



Company's No 7946/06/B/86/2 in the register of Societes Anonymes

G.E.MI. 361801000

188 Megaridos Av., 19300

Aspropyrgos Attika, Greece

Tel: +30 210 3498200

www.sidma.gr

**INTERIM FINANCIAL STATEMENTS AS OF
JUNE 30, 2023**



September 2023

Table of Contents

1	Statements of Members of the Board of Directors according to the article 5 paragraph 2 of the Law 3556/2007	3
2	Review Report on Interim Financial Information.....	4
3	SIDMA STEEL S.A. Board of Directors' Management Report on the Financial Statements for the period from 1 January to 30 June 2023	5
3.1	Introduction	5
3.2	Review of the first half year of 2023 - Performance and Financial Position	5
3.3	Basic Alternative Performance Measures.....	6
3.4	Significant Events in the First Semester of the Current Fiscal Year	7
3.5	Main Risks and Uncertainties.....	8
3.6	Objectives and Prospects for the remainder of 2023	11
3.7	Important Transactions between the Company and Related Parties	12
3.8	Post Balance Sheet Events	13
4	Interim Condensed Financial Statements for the period ended as at 30.06.2023	14
4.1	Statement of Financial Position	14
4.2	Statement of Comprehensive Income	15
4.3	Statements of Changes in Equity	16
4.4	Cash Flows Statements	18
5	Notes of the Interim Financial Statements of the six months of 2023	19
5.1	General Information about the Company and the Group	19
5.2	Basis for preparation of financial statements	19
5.3	Changes in Accounting Policies	19
5.4	Risk Management	23
5.5	Group's structure.....	25
5.6	Operating Segments	26
5.7	Property, Plant and Equipment	26
5.8	Intangible Assets	28
5.9	Investments in subsidiaries.....	28
5.10	Inventories.....	29
5.11	Customers and trade receivables	29
5.12	Other receivables.....	29
5.13	Share capital	29
5.14	Loans.....	30
5.15	Other Current Liabilities	31
5.16	Income Tax.....	31
5.17	Turnover (Sales).....	31
5.18	Finance Costs	32
5.19	Earnings per share	32
5.20	Non-audited Fiscal Years	32
5.21	Contingent liabilities and commitments.....	33
5.22	Number of Personnel	34
5.23	Related Parties.....	34
5.24	Post Balance Sheet Events.....	36
5.25	Approval of interim financial statements	36

1 Statements of Members of the Board of Directors according to the article 5 paragraph 2 of the 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 enclosed financial statements of SIDMA STEEL S.A. for the period of 1.1.2023 to 30.06.2023, drawn up in accordance with the applicable accounting standards, reflect in a true manner the assets and liabilities, equity, and results of SIDMA STEEL S.A., as well as of the entities included in Group consolidation, taken as a whole

and

- B. the enclosed report of the Board of Directors reflects in a true manner the development, performance, and financial position of SIDMA STEEL S.A., and of the business included in Group consolidation, taken as a whole, including the description of the principal risks and uncertainties it faces.

Aspropyrgos, September 21, 2023

**CHAIRMAN OF THE BOARD
OF DIRECTORS**

C.E.O.

**MEMBER OF THE BOARD
OF DIRECTORS**

PANAGIOTIS I. BITROS

ANTONIOS P. KARADELOGLOU

MICHAEL C. SAMONAS

2 Review Report on Interim Financial Information

To the Board of Directors of the Company “SIDMA S.A STEEL PRODUCTS”

Review Report on Interim Financial Information

Introduction

We have reviewed the accompanying separate and consolidated statement of financial position of the Company SIDMA S.A. STEEL PRODUCTS as of 30th June 2023, the relative separate and consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes, that constitute the condensed interim financial information, included in the six-month Financial Report according to Law 3556/2007.

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

Scope of Review

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

Conclusion

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

Report on Other Legal and Regulatory Requirements

Based on our review, we did not identify any material misstatement or error in the representations of the members of the Board of Directors and the information included in the six-month Board of Directors Management Report, as required under article 5 and 5a of Law 3556/2007, in respect of the accompanying interim condensed separate and consolidated financial information.

Athens, 21st September 2023
The Certified Accountant
Elpida Leonidou
I.C.P.A Reg.: No 19801

The logo for Grant Thornton consists of a purple circular emblem with a white geometric shape inside. To the right of the emblem, the words 'Grant Thornton' are written in a bold, sans-serif font. Below this, the tagline 'An instinct for growth™' is written in a smaller, lighter font.

Grant Thornton
An instinct for growth™

Ορκωτοί Ελεγκτές Σύμβουλοι Επιχειρήσεων
Ζεφύρου 56, 17564 Παλαιό Φάληρο
Α.Μ. ΣΟΕΛΑ 127

3 SIDMA STEEL S.A. Board of Directors' Management Report on the Financial Statements for the period from 1 January to 30 June 2023

3.1 Introduction

The present Half Year Report of the Board of Directors, which follows, refers to the first half year of the current period (01.01.2023-30.06.2023) is in line with the relevant stipulations of the law 3556/2007 and the executive decisions of the Hellenic Capital Market Commission.

The present report contains in a brief, but substantive manner all the important units, which are necessary, based on the above-mentioned legislative frame and depicts in a truthful way all the relevant indispensable according to the law information, to deduce a substantive and well-founded appraisal of the activity, during the time in question, of the company "SIDMA STEEL SA" as well as the Group.

In addition, it contains a description of the principal risks and uncertainties that could affect the Group and the Company during the second half of 2023 and the most significant transactions between the Company and related parties.

3.2 Review of the first half year of 2023 - Performance and Financial Position

The first half of the year was marked by the continuous increases of interest rates by central banks, owing to the unprecedented inflationary pressures on all goods. The feeling of uncertainty and insecurity generated led to a large portion of investments frozen in the geographical zones in which the Group operates, as well as across Europe. Many European and other economies show signs of recession with deteriorating growth rates.

Against this backdrop, SIDMA Steel recorded losses despite its increased sales volumes, due to a decrease in gross profit once the prices of the raw materials traded by the Company went down, and also due to the increased financial cost that arose from interest rate increases.

More specifically, the consolidated turnover of SIDMA Steel Group, in the first half of the year, amounted to € 118.7 million or 18.5% lower compared to the corresponding period of 2022. Taking into account agency sales, the turnover amounted to € 140.7 million from € 173.0 million, reduced by 18.7% compared to last year. These decreases are due to the decreased average sales price of the products traded by the Group by 18.8% compared to the same period last year, with a corresponding impact on the turnover. Earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to € 2,773k from € 16,475k last year, while results before taxes amounted to losses of € 893k compared to profits of € 13,986k in the corresponding period last year. Pre-tax results were affected, on the one hand, by the accounting treatment of the refinancing of the Company's loan liabilities in 2021 and were charged with interest amortisation of € 773k and, on the other hand, with increased financial cost of € 1,088k due to the increased interest rates. However, the greatest effect on results refers to the decrease in the gross profit margin by 812 bps or € 13,406k in absolute terms.

At a Company level, in the first half of the year the turnover amounted to € 79.5 million from € 94.2 million, a 15.7% drop. Taking into account agency sales, it amounted to € 101.4 million from € 121.6 million in the respective period of 2022, a decrease of 16.6%. As at Group level, such decrease is due to the drop in sales prices, as also cited above. Earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to € 2,428k from € 11,797k in the

respective period last year while pre-tax results amounted to losses of € 548k compared to profits of € 9,761k in the respective period last year for the reasons referred to above. The decrease in the gross profit margin at a company level amounted to 890 bps or € 9,447k in absolute terms.

As for the subsidiaries, both SIDMA Bulgaria and SIDMA Romania reported a decrease in their turnover by 19.8% and 28.9% respectively compared to the first half of 2022. Specifically, the turnover of SIDMA Bulgaria amounted to € 24.4 million compared to € 30.4 million while SIDMA Romania's turnover stood at € 15.5 million compared to € 21.7 million in the first half of 2022.

As regards the rest of the subsidiaries' figures, SIDMA Bulgaria reported a decrease in both operating profitability (EBITDA), from € 2,867k last year to € 429k this year, and in earnings before taxes, from € 2,576k last year to € 181k this year, reflecting the decrease by € 2,309k in the gross profit margin this year compared to last year.

At EBITDA level, SIDMA Romania recorded losses of € 82k from profits of € 1,828k last year, while pre-tax results amounted to losses of € 525k from profits of € 1,667k last year, reflecting the decrease in gross profit by € 1,821k as well as the increased financial cost due to the increased interest rates.

The Group's liquidity amounted to € 7.5 million.

3.3 Basic Alternative Performance Measures

The Company uses Alternative Performance Measures (APMs) in decision-making about 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.

For the Group and Company performance, we use figures such as Turnover, Gross Profit, Earnings Before Tax and EBITDA (Operating Profit before Tax, Interest, Investment Results and Depreciation) as well as indicators such as Gross Profit Margin, the EBITDA Margin, Net Profit Margin, the General Liquidity Ratio, and the Interest Coverage Indicator.

