Annual Financial Report
For the Period from 1st of January to 31st of December 2018
In accordance with International Financial Reporting Standards ("IFRS")

SOVEL HELLENIC STEEL

PROCESSING COMPANY S.A.

Societe Anonyme Reg. No.: 23635/01/B/91/534(93) 2-4 Mesogheion Ave, Athens

Contents

A. Annual Report of the Board of Directors

The attached Annual Report of the Board of Directors (hereinafter referred to as the "Report") relates to the financial year 2018 (01.01.2018 - 31.12.2018). The Report has been drafted and is in line with the relevant provisions of Law 2190/1920 (article 43a and 37).

This Report contains all the relevant legal information required to obtain a meaningful briefing on the business during the financial year of SOVEL SA. HELLENIC STEEL PROCESSING COMPANY SA (Hereinafter referred to as "Company" for brevity purposes). The Company is a member of the SIDENOR Group.

The thematic sections of the Report and their content are as follows:

I. Major Events for the financial year 2018

The most important events that took place during the financial year 2018 are as follows:

- During the financial year 2018, the Bondholders of the Syndicated Bond Loan amounting to € 71,363,000, accepted the Company's request for the amendment of its terms. More specifically, it was approved the extension of the repayment until December 2023 with fixed interest rate (4.25%) until its maturity.

Decisions of the Ordinary General Assembly

In the Ordinary General Assembly of the company's shareholders that took place in Athens on 16th of July 2019 the following have been decided:

1. Submission for approval of the annual financial statements for the fiscal year that ended on 31.12.2018 with the reports of them by the Board of Directors and Auditors.
2. Approval of Board of Directors' Management and discharge of the auditors from any liability for the year 2018.
3. The election of auditors for the year 2019 and determination of their remuneration.
4. The approval of the Board of Directors Members' remuneration according to article 109 par. 1 of L 4548/2018.
5. Election of the New Board of Directors' members

II. Significant Transactions with Related Parties

Related party transactions primarily concern the purchase and sale and processing of products (finished and semi-finished) of steel. Through these transactions the companies taking advantage of the size of the Group achieve economies of scale. The Company's trading with its affiliates during 2018 has been conducted on market terms and in the context of its normal business activity. Transactions between related parties within the meaning of IAS 24 are analyzed as follows:

(amounts expressed in th. €)

	Sales of goods and services	Purchases of Goods and Services	Acc. Receivables	Liabilities	Purchase of Assets
Parent	**184,321,360**	**14,860,061**	**74,863,519**	**312,039**	**-**
SIDENOR INDUSTRIAL SA	184,321,360	14,860,061	74,863,519	312,039	-
Subsidiaries	**9,650,563**	**3,918,925**	**4,874,726**	**934,214**	**501,150**
DOJRAN STEEL LLCOP	3,859,189	-	1,748,249	-	-
ERLIKON SA	4,139,949	28,352	2,599,309	-	-
ETIL SA	373	3,738,678	-	934,214	501,150
PRAKSIS	-	151,895	-	-	-
SIDERAL SHRK	1,611,227	-	511,227	-	-
SIDEROM STEEL SRL	39,825	-	15,940	-	-
Associates	**-**	**47,804**	**-**	**98,486**	**-**
VIENER SA	-	858,012	-	72,418	-
DOMOPLEX	1,625,817	-	174,305	-	-
SIDMA SA	-	47,804	-	98,486	-
Other Related Parties	**65,745,258**	**67,435,447**	**9,438,251**	**24,703,583**	**3,516**
AEIFOROS SA	76,256	3,971,383	-	5,377,518	-
ANAMET SA	2,137	40,768,090	28,141	13,740,613	-
ANOXAL SA	-	-	-	326	-
CENERGY HOLDINGS SA	-	-	-	176,321	-
CORINTH PIPEWORKS SA	456	-	-	404,817	-
ELKEME SA	-	75,344	-	111,864	-
ELVALHALCOR - 2.Aluminium Segment	21,600	102,278	-	3,967,225	-
ETEM COMMERCIAL SA	-	102	-	-	-
FULGOR SA	10,800	-	26,570	-	-
HELLENIC CABLES SA	-	6,847	-	75,609	-
INTERNATIONAL TRADE	-	19,656,310	167,562	-	-
LESCO OOD	-	88,811	-	48,961	-
METALIGN S.A.	-	264,780	-	124,145	-
NOVAL SA	-	273	-	203	-
SIDEBALK STEEL DOO	9,142,257	-	1,221,420	-	-
STEELMET PROPERTIES SA	-	38,290	-	-	-
STOMANA IDUSTRY SA	56,487,123	511,131	7,992,568	-	-
TEKA SYSTEMS SA	-	301,001	-	136,384	3,516
THERMOLITH SA	4,628	1,392,572	-	362,458	-
VIEXAL SA	-	223,942	-	56,012	-
VIOHALCO SA	-	1,761	-	114,308	-
VITRUVIT SA	-	9,807	-	6,818	-
AWM	-	22,726	1,990	-	-
Total	**259,717,181**	**86,262,237**	**89,176,495**	**26,048,322**	**504,666**

