICHAEL C. SAMONAS	PARIS G. PAPAGEORGIOU