Group	01.01 - 30.06.2023	01.01 - 30.06.2022	Δ (%)
Turnover	118.755.966	145.627.777	-18,5%
Consignment Sales	21.985.063	27.363.617	-19,7%
Total Sales	140.741.029	172.991.394	-18,6%
Gross Margin	7.036.949	20.367.911	-65,5%
Profit before taxation	(893.130)	13.986.012	N/A
EBITDA	2.773.343	16.474.821	-83,2%

Company	01.01 - 30.06.2023	01.01 - 30.06.2022	Δ (%)
Turnover	79.456.895	94.241.366	-15,7%
Consignment Sales	21.985.063	27.363.617	-19,7%
Total Sales	101.441.958	121.604.983	-16,6%
Gross Margin	5.679.514	15.126.383	-62,5%
Profit before taxation	(548.104)	9.760.613	N/A
EBITDA	2.427.953	11.797.472	-79,4%

The main APMs for the Group and the Company are as follows:

Group	01.01 - 30.06.2023	01.01 - 30.06.2022	Δ (%)
Gross Margin (Gross Profit/ Turnover)	5,93%	13,99%	-8,1%
EBITDA Margin: (EBITDA/ Turnover)	2,34%	11,31%	-9,0%
Net Profit Margin (Profit before Tax / Turnover)	-0,75%	9,60%	-10,4%
Liquidity Ratio Current Assets/Current Liabilities (2)	1,57	1,57	0,0%
Interest cover ratio EBITDA / Net Interest	0,94	9,28	-89,8%

Company	01.01 - 30.06.2023	01.01 - 30.06.2022	Δ (%)
Gross Margin (Gross Profit/ Turnover)	7,15%	16,05%	-8,9%
EBITDA Margin: (EBITDA/ Turnover)	3,06%	12,52%	-9,5%
Net Profit Margin (Profit before Tax / Turnover)	-0,69%	10,36%	-11,0%
Liquidity Ratio Current Assets/Current Liabilities (2)	1,61	1,57	2,8%
Interest cover ratio EBITDA / Net Interest	0,95	7,71	-87,7%

1. For the calculation of the measure, the current Liabilities does not include Non-current Liabilities non-paid till the next period.
2. The net interest includes the debit interest as they are analyzed in the note 5.18, Financial incomes – expenses.

3.4 Significant Events in the First Semester of the Current Fiscal Year

During the first half of the financial year 2023, as well as after its expiry, the following important events took place by the date of the drafting of this decision:

A. Ordinary General Meeting

At the Ordinary General Meeting of the Company's shareholders held in Athens on 31 May 2023, persons representing 82.65% of the Share Capital and voting rights attended and unanimously approved the following:

- The Annual Financial Statements for the financial year 2022, with the relevant reports of the Board of Directors and the Certified Auditors, as well as the non-payment of a dividend due to the absence of profits to be distributed, per Article 160(2) of Law 4548/2018.
- The overall management carried out by the Board of Directors during the financial year 2022 and the exemption of the Certified Auditors from all liability for compensation for the financial year 2022, per Article 117(1)(c) of Law 4548/2018.

- The payment of remunerations and allowances to the Directors for the financial year 2022, as well as the prior approval to pay the fees and allowances of the Directors for the financial year 2023, per Article 109 of Law 4548/2018.
- The Company's Remuneration Report for the period 01/01/2022 to 31/12/2022, per Article 112 of Law 4548/2018.
- The election of Certified Auditors and the approval of their remuneration for 2023.
- The granting of authorization to Directors and the General Management of the Company to participate in the Boards of Directors or the Management of affiliated companies.
- The election of a new Board of Directors.
- The definition of the type, members, and duration of the Audit Committee.
- The Approval of the amendment of the remuneration policy for the members of the Board of Directors pursuant to article 110(2) of Law 4548/2018.
- The approval of the use of the share premium account to offset Company's losses pursuant to article 35(3) of Greek law 4548/2018, as amended and in force, and granting of any relevant authorizations to the Board of Directors.
- The amendment of article 11(1) of the Company's Articles of Association concerning the term of the members of the Board of Directors and article 16(4) of the Company's Articles of Association concerning the validation of the copies or excerpts of minutes of the Board of Directors.

Finally, at the General Meeting, the Company's Shareholders were briefed by the Chairman of the Audit Committee and BoD member, Sotirios Vardaramatos about the following:

- The annual report on the Audit Committee's proceedings.
- The proceedings of the report of the independent, non-executive members of the Board of Directors for the period 01/01/2022 to 31/12/2022.

3.5 Main Risks and Uncertainties

The Company and the Group face certain risks and uncertainties that may adversely impact their operation, financial performance, and prospects; therefore, a robust risk management program has been developed to evaluate such risks and their management strategies. The corporate governance system adopted by the Company includes adequate and effective risk management functions, which are continuously applied to the parent company and its subsidiaries in all their divisions, departments, and facilities through the procedures and policies in place.

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

3.5.1 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 the first semester of 2023, 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 30/06/2023, 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:

Financial Assets	Group		Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
Cash and cash equivalents	7.503.459	8.481.728	4.754.144	1.757.487
Trade and other receivables	64.208.938	67.155.342	55.859.935	57.984.549
Παράγωγα	0	1.428.312	0	1.428.312
Total	71.712.397	77.065.382	60.614.079	61.170.348

3.5.2 Interest Rate Risk

The risk of changes in interest rates arises from long-term and short-term borrowing at a variable rate. Management monitors closely the developments and currently believes that, although there is an effective risk of rate changes, the European Central Bank's rates may be getting close to their peak. However, rate hikes during the first nine months of the year have had a considerable effect on the Group's cash flows.

The table shows the sensitivity to the period Cash Flows in case of a possible change in the Group's interest rates by +/- 1%.

amounts in thousand €	Group				Company			
	Effect to P & L		Effect to Equity		Effect to P & L		Effect to Equity	
	+1%	-1%	+1%	-1%	+1%	-1%	+1%	-1%
30th June 2023	(501.520)	501.520	(501.520)	501.520	(445.003)	445.003	(445.003)	445.003
31st December 2022	(1.058.387)	1.058.387	(1.058.387)	1.058.387	(924.798)	924.798	(924.798)	924.798

3.5.3 Liquidity Risk

The financial statements of the company have been prepared based on the going concern principle.

The Group has a consistent practice not to make use of all its available lines and to have credit lines or cash holdings of at least 7.5 % of the total at any time. The Group has also secured funds from the cooperated banks, capable enough to cover the possible needs that will come up from the business development and the investment plan. At 30/06/2023, the Group kept cash holdings of EUR 7.5 million.

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

	Group							
	30.06.2023				31.12.2022			
	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	20.248.180	4.298.979	15.399.898	47.827.572	15.454.734	9.514.128	15.406.264	50.108.475
Trade Payables	50.793.939	-	-	-	49.067.150	-	-	-
Other Payables	3.729.688	-	-	-	3.174.845	-	-	-
Total	74.771.807	4.298.979	15.399.898	47.827.572	67.696.729	9.514.128	15.406.264	50.108.475
Loans amortization under IFRS 9	(817.653)	(758.954)	(5.723.605)	(3.330.439)	(772.428)	(777.191)	(5.825.064)	(4.028.701)
Total	73.954.154	3.540.025	9.676.293	44.497.133	66.924.301	8.736.937	9.581.200	46.079.774

	Company							
	30.06.2023				31.12.2022			
	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	17.698.180	2.573.954	13.798.168	43.522.072	15.154.734	2.879.191	13.698.439	45.607.975
Trade Payables	39.680.261	-	-	-	35.071.059	-	-	-
Other Payables	3.174.490	-	-	-	2.496.953	-	-	-
Total	60.552.932	2.573.954	13.798.168	43.522.072	52.722.745	2.879.191	13.698.439	45.607.975
Loans amortization under IFRS 9	(817.653)	(758.954)	(5.723.605)	(3.330.439)	(772.428)	(777.191)	(5.825.064)	(4.028.701)
Total	59.735.279	1.815.000	8.074.563	40.191.633	51.950.317	2.102.000	7.873.375	41.579.274

3.5.4 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 distributed 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 2018 to June 2023, 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	781	844	788
Standard Deviation	190	222	219

Correspondingly, the gross profit margin had fluctuations of the order of 1.756 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 2023 and 2022 earnings would be approximately:

GROUP	2023		2022	
	50 b.p.	-50 b.p.	+50 b.p.	-50 b.p.
THOUSANDS €				
Net Earnings	593	-593	568	-568
Equity	593	-593	568	-568

COMPANY	2023		2022	
	50 b.p.	-50 b.p.	+50 b.p.	-50 b.p.
THOUSANDS €				
Net Earnings	397	-397	367	-367
Equity	397	-397	367	-367

3.5.5 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:

Amounts in €	Group			
	30/6/2023		31/12/2022	
	USD	RON	USD	RON
Financial Current Assets	224.211	724.589	0	1.015.494
Financial Liabilities	-	-	-18.872	-
Short-term elements	224.211	724.589	-18.872	1.015.494
Financial Current Assets	-	-	-	-
Financial Liabilities	-	-	-	-
Long-term elements	-	-	-	-

The change in the results and the Stockholders' Equity of the Group from a possible change of +/-(-10%) in the foreign currency exchange rate is as follows:

Amounts in €	30/6/2023			
	+ 10%	- 10%	+ 10%	- 10%
	USD		RON	
Profits (losses) before taxes	-20.383	24.912	47.751	-58.362
Equity	-20.383	24.912	-297.140	363.171

amounts in €	31/12/2022			
	+ 10%	- 10%	+ 10%	- 10%
	USD		RON	
Profits (losses) before taxes	3.791	440	-128.148	155.616
Equity	3.791	440	-345.881	422.744

3.6 Objectives and Prospects for the remainder of 2023

The macroeconomic environment is highly challenging, mainly due to the ongoing war in Ukraine and the significant inflationary pressures sustained and intensified by the war-induced energy crisis. The rise in interest rates by Central Banks with a view to taming inflation and the decelerating growth in the eurozone, the slow deceleration mainly of the structural inflation and the tightening budgetary and monetary environment will be the key factors that will drive GDP growth for the remainder of 2023 as indicated in the quarterly report of the Greek Foundation for Economic and Industrial Research (IOBE¹) (Issue 2/23). At the end of the first half of the year, despite the positive outlook for the Greek economy, the international economic environment remained quite volatile and was marked by strong challenges as the successive rate increases aiming to tame the inflation are bringing the prospects of a recession closer. However, the economic sentiment indicator of IOBE was boosted anew and rose to 111.1 points in July from 110.1 in June, reaching a record high over 16 and more months. Moreover, Greece's credit rating raised to investment grade status by DBRS agency, which is expected to be followed by other upgrades by Moody's, Standard & Poors and Fitch, will foster direct foreign investments, thus creating the right environment for further growth and improvement of the Greek economy. Finally, economic growth is expected to be supported by the implementation of the Recovery and Resilience Plan and by the project backlog of five major construction groups which has reached a record high of € 16.2 billion (in 2022 it amounted approximately to € 11 billion and in 2021 to € 9 billion). The supply of the steel products for the projects of the above outstanding remaining part of the infrastructure projects has already been assigned to the company for the second half of the year.