Remuneration of Managers and Board Members

The following table shows the remuneration of Managers and board members:

(amounts expressed in €)	31/12/2018	31/12/2017
Total Remuneration of Managers & Members of Management	549,400	483,434

III. Branches

The Company has the following branches:

- 33 Amarousiou Chalandriou, 15125 Marousi –Attica Offices
- Area Tsigeli Platanou, 37100 Almyros of Magnisias-Manufacturing Plant
- Tsigeli Position, 37100 Almyros of Magnisias – Warehouse
- 245 Klm. N.R. Athinon-Agriniou, 30200 Messologi: Warehouse

The main business of Tsigeli in Magnesia plant is the production and trading of Steel products.

IV. Evolution and Performance of the Company

The turnover of the Company for the fiscal year 2018 amounted to 372,229 thousand euro compared to 342,962 thousand euro in 2017 presenting an increase of 8.53%. This change is attributed mainly to the rapid increase of exported volume of own-produced products of steel reinforced concrete (HOS - Rebar) and mesh (Mesh). The pre-tax results for the financial year 2018 amounted to (1,586) thousand euro losses compared to 998 thousand euro profit in the financial year 2017.

The Company's administration and distribution expenses during the fiscal year amounted to € 23,583 thousand compared to € 24,499 thousand in 2017, while the financial results amounted to € (8,329) and € (9,388) respectively.

Ratios and Alternative Performance Measures

The management of the Company has adopted, monitor and report internally and externally Indicators and Alternative Performance Indicators. These indicators provide a comparable picture of the Company's performance and are the basis for decision-making of the Management.

Liquidity: It is an indication that current liabilities are covered by current receivables and is calculated from the ratio of current assets to current liabilities. The figures are derived from the Statement of Financial Position. For the Company for the current fiscal year as well as the comparable previous figures are as follows:

	31-Dec-18	31-Dec-17
Current Assets / Current Liabilities	1.11	1.07

Gearing: Constitutes an indication of leverage and is calculated by the ratio of equity to loans. Amounts are used as presented in the Statement of Financial Position. For 2018 and 2017 it was as follows:

	31-Dec-18	31-Dec-17
Equity / Loans	0,62	0,58

Return on Capital employed: Constitutes a measurement of the return on equity and loans invested capital and is measured by the ratio of the operating result to the equity plus borrowed funds. Amounts are used as presented in the Income Statement and in the Statement of Financial Position. For the year 2018 and the previous year's figures for the Company were as follows:

	31-Dec-18	31-Dec-17
Operating Result / (Equity + Borrowed Funds)	2,80%	4,32%

Profitability:

	31-Dec-18	31-Dec-17
Gross Profit Margin (Gross Profit / Sales)	6.43%	9.64%
Net Profit Margin (Net Profit / Sales)	0.97%	2.12%
EBITDA *	17,595,158	20,980,282
EBITDA Margin * (EBITDA / Sales)	4.73%	6.12%

*EBITDA: Constitutes the Company's profitability index before taxes, financial expenses and depreciation. It is calculated by adjusting depreciation in operating profit as it is reported in the income statement.

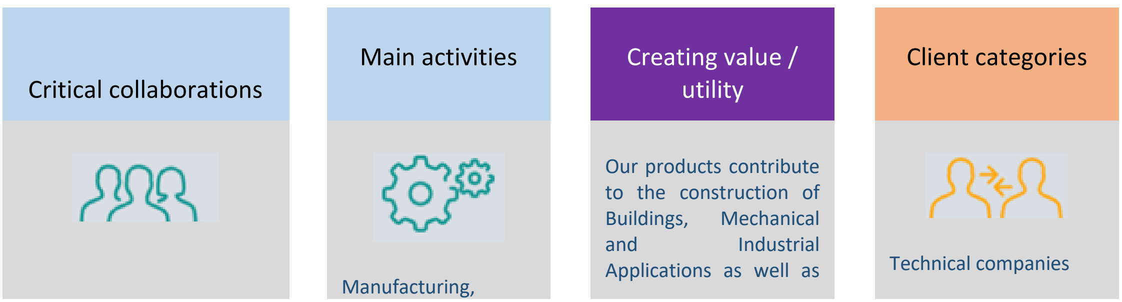
Profitability	31-Dec-18	31-Dec-17
Operating profit / (loss)	6,734,237	10,380,240
Adjustments for:		
+ Depreciation of tangible fixed assets	11,670,262	11,409,383
+ Amortization of intangible assets	(809,341)	(809,341)
EBITDA*	**17,595,158**	**20,980,282**