¹ http://iobe.gr/docs/economy/ECO_Q2_2023_REP_GR.pdf

In the European steel market, according to Eurofer², the downside factors severely impacting apparent steel consumption in 2022 – i.e., war-related disruptions, poor demand outlook and severe rises in energy prices and production costs - are expected to continue to weigh until a great part of 2023 included because of the prolonged effects of Russia's war in Ukraine and increasing inflation-led economic uncertainty. Consequently, apparent steel consumption is projected to contract even further in 2023, with a steeper rate of decline than previously foreseen (-3%, revised downwards from -1%). This will mark the fourth annual decline in apparent steel consumption in Europe over the past five years. On the contrary, Eurofer appears more optimistic in its latest report on the evolution of apparent steel consumption in 2024. In particular, it foresees a significant recovery of 6.2% against the 5.4% it predicted in its previous report, subject to the confirmation of the estimates to improve industrial activity in Europe.

In this fluid environment, SIDMA METALLURGIKI remains focused on its goal of sustainable growth through the continuous strengthening of its product portfolio. Already the investment in a new panel production machine at its factory in Lamia has started to pay off, improving the quality of existing products, producing new higher added value products, and reducing production costs.

3.7 Important Transactions between the Company and Related Parties

The most important transactions of the Company with parties related to it according to the IAS 24, are listed in the following tables:

Amounts in euros	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Sales of goods and services				
Subsidiaries	0	19.841	0	13.908
Other companies of the group	3.382.243	1.831.021	5.118.842	2.470.310
Total	3.382.243	1.850.862	5.118.842	2.484.218

Amounts in euros	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Sales of goods and services				
Subsidiaries	0	0	0	0
Other companies of the group	877	877	500.000	500.000
Total	877	877	500.000	500.000

Amounts in euros	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Other income				
Subsidiaries	0	63.880	0	0
Other companies of the group	1.713.872	1.514.044	1.864.762	1.518.885
Total	1.713.872	1.577.925	1.864.762	1.518.885

Amounts in euros	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Purchases of goods and services				
Subsidiaries	0	0	0	0
Other companies of the group	22.178.910	6.883.344	30.514.802	9.636.325
Total	22.178.910	6.883.344	30.514.802	9.636.325

² https://www.eurofer.eu/assets/publications/economic-market-outlook/economic-and-steel-market-outlook-2023-2024-third-quarter/Eurofer_Quarter_3_2023-2024.pdf

Amounts in euros	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Purchases of goods and services				
Subsidiaries	0	0	0	0
Other companies of the group	10.630	10.630	35.935	35.935
Total	10.630	10.630	35.935	35.935

Amounts in euros	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Other expenses				
Subsidiaries	0	0	0	0
Other companies of the group	676.333	586.484	640.971	629.616
Total	676.333	586.484	640.971	629.616

Amounts in euros	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Receivables				
Subsidiaries	0	64.759	0	58.548
Other companies of the group	3.001.149	2.585.975	2.505.965	1.818.962
Total	3.001.149	2.650.734	2.505.965	1.877.510

Amounts in euros	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Payables				
Subsidiaries	0	0	0	0
Other companies of the group	31.087.487	22.403.267	28.501.172	17.238.589
Total	31.087.487	22.403.267	28.501.172	17.238.589

3.8 Post Balance Sheet Events

There are no events after the interim financial statements that are required to be reported according to International Financial Reporting Standards (IFRS).

Aspropyrgos, 20 September 2023

CHAIRMAN OF THE BOARD OF
DIRECTORS

PANAGIOTIS I. BITROS

VICE PRESIDENT

VICTOR A. PISANTE

C.E.O.

ANTONIOS P. KARADEGLOU

MEMBERS

NIKOLAOS MARIOY

STAVROS GATOPOYLOS

MICHAEL SAMONAS

PANAGIOTIS KONSTANTINOY

SOTIRIOS VARDARAMATOS

VASILEIA MANOLI

EFSTATHIA SALAKA

4 Interim Condensed Financial Statements for the period ended as at 30.06.2023

4.1 Statement of Financial Position

SIDMA STEEL S.A.					
Statement of Financial Position					
for the period from 1 st January to 30 th June 2023					
Amounts in EURO					
		Group		Company	
		30.06.2023	31.12.2022	30.06.2023	31.12.2022
Assets	Notes				
Non Current Assets					
Tangible Assets	5.7	41.765.803	41.923.133	31.126.487	31.116.442
Intangible assets	5.8	554.378	530.196	110.181	82.523
Investments in subsidiaries	5.9	0	-	18.943.116	18.943.116
Other non current assets		171.056	170.470	162.254	161.640
		42.491.237	42.623.799	50.342.038	50.303.721
Current Assets					
Inventories	5.10	46.813.850	44.612.742	36.148.088	32.626.018
Trade receivables	5.11	60.640.884	56.342.122	53.025.302	47.950.920
Other receivables	5.12	3.396.999	10.642.749	2.672.379	9.871.989
Derivatives		-	1.428.312	0	1.428.312
Cash and cash equivalents		7.503.459	8.481.728	4.754.144	1.757.487
Non-current assets held for sale		-	-	-	-
		118.355.191	121.507.654	96.599.913	93.634.725
Total Assets		160.846.428	164.131.453	146.941.951	143.938.447
EQUITY					
Shareholders of the mother company:					
Share Capital	5.13	18.336.000	18.336.000	18.336.000	18.336.000
Share Premium		-	13.296.000	-	13.296.000
Reserves		28.184.796	29.085.237	23.322.637	24.402.050
Retaining Earnings		-26.586.333	-38.850.906	-13.460.340	-26.233.048
Equity attributable to owners of the Company		19.934.463	21.866.332	28.198.298	29.801.002
Non-controlling interests					
Total Owners equity		19.934.463	21.866.332	28.198.298	29.801.002
Liabilities					
Non Current Liabilities					
Long-term loans	5.14	54.173.427	55.660.973	48.266.197	49.452.649
Grants of assets		5.629	12.462	5.629	12.462
Deferred Tax Liabilities		6.517.206	7.031.986	6.265.662	6.792.288
Provision for Retirement benefit obligation		759.642	677.100	746.914	669.406
Other long-term liabilities		61.455.904	63.382.522	55.284.401	56.926.805
Current Liabilities					
Short-term loans	5.14	18.732.600	19.290.740	15.091.528	12.880.305
Trade Payables		50.793.939	49.067.150	39.680.261	35.071.059
Current installments of long-term loans	5.14	4.237.953	4.128.504	3.604.000	3.604.002
Other Payables	5.15	3.729.688	3.174.845	3.174.490	2.496.953
Income tax and duties		1.961.881	3.221.361	1.908.972	3.158.321
		79.456.061	78.882.600	63.459.252	57.210.640
Total Liabilities		140.911.964	142.265.122	118.743.653	114.137.445
Total Equity and Liabilities		160.846.428	164.131.454	146.941.951	143.938.447

The accompanying notes form an integral part of these condensed interim six-month Financial Statements

4.2 Statement of Comprehensive Income

SIDMA STEEL S.A. Statement of Comprehensive Income for the period from 1 st January to 30th June 2023					
Amounts in EURO					
	Notes	Group		Company	
		1.1 - 30.06.2023	1.1 - 30.06.2022	1.1 - 30.06.2023	1.1 - 30.06.2022
Turnover (sales)	5.17	118.755.966	145.627.777	79.456.895	94.241.366
Cost of Sales		-111.719.016	-125.259.866	-73.777.381	-79.114.983
Gross Profit		7.036.949	20.367.911	5.679.514	15.126.383
Other income		3.384.286	3.648.962	2.696.469	2.657.389
Administrative Expenses		-1.877.933	-2.047.591	-1.380.801	-1.479.358
Distribution/Selling Expenses		-6.601.316	-5.997.921	-5.172.909	-4.800.292
Other expenses		19.642	-278.641	19.642	-272.376
Operating Profit (EBIT)		1.961.627	15.692.719	1.841.915	11.231.745
Finance Costs (net)	5.18	-4.184.124	-3.095.749	-3.719.387	-2.860.174
Income from investing operations		1.329.367	217.938	1.329.367	217.938
Other Financial Income		-	1.171.104	-	1.171.104
Profit before taxation		-893.130	13.986.012	-548.104	9.760.613
Less: Income Tax Expense	5.16	71.673	-2.080.768	89.783	-2.080.768
Profit/(loss) after taxation for continued operations		-821.457	11.905.244	-458.321	7.679.845
<u>Attributable to:</u>					
Shareholders of the mother Company		-821.457	11.905.244		
Non-controlling interests		-	-		
		-821.457	11.905.244		
Other Comprehensive Income					
Amounts not reclassified in the P&L in next periods					
Revaluation of assets in fair values		-39.824	-2.091	-38.844	5.411
Deferred Taxation		322.872	-1.191	322.775	-1.191
		283.049	-3.282	283.930	4.221
Amounts reclassified in the P&L in next periods					
Interest Hedging (swap)		-1.428.312	-	-1.428.312	-
Exchange differences		178.971	1.340	-	-
Other Comprehensive Income after taxes		-1.249.341	1.340	-1.428.312	0
Total Comprehensive Income after taxes		-1.787.749	11.903.303	-1.602.703	7.684.066
<u>Attributable to:</u>					
Shareholders of the mother Company		-1.787.749	11.903.303		
Non-controlling interests		-	-		
		-1.787.749	11.903.303		
Basic earnings (losses) after tax per share	5.19	-0,0605	0,8765	-0,0337	0,5654

The accompanying notes form an integral part of these condensed interim six-month Financial Statements.

4.3 Statements of Changes in Equity

SIDMA STEEL S.A.									
Consolidated Statement of changes in net equity for the period from for the period from 1st January to 30th June 2023									
Amounts in EURO	Group SHAREHOLDER'S EQUITY								
	Share Capital	Share Premium	Reserves	Reserves from the revaluation of fixed assets in fair value	FX differences reserve	Retained Earnings	Equity of the shareholders	Non- controlling interests	Total Equity
Net Equity Balance on 01.01.2022	18.336.000	13.296.000	12.688.604	14.948.656	182.863	-46.606.341	12.845.782	0	12.845.782
Profit (+)/Loss (-) after taxation	0	0	0	0	0	11.905.245	11.905.245	0	11.905.244
Other Comprehensive Income									
Revaluation of liabilities to Employees	0	0	0	0	0	-2.091	-2.091	0	-2.091
F.X. Differences	0	0	0	0	1.340	0	1.340	0	1.340
Income taxes related to items of other	0	0	0	0	0	-1.191	-1.191	0	-1.191
Other Comprehensive Income after taxes	0	0	0	0	1.340	-3.282	-1.942	0	-1.942
Total Comprehensive Income after taxes	0	0	0	0	1.340	11.901.963	11.903.303	0	11.903.302
Net Equity Balance on 30.06.2022	18.336.000	13.296.000	12.688.604	14.948.656	184.203	-34.704.378	24.749.085	0	24.749.084
	Share Capital	Share Premium	Reserves	Reserves from the revaluation of fixed assets in fair value	FX differences reserve	Retained Earnings	Equity of the shareholders	Non- controlling interests	Total Equity
Net Equity Balance on 01.01.2023	18.336.000	13.296.000	13.957.882	14.948.656	178.699	-38.850.906	21.866.332	0	21.866.332
Other equity adjustments	0	-13.296.000	0	0	0	13.296.000	0	0	0
Equity adjustments not included in Other Comprehensive Income	0	-13.296.000	0	0	0	13.296.000	0	0	0
Profit (+)/Loss (-) after taxation	0	0	0	0	0	-821.457	-821.457	0	-821.457
Other Comprehensive Income									
Interest Hedging (swap)	0	0	-1.428.312	0	0	0	-1.428.312	0	-1.428.312
Revaluation of liabilities to Employees	0	0	0	0	0	-39.824	-39.824	0	-39.824
F.X. Differences	0	0	0	0	178.971	-144.235	34.736	0	34.736
Income taxes related to items of other comprehensive income	0	0	348.901	0	0	-25.911	322.990	0	322.990
Other Comprehensive Income after taxes	0	0	-1.079.411	0	178.971	-209.969	-1.110.410	0	-1.110.410
Total Comprehensive Income after taxes	0	0	-1.079.411	0	178.971	-1.031.427	-1.931.867	0	-1.931.867
Net Equity Balance on 30.06.2023	18.336.000	0	12.878.471	14.948.656	357.670	-26.586.333	19.934.465	0	19.934.465

The accompanying notes form an integral part of these condensed interim six-month Financial Statements

SIDMA STEEL S.A.					
Statement of changes in net equity for the period from 1st January to 30th June 2023					
Amounts in EURO	Company				
	Share Capital	Share Premium	Reserves	Retained Earnings	Total Equity
Net Equity Balance on 01.01.2022	18.336.000	13.296.000	23.322.637	(30.489.630)	24.465.006
Profit (+)/Loss (-) after taxation	0	0	0	7.679.845	7.679.845
Other Comprehensive Income					
Revaluation of liabilities to Employees	0	0	0	5.411	5.411
Income taxes related to items of other comprehensive	0	0	0	-1.191	-1.191
Other Comprehensive Income after taxes	0	0	0	4.221	4.221
Total Comprehensive Income after taxes	0	0	0	7.684.066	7.684.066
Net Equity Balance on 30.06.2022	18.336.000	13.296.000	23.322.637	-22.805.564	32.149.073
Net Equity Balance on 01.01.2023	18.336.000	13.296.000	24.402.050	(26.233.048)	29.801.002
Other equity adjustments	0	-13.296.000	0	13.296.000	0
Equity adjustments not included in Other Comprehensive	0	-13.296.000	0	13.296.000	0
Profit (+)/Loss (-) after taxation	0	0	0	-458.321	-458.321
Other Comprehensive Income					
Interest Hedging (swap)	0	0	-1.428.312	0	-1.428.312
Other Comprehensive Income	0	0	0	-38.844	-38.844
Income taxes related to items of other comprehensive	0	0	348.899	-26.126	322.773
Other Comprehensive Income after taxes	0	0	-1.079.413	-64.971	-1.144.384
Total Comprehensive Income after taxes	0	0	-1.079.413	-523.292	-1.602.705
Net Equity Balance on 30.06.2023	18.336.000	0	23.322.637	-13.460.340	28.198.297

The accompanying notes form an integral part of these condensed interim six-month Financial Statements

4.4 Cash Flows Statements

SIDMA STEEL S.A.				
Cash Flow Statement				
for the period from 1st January to 30th June 2023				
Amounts in EURO				
	Group		Company	
	1.1 - 30.06.2023	1.1 - 30.06.2022	1.1 - 30.06.2023	1.1 - 30.06.2022
Operating Activities				
Profit before taxation	(893.130)	13.986.013	(548.104)	9.760.613
Adjustments for:				
Depreciation & amortization	818.550	788.935	592.872	572.560
Depreciation of granted assets	(6.833)	(6.833)	(6.833)	(6.833)
Provisions	77.508	112.155	77.508	234.047
Income from prior years' provisions	-	-	(80.471)	-
Exchange Differences	17.066	(79.686)	-	-
Income and expenses from investing activities	(1.329.713)	(151.723)	(1.249.000)	(151.723)
Bond loan impairment	-	-	(241)	-
Other non cash income/expenses	(54.184)	5.411	(38.844)	5.411
Finance Costs	4.148.197	3.183.379	3.719.628	2.860.279
Adjustments for changes in working capital				
Decrease/(increase) in inventories	(2.125.408)	(15.122.841)	(3.522.070)	(14.745.319)
Decrease/(increase) in receivables	2.924.199	(12.299.985)	2.125.228	(10.652.289)
(Decrease)/increase in payables(except bank loans and overdrafts)	2.592.504	7.971.575	5.585.486	6.369.886
Less:				
Financial Costs paid	(3.245.043)	(1.950.754)	(2.888.845)	(1.714.108)
Taxes paid	(1.363.417)	(216.383)	(1.363.417)	-
Total inflows / (outflows) from operating activities (a)	1.560.297	(3.780.739)	2.402.895	(7.467.476)
Investing activities				
Purchase of tangible and intangible assets	(727.569)	(748.987)	(690.980)	(704.424)
Proceeds on disposal of tangible and intangible assets	140.877	700.000	140.877	700.000
Sales of financial assets at fair value	1.249.000	-	1.249.000	-
Interest received	241	-	241	-
Total inflows / (outflows) from investing activities (b)	662.549	(48.987)	699.139	(4.424)
Financing Activities				
Receipts from issued loans	1.992.872	2.299.421	1.990.204	2.299.420
Repayments of loans	(5.021.254)	(2.371.345)	(2.006.169)	(1.914.921)
Repayments of financial leasing agreements	(172.733)	(97.207)	(88.796)	(64.794)
Guarantee Payments	-	-	(615)	-
Total inflows / (outflows) from financing activities (c)	(3.201.115)	(169.131)	(105.377)	319.705
Net Increase/(Decrease) in cash and cash equivalents (a) + (b) + (c)	(978.269)	(3.998.857)	2.996.657	(7.152.194)
Cash and cash equivalents at the beginning of the period	8.481.728	12.724.448	1.757.487	11.430.821
Cash and cash equivalents at the end of the period	7.503.459	8.725.590	4.754.144	4.278.627

The accompanying notes form an integral part of these condensed interim six-month Financial Statements.

5 Notes of the Interim Financial Statements of the six months of 2023

5.1 General Information about the Company and the Group

The parent company, SIDMA STEEL S.A., is active in the processing and trade of Iron (Steel). It is a Société Anonyme with headquarters and central administration offices in Aspropyrgos, Attica (Megaridos 188, P.O. 19300), its website is www.sidma.gr and it is listed on the Athens Stock Exchange (Base Metals branch).

In the Consolidated Financial Statements of 30/06/2023, except for the Company SIDMA STEEL S.A. the following companies are also included using the full consolidation method:

- "SIDMA WORLDWIDE LIMITED" (100% Subsidiary) based in Cyprus.
- The 100% subsidiaries "SIDMA Romania SRL" based in Romania and "SIDMA Bulgaria S.A." based in Bulgaria, with the same purpose as the parent company through the Cyprus holding company "SIDMA WORLDWIDE LIMITED».

The attached financial statements were approved by the Company's Board of Directors on 21/09/2023 and are available on the Company's website www.sidma.gr.

5.2 Basis for preparation of financial statements

The accompanying interim condensed financial statements of the Group and the Company dated 30 June 2023 covering the period from 1 January 2023 to 30 June 2023 have been prepared in accordance with the historical cost convention as amended by the revaluation of specific assets in fair values and under the going concern principle.

The accompanying interim condensed financial statements of the Group and the Company are in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and their interpretations, as issued by the IFRIC of the IASB, and are in accordance with IAS. 34 on Interim Financial Statements.

The interim condensed financial statements do not include all the information and notes required in the annual financial statements of the Company and the Group and should be read in conjunction with those of 31 December 2022.

The presentation currency of the financial statements is the euro.

5.3 Changes in Accounting Policies

5.3.1 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 01/01/2023.

- **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/ Company will examine the impact of the above on its Financial Statements, though it is not expected to have any (To be adapted in respect of each Group/Company. The phrase “though it is not expected to have any” shall be included only in cases that it has been assessed and no impact is expected from the adoption of the amendment). The above have been adopted by the European Union with effective date of 01/01/2023.