V. Non-financial Information

Business Model

The Company is active in the steel industry, manufacturing and trading of steel products, currently one of the largest Greek steel manufacturing industries, with a leading position in Greece as well as in Southeastern Europe.

SOVEL's business model aims to create value for all stakeholders, such as shareholders, customers, employees, suppliers and the community at large.



Suppliers of high quality raw materials

Quality Assurance Bodies

Research centers and organizations

Special partners in the implementation of projects

Processing and Trading of Steel Products

to the Transport, Shipbuilding, Mining and Energy sectors

Construction companies

Merchants

Public Sector and Institutions

Important resources

A productive unit of steel works in Greece

High-quality mechanical equipment

Specialized and experienced staff

Communication channels

Sector exhibitions

Sign up for lists of approved suppliers

Competitive advantages

Innovation and technological excellence

Exporting activity in over 20 countries

ISO 9001, ISO 14001, OHSAS 18001 management systems

Internationally registered trademark SIDENOR

Customer-centric philosophy

Strict steel production standards

Cost structure

Maintenance of infrastructure and equipment of production facilities

Product and plant certifications

Revenue structure

Sales of steel products

Sustainable Development Issues Management - Policies and Systems

The Company has mechanisms and processes for the emergence and management of sustainable development issues with emphasis on safe work, respect for the environment and society while focusing on its economic and sustainable operation. The commitment of Management and the Responsible Management Issues Framework are reflected in the SOVEL Policy of Sustainable Development.

SUSTAINABLE DEVELOPMENT POLICY (extract)

SOVEL's Sustainable Development Policy is in agreement with the Company's principles, accountability, integrity, transparency, efficiency and innovation and is determined by the Management, which is committed to the following:

• the implementation of the Policy at all levels and fields of activity of the Company.

• the strict abidance with the existing legislation and the full implementation of the standards, policies, internal instructions and related procedures applied by the Company, as well as other requirements resulting from voluntary agreements, endorsed and accepted by SOVEL.

• the open, two-way communication with stakeholders in order to recognize and record their needs and aspirations.

• providing a healthy and safe working environment for human resources, partners and every visitor.

• the protection of human rights and the provision of a working environment for equal opportunities, without any discrimination.

• the open communication, with transparency, for the Company's stakeholders.

• the continuous effort to reduce the environmental footprint through the implementation of responsible actions and prevention measures in accordance with the Best Available Techniques.

• the cooperation and support of the local society, with the aim of contributing to the sustainable development of the local areas in which it operates.

• the constant pursuit of creating added value for stakeholders.

SOVEL, in order to strengthen its Sustainable Development operation, has established specific policies and implements appropriate management systems and processes that support responsible operation and determine how the Company's objectives are achieved. In particular, SOVEL has, among other things, has established and implements the following policies and codes:

- Internal Rules of Operation
- Sustainable Development Policy
- Health and Safety Policy at Work
- Environmental Policy
- Human Resource and Human Rights Policy
- Quality Policy
- Code of Ethics and Business Ethics

The Company's integrated management is carried out through the Management Systems it implements. In particular, SOVEL applies the following certified systems:

- Quality Management System, according to ISO 9001 standard.
- Environmental Management System, according to ISO 14001.
- Occupational Health and Safety System, in accordance with OHSAS 18001 standard.

The following sections present the results of policies and procedures implemented by SOVEL, quoting relevant environmental and social performance reports (presentation of relevant non-financial indicators).

Labour Issues

The Company invests in its human resources as it has recognized the human factor's contribution to its successful course and the achievement of its business goals. SOVEL's main concern is to ensure optimal working conditions and fair reward, with respect for human rights, diversity and equal opportunities for all employees.
SOVEL's human resources policies and initiatives are designed to effectively attract, develop and maintain employees. Constantly oriented to human values, the Company seeks to apply responsible work practices, focusing on important issues such as:

- ensuring the health and safety of employees and their associates
- preserving jobs
- providing equal opportunities for all employees
- applying objective assessment systems
- providing continuous education and training of employees
- providing additional benefits.