- **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/ Company will examine the impact of the above on its Financial Statements, though it is not expected to have any (To be adapted in respect of each Group/Company. The phrase “though it is not expected to have any” shall be included only in cases that it has been assessed and no impact is expected from the adoption of the amendment). The above have been adopted by the European Union with effective date of 01/01/2023.

- **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/ Company will examine the impact of the above on its Financial Statements, though it is not expected to have any (To be adapted in respect of each Group/Company. The phrase “though it is not expected to have any” shall be included only in cases that it has been assessed and no impact is expected from the adoption of the amendment). The above have been adopted by the European Union with effective date of 01/01/2023.

- **Amendments to IAS 12 “Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction” (effective for annual periods starting on or after 01/01/2023)**

In May 2021, the IASB issued targeted amendments to IAS 12 to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations – transactions for which companies recognise both an asset and a liability. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions. The Group/ Company will examine the impact of the above on its Financial Statements, though it is not expected to have any (To be adapted in respect of each Group/Company. The phrase “though it is not expected to have any” shall be included only in cases that it has been assessed and no impact is expected from the adoption of the amendment). The above have been adopted by the European Union with effective date of 01/01/2023.

- **Amendments to IFRS 17 “Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information” (effective for annual periods starting on or after 01/01/2023)**

In December 2021, the IASB issued a narrow-scope amendment to the transition requirements in IFRS 17 to address an important issue related to temporary accounting mismatches between insurance contract liabilities and financial assets in the comparative information presented when applying IFRS 17 “Insurance Contracts” and IFRS 9 “Financial Instruments” for the first time. The amendment aims to improve the usefulness of comparative information for the users of the financial statements. The Group/ Company will examine the impact of the above on its Financial Statements, though it is not expected to have any (To be adapted in respect of each Group/Company. The phrase “though it is not expected to have any” shall be included only in cases that it has been assessed and no impact is expected from the adoption of the amendment). The above have been adopted by the European Union with effective date of 01/01/2023.

5.3.2 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 IAS 12 “Income taxes”: International Tax Reform – Pillar Two Model Rules (effective immediately and for annual periods starting on or after 01/01/2023)**

In May 2023, the International Accounting Standards Board (IASB) issued amendments to IAS 12 “Income Taxes”: International Tax Reform—Pillar Two Model Rules. The amendments introduced a) a temporary exception to the requirements to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes and b) targeted disclosure requirements for affected entities. Companies may apply the temporary exception immediately, but disclosure requirements are required for annual periods commencing on or after 1 January 2023. The Group/ Company will examine the impact of the above on its Financial Statements, though it is not expected to have any (To be adapted in respect of each Group/Company. The phrase “though it is not expected to have any” shall be included only in cases that it has been assessed and no impact is expected from the adoption of the amendment). 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. However, in October 2022, the IASB issued an additional amendment that aim to improve the information companies provide about long-term debt with covenants. IAS 1 requires a company to classify debt as non-current only if the company can avoid settling the debt in the 12 months after the reporting date. However, a company’s ability to do so is often subject to complying with covenants. The amendments to IAS 1 specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with early adoption permitted. The Group/ Company will examine the impact of the above on its Financial Statements, though it is not expected to have any (To be adapted in respect of each Group/Company. The phrase “though it is not expected to have any” shall be included only in cases that it has

been assessed and no impact is expected from the adoption of the amendment). The above have not been adopted by the European Union.

- **Amendments to IFRS 16 “Leases: Lease Liability in a Sale and Leaseback” (effective for annual periods starting on or after 01/01/2024)**

In September 2022, the IASB issued narrow-scope amendments to IFRS 16 “Leases” which add to requirements explaining how a company accounts for a sale and leaseback after the date of the transaction. A sale and leaseback is a transaction for which a company sells an asset and leases that same asset back for a period of time from the new owner. IFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place. However, IFRS 16 had not specified how to measure the transaction when reporting after that date. The issued amendments add to the sale and leaseback requirements in IFRS 16, thereby supporting the consistent application of the Accounting Standard. These amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction. The Group/ Company will examine the impact of the above on its Financial Statements, though it is not expected to have any (To be adapted in respect of each Group/Company. The phrase “though it is not expected to have any” shall be included only in cases that it has been assessed and no impact is expected from the adoption of the amendment). The above have not been adopted by the European Union.

- **Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures”: Supplier Finance Arrangements (effective for annual periods starting on or after 01/01/2024)**

In May 2023, the International Accounting Standards Board (IASB) issued Supplier Finance Arrangements, which amended IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. The IASB issued Supplier Finance Arrangements to require an entity to provide additional disclosures about its supplier finance arrangements. The amendments require additional disclosures that complement the existing disclosures in these two standards. They require entities to provide users of financial statements with information that enable them a) to assess how supplier finance arrangements affect an entity’s liabilities and cash flows and to understand the effect of supplier finance arrangements on an entity’s exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it. The amendments to IAS 7 and IFRS 7 are effective for accounting periods on or after 1 January 2024. The Group/ Company will examine the impact of the above on its Financial Statements, though it is not expected to have any (To be adapted in respect of each Group/Company. The phrase “though it is not expected to have any” shall be included only in cases that it has been assessed and no impact is expected from the adoption of the amendment). The above have not been adopted by the European Union.

- **Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (effective for annual periods starting on or after 01/01/2025)**

In August 2023, the International Accounting Standards Board (IASB) issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates that require entities to provide more useful information in their financial statements when a currency cannot be exchanged into another currency. The amendments introduce a definition of currency exchangeability and the process by which an entity should assess this exchangeability. In addition, the amendments provide guidance on how an entity should estimate a spot exchange rate in cases where a currency is not exchangeable and require additional disclosures in cases where an entity has estimated a spot exchange rate due to a lack of exchangeability. The amendments to IAS 21 are effective for accounting periods on or after 1 January 2025. The Group/ Company will examine the impact of the above on its Financial Statements, though it is not expected to have any (To be adapted in respect of each Group/Company. The phrase “though it is not expected to have any” shall be included only in cases that it has been assessed and no

impact is expected from the adoption of the amendment). The above have not been adopted by the European Union.

5.4 Risk Management

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

5.4.1 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 the first semester of 2023, 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 30/06/2023, 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:

Financial Assets	Group		Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
Cash and cash equivalents	7.503.459	8.481.728	4.754.144	1.757.487
Trade and other receivables	64.208.938	67.155.342	55.859.935	57.984.549
Παράγωγα	0	1.428.312	0	1.428.312
Total	71.712.397	77.065.382	60.614.079	61.170.348

5.4.2 Interest Rate Risk

The risk of changes in interest rates arises from long-term and short-term borrowing at a variable rate. Management monitors closely the developments and currently believes that, although there is an effective risk of rate changes, the European Central Bank's rates may be getting close to their peak. However, rate hikes during the first nine months of the year have had a considerable effect on the Group's cash flows.

The table shows the sensitivity to the period Cash Flows in case of a possible change in the Group's interest rates by +/- 1%.

amounts in thousand €	Group				Company			
	Effect to P & L		Effect to Equity		Effect to P & L		Effect to Equity	
	+1%	-1%	+1%	-1%	+1%	-1%	+1%	-1%
30th June 2023	(501.520)	501.520	(501.520)	501.520	(445.003)	445.003	(445.003)	445.003
31st December 2022	(1.058.387)	1.058.387	(1.058.387)	1.058.387	(924.798)	924.798	(924.798)	924.798

5.4.3 Liquidity Risk

The financial statements of the company have been prepared based on the going concern principle.

The Group has a consistent practice not to make use of all its available lines and to have credit lines or cash holdings of at least 7.5 % of the total at any time. The Group has also secured funds from the cooperated banks, capable enough to cover the possible needs that will come up from the business development and the investment plan. At 30/06/2023, the Group kept cash holdings of EUR 7.5 million. The maturity dates of the Group's financial liabilities are as follows:

	Group							
	30.06.2023				31.12.2022			
	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	20.248.180	4.298.979	15.399.898	47.827.572	15.454.734	9.514.128	15.406.264	50.108.475
Trade Payables	50.793.939	-	-	-	49.067.150	-	-	-
Other Payables	3.729.688	-	-	-	3.174.845	-	-	-
Total	74.771.807	4.298.979	15.399.898	47.827.572	67.696.729	9.514.128	15.406.264	50.108.475
Loans amortization under IFRS 9	(817.653)	(758.954)	(5.723.605)	(3.330.439)	(772.428)	(777.191)	(5.825.064)	(4.028.701)
Total	73.954.154	3.540.025	9.676.293	44.497.133	66.924.301	8.736.937	9.581.200	46.079.774

	Company							
	30.06.2023				31.12.2022			
	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	17.698.180	2.573.954	13.798.168	43.522.072	15.154.734	2.879.191	13.698.439	45.607.975
Trade Payables	39.680.261	-	-	-	35.071.059	-	-	-
Other Payables	3.174.490	-	-	-	2.496.953	-	-	-
Total	60.552.932	2.573.954	13.798.168	43.522.072	52.722.745	2.879.191	13.698.439	45.607.975
Loans amortization under IFRS 9	(817.653)	(758.954)	(5.723.605)	(3.330.439)	(772.428)	(777.191)	(5.825.064)	(4.028.701)
Total	59.735.279	1.815.000	8.074.563	40.191.633	51.950.317	2.102.000	7.873.375	41.579.274

5.4.4 Risk of Fluctuation of Raw Material Prices

The selling prices of the produced products are largely dictated by the prices of the raw materials. Fluctuations in the international prices of steel products affect (positively or negatively) the profit margin of the Group, as changes in the selling prices of products cannot be fully synchronized with the prices of our still unreceived orders, and the prices of our stocks. The gross profit margin of the Group is positively affected in the case of rising prices of raw materials and negatively in the opposite case. The fluctuation of the prices of the products traded by the Group cannot be covered by hedging operations, because of which its results are affected respectively through devaluation or appreciation of inventories.

Indicatively we mention that from January 2018 to June 2023 the difference between maximum and minimum CIF price, for three of the most important products of the Group, as well as the standard deviation is shown below:

€ / MT	Hot Rolled Materials	Cold Rolled Materials	Galvanized Materials
Minimum to Maximum Value Difference	781	844	788
Standard Deviation	190	222	219

Correspondingly, the gross profit margin had fluctuations of the order of 1.756 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 2023 and 2022 earnings would be approximately:

GROUP	2023		2022	
	50 b.p.	-50 b.p.	+50 b.p.	-50 b.p.
THOUSANDS €				
Net Earnings	593	-593	568	-568
Equity	593	-593	568	-568

COMPANY	2023		2022	
	50 b.p.	-50 b.p.	+50 b.p.	-50 b.p.
THOUSANDS €				
Net Earnings	397	-397	367	-367
Equity	397	-397	367	-367

5.4.5 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:

Amounts in €	Group			
	30/6/2023		31/12/2022	
	USD	RON	USD	RON
Financial Current Assets	224.211	724.589	0	1.015.494
Financial Liabilities	-	-	-18.872	-
Short-term elements	224.211	724.589	-18.872	1.015.494
Financial Current Assets	-	-	-	-
Financial Liabilities	-	-	-	-
Long-term elements	-	-	-	-

The change in the results and the Stockholders' Equity of the Group from a possible change of +/-10% in the foreign currency exchange rate is as follows:

Amounts in €	30/6/2023			
	+ 10%		- 10%	
	USD	RON	USD	RON
Profits (losses) before taxes	-20.383	24.912	47.751	-58.362
Equity	-20.383	24.912	-297.140	363.171

amounts in €	31/12/2022			
	+ 10%		- 10%	
	USD	RON	USD	RON
Profits (losses) before taxes	3.791	440	-128.148	155.616
Equity	3.791	440	-345.881	422.744

5.5 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 in 30/06/2023, are presented in the following table:

Company	Direct % of participation	Indirect % of participation	Total percentage	Country	Consolidation Method	Activity Sectors
SIDMA 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

During the current period there was no change in the above percentages.

The Consolidated Financial Statements of SIDMA S.A. are included under Equity Method, in the Consolidated Financial Statements of Consolidated Financial Statements of VIOHALCO S.A. group of companies, domiciled in Brussels. The percentage applied for the consolidation of the period 1.1.2023 – 30.06.2023 is 25,32%.

Moreover, the Consolidated Financial Statements of SIDMA S.A. are included under Equity Method, in the Consolidated Financial Statements of Consolidated Financial Statements of BITROS STEEL S.A. group of companies, domiciled in Athens. The percentage applied for the consolidation of the period 1.1.2023 – 30.06.2023 is 25,00%.

5.6 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 into business units based on the nature of the product and services provided. SIDMA had identified two reportable profit generating segments, “Steel segment” and “Other”. The Group basically manufactures, processes and trades steel products.

Amounts in Euros	1.1 - 30.06.2023			1.1 - 30.06.2022		
	Steel	Other	Total	Steel	Other	Total
Sales to other companies	118.516.169	164.333	118.680.502	145.443.153	184.624	145.627.777
Sales to the companies of group			0			0
Total Sales	118.516.169	164.333	118.680.502	145.443.153	184.624	145.627.777
Operational Profits	1.884.559	77.067	1.961.627	15.593.408	99.312	15.692.720
Finance cost	-2.854.756	0	-2.854.756	-1.924.645	0	-1.924.645
Result from investing activities	0	0	0	217.938	0	217.938
Profit before taxation	-970.197	77.067	-893.130	13.886.701	99.312	13.986.012
Profit after taxation	-916.159	94.702	-821.457	11.806.111	99.133	11.905.244
Depreciation	-76.821	76.821	0	-76.821	76.821	0
EBITDA	657.828	153.888	811.716	605.969	176.133	782.102

Amounts in Euros	1.1 - 30.06.2023			1.1 - 30.06.2022		
	Steel	Other	Total	Steel	Other	Total
Non Current Assets	158.549.992	2.296.436	160.846.428	177.896.817	2.365.581	180.262.398
	158.549.992	2.296.436	160.846.428	177.896.817	2.365.581	180.262.398
Long-term & Short-term Liabilities	140.750.617	161.347	140.911.964	155.361.902	151.409	155.513.312
	140.750.617	161.347	140.911.964	155.361.902	151.409	155.513.312

Moreover, below are presented the geographic segments.

Amounts in Euro Company	1.1 - 30.06.2023			1.1 - 30.06.2022		
	Greece	Abroad	Total	Greece	Abroad	Total
SIDMA S.A.	71.708.964	7.728.089	79.437.054	85.268.949	8.958.509	94.227.457
SIDMA BULGARIA S.A.	0	23.808.426	23.808.426	0	29.749.764	29.749.764
SIDMA ROMANIA SRL	0	15.435.022	15.435.022	0	21.650.556	21.650.556
Total	71.708.964	46.971.537	118.680.502	85.268.949	60.358.829	145.627.778

5.7 Property, Plant and Equipment

The tangible fixed assets of the Group and the Company as of 30.06.2023 are shown in the following tables:

Tangible Assets	Group						Grand Total
	Land	Buildings	Machinery	Transportation	Other equipment	Assets under construction	
Acquisition cost							
Acquisition cost or deemed cost 1.1.2022	12.646.207	20.008.045	9.935.400	2.761.208	1.903.847	794.480	48.049.186
Additions	0	257.378	103.853	157.063	34.516	756.353	1.309.163
Sales or Deletions	0	0	-499.280	-118.079	-68.417	0	-685.775
Transfers	0	290.892	483.248	0	5.808	-782.549	-2.601
Exchange differences	280	609	484	8	9	0	1.390
Acquisition cost or deemed cost 31.12.2022	12.646.487	20.556.923	10.023.705	2.800.200	1.875.764	768.284	48.671.363
Depreciation							
Accumulated Depreciation 01.01.2022	0	-901.307	-440.055	-2.177.478	-1.802.265	0	-5.321.105
Αποσβέσεις περιόδου	0	-810.892	-544.140	-219.356	-34.171	0	-1.608.559
Depreciation of sold or deleted assets	0	0	16.906	96.111	68.417	0	181.434
Accumulated Depreciation 31.12.2022	0	-1.712.199	-967.289	-2.300.723	-1.768.019	0	-6.748.230
Book value in 31.12.2022	12.646.487	18.844.724	9.056.416	499.477	107.745	768.284	41.923.133
Acquisition cost							
Acquisition cost or deemed cost 1.1.2023	12.646.487	20.556.923	10.023.705	2.800.200	1.875.764	768.284	48.671.363
Additions	0	23.161	18.955	370.974	12.464	585.449	1.011.003
Sales or Deletions	0	0	-64.015	-523.421	-297.465	0	-884.902
Transfers	0	40.880	873.319	6.259	0	-967.489	-47.031
Exchange differences	-6.382	-6.806	-1.929	-82	-26	0	-15.225
Acquisition cost or deemed cost 30.06.2023	12.640.105	20.614.158	10.850.036	2.653.929	1.590.737	386.243	48.735.208
Depreciation							
Accumulated Depreciation 01.01.2023	0	-1.712.199	-967.289	-2.300.723	-1.768.019	0	-6.748.230
Depreciation of the year	0	-417.827	-243.587	-121.473	-16.955	0	-799.841
Transfer of depreciation for held for sales	0	0	0	0	0	0	0
Accumulated Depreciation 30.06.2023	0	-2.130.026	-1.206.465	-2.144.592	-1.488.323	0	-6.969.406
Book value in 30.06.2023	12.640.105	18.484.132	9.643.571	509.337	102.414	386.243	41.765.803

Tangible Assets	Company						Grand Total
	Land	Buildings	Machinery	Transportation	Other equipment	Assets under construction	
Acquisition cost							
Acquisition cost or deemed cost 1.1.2022	7.922.000	15.110.682	8.466.375	2.220.997	1.666.157	794.480	36.180.692
Additions	0	24.017	91.253	104.888	31.519	714.264	965.940
Sales or Deletions	0	0	-499.280	-100.662	-68.417	0	-668.359
Transfers	0	290.892	483.248	0	5.808	-782.549	-2.601
Acquisition cost or deemed cost 31.12.2022	7.922.000	15.425.591	8.541.597	2.225.222	1.635.068	726.195	36.475.672
Depreciation							
Accumulated Depreciation 01.01.2022	0	-592.106	-294.110	-1.883.992	-1.584.898	0	-4.355.106
Depreciation of the year	0	-599.984	-398.354	-148.365	-28.730	0	-1.175.432
Depreciation of sold or deleted assets	0	0	16.940	85.951	68.417	0	171.308
Accumulated Depreciation 31.12.2022	0	-1.192.090	-675.523	-1.946.406	-1.545.211	0	-5.359.230
Book value in 31.12.2022	7.922.000	14.233.501	7.866.073	278.817	89.856	726.195	31.116.442
Acquisition cost							
Acquisition cost or deemed cost 1.1.2023	7.922.000	15.425.591	8.541.597	2.225.222	1.635.068	726.195	36.475.672
Additions	0	0	17.191	325.765	10.123	583.697	936.776
Sales or Deletions	0	0	-64.015	-523.421	-297.465	0	-884.902
Transfers	0	40.880	873.319	6.259	0	-967.489	-47.031
Acquisition cost or deemed cost 30.06.2023	7.922.000	15.466.470	9.368.092	2.033.825	1.347.725	342.402	36.480.515
Depreciation							
Accumulated Depreciation 01.01.2023	0	-1.192.090	-675.523	-1.946.406	-1.545.211	0	-5.359.230
Depreciation of the year	0	-302.863	-178.632	-77.774	-14.230	0	-573.499
Depreciation of sold or deleted assets	0	0	4.445	277.604	296.651	0	578.700
Accumulated Depreciation 30.06.2023	0	-1.494.952	-849.710	-1.746.575	-1.262.790	0	-5.354.029
Book value in 30.06.2023	7.922.000	13.971.518	8.518.382	287.249	84.935	342.402	31.126.487

Land, buildings, and equipment are valued at fair value. The means of transport and vehicles, other equipment and assets under construction are stated at cost less accumulated depreciation.

There are pledges over the fixed assets of the Group for loans as described in paragraph 5.21.2.

5.8 Intangible Assets

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

Amounts in €	Group			Company
	Goodwill	Software	Total	Software
Acquisition cost				
Acquisition cost or deemed cost 1.1.2022	419.115	1.712.530	2.131.645	1.555.498
Additions	0	46.458	46.458	18.018
Exchange differences	0	1	1	0
Acquisition cost or deemed cost 31.12.2022	419.115	1.758.989	2.178.104	1.573.516
Depreciation				
Accumulated Depreciation 01.01.2022	0	(1.608.545)	(1.608.545)	(1.452.334)
Depreciation of the year	0	(39.365)	(39.365)	(38.658)
Accumulated Depreciation 31.12.2022	0	(1.647.910)	(1.647.910)	(1.490.992)
Book value in 31.12.2021	419.115	111.080	530.195	82.524
Acquisition cost				
Acquisition cost or deemed cost 1.1.2023	419.115	1.758.989	2.178.104	1.573.516
Transfers	0	47.031	47.031	47.031
Exchange differences	0	0	0	0
Acquisition cost or deemed cost 30.06.2023	419.115	1.806.020	2.225.135	1.620.547
Depreciation				
Accumulated Depreciation 01.01.2023	0	(1.647.910)	(1.647.910)	(1.490.992)
Depreciation of the year	0	(22.779)	(22.779)	(19.374)
Exchange differences	0	(71)	(71)	0
Accumulated Depreciation 30.06.2023	0	(1.670.759)	(1.670.759)	(1.510.366)
Book value in 30.06.2023	419.115	135.263	554.378	110.181

The goodwill arose from the acquisition of a subsidiary, which is considered as a special cash flow generating unit and consists of an operating sector (Steel). Goodwill impairment test is conducted annually and when there are indications of impairment. In such cases the company takes the requested provisions.

5.9 Investments in subsidiaries

The Company participates 100% in the subsidiary SIDMA WORLDWIDE LIMITED. The value of the participation in the subsidiary SIDMA WORLDWIDE LIMITED in the individual financial statements is as follows:

	Company		
	Acquisition value	Cumulative Impairment	Balance on 30.06.2023
SIDMA WORLDWIDE LIMITED	24.769.787	-5.826.671	18.943.116

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

	Company	
	30.06.2023	31.12.2022
Balance at the beginning of the year	18.943.116	18.943.116
Balance at the end of the year	18.943.116	18.943.116

5.10 Inventories

The reserves of the Group and the Company are analyzed in the following table:

Amounts in Euros	Group		Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
Merchandise	14.823.656	13.067.476	13.282.893	11.555.847
Finished and semi-finished products	7.602.469	8.158.729	5.668.822	6.251.573
Raw, auxiliary materials and spare parts	19.420.031	21.371.459	13.992.455	13.594.969
Payments in advances to suppliers	4.967.695	2.015.079	3.203.917	1.223.628
Total	46.813.850	44.612.742	36.148.088	32.626.018

The Group's reserves show strong seasonality between the interim financial reporting periods and the end of each year.

To secure the loans of the Group and the Company there is floating insurance on a group of stocks mentioned in note 5.21.2 below.

5.11 Customers and trade receivables

Trade receivables as of 30.06.2023 are analyzed below:

	Group		Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
Customers	38.719.956	32.177.136	31.690.317	24.558.032
Notes receivable	900.323	1.211.965	22.397	22.397
Cheques receivable	22.477.865	24.412.041	22.228.385	24.286.288
Less: Allowances for doubtful trade receivables	-1.457.261	-1.459.020	-915.797	-915.797
Total	60.640.884	56.342.123	53.025.302	47.950.920

The Company has established criteria for providing credit to customers which are broadly based on the size of the client's business, the economic circumstances, and the assessment of relevant financial information. At each balance sheet date, all overdue or doubtful receivables are assessed to determine whether a provision for doubtful receivables is required. Any write-off of customers' balances is charged to the existing provision for doubtful receivables. A percentage of 80% of the group's receivables is insured with 10% own participation. The fair values of the receivables coincide approximately with the book values.

5.12 Other receivables

The analysis of other receivables of the Group and the Company as of 30.06.2023 is as follows:

	Group		Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
Receivables from the State (taxes, etc)	2.726.049	2.897.727	2.424.300	2.424.264
Purchases in transit	0	6.715.829	0	6.715.829
Prepaid expenses	122.089	112.603	53.798	89.768
Sundry debtors	548.860	916.590	194.281	642.128
Total	3.396.999	10.642.749	2.672.379	9.871.989

5.13 Share capital

After absorbing the subsidiary PANELCO, the share capital of SIDMA SA amounts to a total of € 18.336.001, divided into 13.582.223 common registered shares of nominal value € 1.35 each. There was no change during the current period.

Taking into consideration the 31/05/2023 decision of the Annual General Meeting, the use of the share premium account to offset Company's losses was approved pursuant to article 35(3) of Greek law 4548/2018, as amended and in force, and granting of any relevant authorizations to the Board of Directors.

5.14 Loans

The financial obligations of the Group and the Company as of 30.06.2023 and 31.12.2022 are analyzed below:

	Group		Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
Long-term loan liabilities				
Bond loans	62.950.353	64.791.479	62.316.400	64.266.977
Long-term bank loans	5.704.957	5.981.957	0	0
Long-term Leasing Obligations	386.721	419.426	184.448	193.058
Less: Current installments of long-term loans	-4.237.953	-4.128.504	-3.604.000	-3.604.002
Less: Difference from the initial recognition of loans in fair value due to restructuring	-10.630.651	-11.403.384	-10.630.651	-11.403.384
Total long-term liabilities (a)	54.173.427	55.660.973	48.266.197	49.452.649
Short-term loan liabilities				
Short-term bank loans	1.610.184	4.840.594	220.833	425.000
Short-term Leasing Obligations	284.244	260.508	131.002	123.837
Financing through factoring	16.838.172	14.189.639	14.739.693	12.331.469
Total short-term liabilities (b)	18.732.600	19.290.741	15.091.528	12.880.305
Plus: Current installments of long-term loans (c)	4.237.953	4.128.504	3.604.000	3.604.002
Grand Total (a)+(b)+(c)	77.143.979	79.080.218	66.961.724	65.936.956

The Company's bond loans as at 30.06.2023 amount to € 62.3 million out of an initial face value of € 82 million and are analyzed as follows:

- i Common secured bond loan according to the provisions of Law 4548/2018 amounting to € 44,635,000 (TRANCHE A'), covered by "National Bank of Greece SA", "EUROBANK SA", "ALPHA BANK SOCIETE ANONYME" and " Piraeus Bank SA " as initial bondholders, while the "National Bank of Greece SA" was appointed as representative of the bondholders.
- ii Common secured bond loan according to the provisions of Law 4548/2018, amounting to Euro seven million one hundred seventy-seven thousand (€ 7,177,000) which was covered by the banks "National Bank of Greece SA". and "EUROBANK A.E." as initial bondholders while the representative of the bondholders was appointed "National Bank of Greece SA".
- iii Common secured bond loan according to the provisions of Law 4548/2018, amounting to Euro twenty-four million nine hundred eighty thousand (€ 24,980,000) which was covered by the banks "National Bank of Greece SA", EUROBANK A.E. ", " ALPHA BANK SOCIETE ANONYME "and" ATTICA BANK SA ". as initial bondholders while the representative of the bondholders was appointed "National Bank of Greece SA".

The duration of the loans is 10 years, during which time 50% of their nominal value will be repaid in two semi-annual installments each year.

The recognition of common bond loans was made at their fair value, which was estimated by Management using a 7% purchase interest rate. The difference between nominal amount at the initial recognition of new loans and at their fair value is included in the financial income (Note 5.18).

- iv Common secured bond loan according to the provisions of Law 4548/2018 and the article 14 of the Law 3156/2003, amounting to Euro five million two hundred thirty-seven thousand four hundred (€ 5,237,400) funded by "National Bank of Greece SA", covering the increase of the share capital of the subsidiary SIDMA ROMANIA SRL in addition to the Company's loan restructuring.

Regarding the long term and short-term loans, the following table of future payments for the Group and the Company on 30.06.2023 and 31.12.2022 is presented.

	Group		Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
Up to 1 year	24.547.159	24.968.864	20.272.134	18.033.926
Between 1 and 5 years	15.399.898	15.406.264	13.798.168	13.698.439
More than 5 years	47.827.572	50.108.475	43.522.072	45.607.975
Total	87.774.630	90.483.603	77.592.375	77.340.341
Less: Difference from the initial recognition of loans in fair value due to restructuring	-10.630.651	-11.403.384	-10.630.651	-11.403.384
Total	77.143.979	79.080.218	66.961.724	65.936.956

The average borrowing cost for the Company and the Group amounted to 5.7% and 5.9% respectively based on the nominal (contractual) borrowing rate and to 10.1% and 9.6% based on the effective (effective) borrowing rate.

To secure the Group's and the company's loans, there exist real estate liens and floating security on stocks as shown in paragraphs 5.21.1 and 5.21.2 below.

5.15 Other Current Liabilities

The analysis of other short-term liabilities of the Group and the Company on 30.06.2023 is as follows:

	Group		Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
Advances from trade debtors	3.455	43.159	0	0
Social Security	143.717	256.051	143.717	256.051
Dividends payable	0	0	0	0
Sundry debtors	1.723.168	1.139.838	1.720.810	1.137.436
Accrued Expenses	67.606	1.146.019	0	1.093.945
Other short-term liabilities	973.782	147.630	624.052	0
Other (accruals or deferred income)	817.960	442.149	685.912	9.521
Total	3.729.688	3.174.845	3.174.490	2.496.953

5.16 Income Tax

Deferred tax of the Group and the Company is analyzed as follows:

	Group		Company	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Income Tax	-132.179	-1.823.437	-114.068	-1.823.437
Deferred Tax	203.851	-257.331	203.851	-257.331
Total	71.673	-2.080.768	89.783	-2.080.768

5.17 Turnover (Sales)

Sales for the period ended 30.06.2023 are analyzed by category of products and services (using Greek Statistical Service Codes) as follows:

	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Manufacture of basic iron, steel and ferro-alloys	56.296.509	38.355.832	71.270.039	48.610.099
Wholesale of metals and metal ores	46.371.680	25.013.287	56.592.892	27.866.420
Manufacture of metal structures and parts of structures	6.324.331	6.324.331	8.054.105	8.054.105
Treatment and coating of metals	7.115.538	7.115.538	6.447.373	6.447.373
Production of Electricity	164.333	164.333	184.624	184.624
Manufacture of steel tubes	2.483.574	2.483.574	3.078.744	3.078.744
Total	118.755.965	79.456.895	145.627.777	94.241.366

The turnover amounts as appeared in the P&L Account, does not include the sales made by the parent company on behalf of third parties (consignment) amounting to EUR 21,985,063. The respective amount of the first six months of 2022 was EUR 27,363,617. The above amounts should be considered for the calculation of any ratios based on the turnover of the Group and the Company.

5.18 Finance Costs

The finance costs of the Group and the Company are analyzed as follows:

	Group		Company	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Financial income	41.085	11.871	241	105
Total Financial Income	41.085	11.871	241	105
Financial Interest Expenses	-2.934.762	-1.774.812	-2.554.258	-1.529.288
Various bank expenses	-433.519	-600.568	-372.223	-529.325
Leasing interest expenses (IFRS 16)	-18.020	-8.827	-7.136	-7.915
Bond loan issuance expenses	-774.235	-789.005	-774.235	-789.005
Actuary interests	-11.775	-4.788	-11.775	-4.746
FX differences	-52.896	70.379	-	-
Total Financial Expenses	-4.225.209	-3.107.621	-3.719.628	-2.860.279
Net total	-4.184.124	-3.095.750	-3.719.387	-2.860.174

5.19 Earnings per share

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

	Group		Company	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Profit to the Shareholders of the mother company	-821.457	11.905.244	-458.321	7.679.845
Weighted number of shares	13.582.223	13.582.223	13.582.223	13.582.223
Basic Earnings Per Share (EURO/share)	-0,0605	0,8765	-0,0337	0,5654

5.20 Non-audited Fiscal Years

The company has been tax audited up to and including fiscal year 2010. For the fiscal years 2011 to 2020 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 2022, 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 Interim Condensed Financial Statements for the period 1.1.2023 – 30.06.2023. 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.

In 20/01/2022, the Company received from the Audit Authority for Large Enterprises regular tax audit order for the fiscal year 2018 & 2019 with timeframe completion till 31/12/2025. Since the date that the financial statements were approved, no other development was made from the Audit Authority.

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 2022.

For the rest of the Group's companies, the following applies: "SIDMA WORLDWIDE CYPRUS" has been tax audited up to the 2011 financial year, "SIDMA ROMANIA SRL" up to September 2008. Due to accumulated tax losses, no additional taxes are expected to arise. "SIDMA BULGARIA SA" has not been tax audited for the years 2005 to 2022, but no significant differences are expected from a possible tax audit in the future. Tax audits in Bulgaria could take place from 2017 onwards.

5.21 Contingent liabilities and commitments

5.21.1 Guarantees

On 30 June 2023, the Group and the Company had the following contingent assets & liabilities:

Receivables

- Issuance of letter of guarantees as assurance for receivables, amounting to € 1,1 million for the Group and the Company.

Payables

- Issuance of performance guarantees amounting to € 10,4 million for the Group and the Company.
- Guarantees (post-dated cheques and receivables) amounting to € 1.3 million, for loans of the subsidiaries in Romania and Bulgaria.
- Issuance of guarantees amounting to € 7.3 million and letters of guarantees amounting to € 0.7 million for the assurance of bank financing of the subsidiaries in Romania and Bulgaria.

5.21.2 Encumbrances

The Group's and Company's assets are mortgaged as follows:

- an amount of € 46.5 million, which have been registered on company's real estate (except of the warehouse of the absorbed subsidiary PANELCO in Lamia), for the Common Bond Loan of € 46.5 million of the Parent Company (Facility 1).
- an amount of € 7.2 million registered on the property (warehouse) of the absorbed subsidiary PANELCO in Lamia for the Common Bond Loan of € 7.2 million of the Parent Company (Facility 2).

- an amount of € 25 million, registered on the company's real estate (excluding the property of Inofyta), for the Common Bond Loan of € 25 million of the Parent Company (Facility 3).
- an amount of € 7 million (establishment of a floating security right) in accordance with Law 2844/2000, on a group of stocks for the Common Bond Loan of € 44.6 million (Facility 1).
- an amount of € 2 million (establishment of a floating security right) in accordance with Law 2844/2000, on a group of stocks for the Common Bond Loan of € 7.2 million (Facility 2).
- an amount of € 3 million (establishment of a floating security right) in accordance with Law 2844/2000, on a group of stocks for the Common Bond Loan of € 25.0 million (Facility 3).
- an amount of € 0.24 million (establishment of a floating security right) in accordance with Law 2844/2000, on a group of mechanical equipment at the warehouse of Inofyta for the Common Bond Loan of € 25.0 million (Facility 3).
- an amount of € 7.3 million (mortgage establishment in the facilities and equipment of the Subsidiary in Bulgaria, SIDMA Bulgaria, as well as establishment of a floating lien on its stocks and receivables) for loans with a nominal value of € 6.2 million.
- an amount of € 7.9 million, which have been registered on the real estate, an amount of € 1.2 million, which have been registered on the stocks and an amount of € 4.0 million, which have been registered on the mechanical equipment of the subsidiary SIDMA Romania SRL, for loans with a nominal value of € 6.6 million.

5.21.3 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.

5.22 Number of Personnel

The average number of personnel for the group and the Company during the current period ending on 30.06.2023 and the comparative last year period is shown below:

No. of persons	Group		Company	
	1.1 - 30.06.2023	1.1 - 30.06.2022	1.1 - 30.06.2023	1.1 - 30.06.2022
Average no. of personnel	243	240	163	164

5.23 Related Parties

The following tables present the related parties' transactions, according to IAS 24 at the end of the current period, 30.06.2023.

5.23.1 Intercompany Sales and Other Income

Amounts in euros	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Sales of goods and services				
Subsidiaries	0	19.841	0	13.908
Other companies of the group	3.382.243	1.831.021	5.118.842	2.470.310
Total	3.382.243	1.850.862	5.118.842	2.484.218

Amounts in euros	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Sales of goods and services				
Subsidiaries	0	0	0	0
Other companies of the group	877	877	500.000	500.000
Total	877	877	500.000	500.000

Amounts in euros	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Other income				
Subsidiaries	0	63.880	0	0
Other companies of the group	1.713.872	1.514.044	1.864.762	1.518.885
Total	1.713.872	1.577.925	1.864.762	1.518.885

5.23.2 Intercompany Purchases and Expenses

Amounts in euros	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Purchases of goods and services				
Subsidiaries	0	0	0	0
Other companies of the group	22.178.910	6.883.344	30.514.802	9.636.325
Total	22.178.910	6.883.344	30.514.802	9.636.325

Amounts in euros	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Purchases of goods and services				
Subsidiaries	0	0	0	0
Other companies of the group	10.630	10.630	35.935	35.935
Total	10.630	10.630	35.935	35.935

Amounts in euros	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Other expenses				
Subsidiaries	0	0	0	0
Other companies of the group	676.333	586.484	640.971	629.616
Total	676.333	586.484	640.971	629.616

5.23.3 Intercompany receivables and payables

Amounts in euros	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Receivables				
Subsidiaries	0	64.759	0	58.548
Other companies of the group	3.001.149	2.585.975	2.505.965	1.818.962
Total	3.001.149	2.650.734	2.505.965	1.877.510

Amounts in euros	1.1 - 30.06.2023		1.1 - 30.06.2022	
	Group	Company	Group	Company
Payables				
Subsidiaries	0	0	0	0
Other companies of the group	31.087.487	22.403.267	28.501.172	17.238.589
Total	31.087.487	22.403.267	28.501.172	17.238.589

5.23.4 Management & Directors' Fees

The Management & Director's fees for the Group and the Company during 30.06.2023 and the prior period are as follows:

	Group		Company	
	1.1 - 30.06.2023	1.1 - 30.06.2022	1.1 - 30.06.2023	1.1 - 30.06.2022
Management Fees (short-term)	511.341	493.430	315.791	300.193
Board of Directors fees (short-term)	35.191	30.222	19.150	16.200
Total	546.532	523.652	334.941	316.393

The above fees are payable in the short term. Apart from these, there were no other transactions, receivables, or payables to the members of the Board of Directors and management.

5.24 Post Balance Sheet Events

There are no other events after 30.06.2023 that significantly affect the financial situation and the results of the Group and the Company respectively.

5.25 Approval of interim financial statements

The interim condensed separate and consolidated financial statements for the period ended 30 June 2023 were approved by the Board of Directors of the company on 21.09.2023 and have been published at www.sidma.gr.

Aspropyrgos – September 21, 2023

**PRESIDENT OF THE BOARD
OF DIRECTORS**

PANAGIOTIS I. MPITROS

THE CHIEF FINANCIAL OFFICER

MICHAEL C. SAMONAS

CHIEF EXECUTIVE OFFICER

ANTONIOS P. KARADELOGLOU

ACCOUNTING DEP. HEAD

PARIS G. PAPAGEORGIU