Labour Indicators

	2018	2017
Number of employees	389	355
Workers' Mobility (Turnover)	5.14%	1.4%
% of women in total human resources	3.34%	4.23%

Turnover rate: percentage of employees leaving (for reasons of resignation, dismissal, retirement, etc.) of the Company's total human resources. Excluding transfers to Group companies, the index stands at 3.3% for 2018.

Policy and related payment and benefits systems have been developed to attract, employ and retain experienced staff with the necessary skills and abilities that led to the optimization of individual but also overall performance. The remuneration of each employee reflects the educational background, experience, responsibility, but also the value / weight of the position in the labor market. Additionally, in the context of employee reward and satisfaction, the Company offers a number of additional benefits.

Equal opportunities and respect for human rights

With respect for human rights and with responsibility towards its people, the Company implements a human resources management policy with a view to providing equal opportunities without discrimination based on gender, nationality, religion, age and educational level. SOVEL is opposed to child labour and condemns all forms of forced and compulsory labour. Additionally, SOVEL condemns and prevents the development of behaviors that could lead to discrimination, unequal behavior, intimidation or moral harassment, gesture and verbal or physical threat.

As a result of the policies, procedures and control mechanisms in place, during 2018, as in previous years, no cases of child labour or forced labour have been detected and no human rights violation has occurred.

Health and Safety at work

With particular respect for the protection of human life, SOVEL has set as a priority the design of measures for the anticipation and prevention of accidents. Commitment of Management in this field is reflected in the Health and Safety Policy (H & S) established and implemented by the Company. The Company complies with relevant legislation and regulations on working conditions and occupational health and safety, and focuses on the implementation of preventive measures and actions to avoid occupational incidents. SOVEL implements a certified Occupational Health and Safety Management System (OHSAS 18001), which implements targeted H & S programs for the continuous improvement of the Company in this field. The Company attaches great importance to the training and participation of its employees in related matters. To monitor and evaluate performance in the field of H & S at work, the Company uses internationally applicable and measurable indicators

Health and Safety Indices

	2016	2017	2018
Event Frequency Index (LTIR)	5.673	4.018	5.18
Incident severity index (SR)	0.128	0.147	0.064
Fatal events	-	-	-

LTIR: Lost time incident rate (number of security incidents / incidents with a full-time absence of work per 10^6 working hours)

SR: Severity rate (number of days of absence per 10^6 hours of work)

Social Issues

The Company seeks to have a positive and productive interaction with the social environment in which it operates, contribute to the country's overall economic development and benefit local communities through job creation (priority the local area) and business opportunities (we seek cooperation with local suppliers wherever possible). SOVEL supports organizations, associations and associations on a yearly basis through a variety of sponsorship activities.

Through its activity, SOVEL produces multiple benefits for the community. In addition to the payment of wages and other benefits to its employees, the relevant taxes and contributions are paid to the state, continuous investments and payments are made to the cooperating suppliers of materials and services. In this way, the overall positive impact of the Company on local as well as on wider society is important.

Anti-corruption and bribery issues

SOVEL implements an integrated corporate governance framework that aims to ensure the company's transparent, sound and efficient management, which in the long run leads to business and economic growth. The SOVEL Code of Conduct, the Code of Ethics and Business Ethics, reflect the Company's commitment and position on transparency, anti-corruption and bribery. A Company's recent policy, recently issued, is the Business Ethics and Anti-Corruption Policy.

The Company opposes any form of corruption and undertakes to operate in an ethical and responsible manner. Although the risk of corruption is low, the Company takes all necessary measures to control and identify possible incidents. As a result of the Company's policies and practices, in 2018, as in previous years, no corruption / bribery incident has occurred.

Environmental issues

The protection of the environment is high on the Company's priorities. With a view to an integrated approach to environmental protection, the Company has set up the appropriate infrastructure and follows systematic environmental management. SIDENOR's commitment in this field is reflected in the environmental policy it has established and follows, and is translated into practice through the implementation of a certified Environmental Management System (ISO 14001) and coordinated programs and actions (e.g. energy saving actions, waste management, reduction of air emissions, etc.), which is being implemented and which aim at the continuous improvement of the Company's performance in this field.

	2018	2017
Specific emissions of CO2 (kg / t of product)	605	577
Specific water consumption (m3 / t of product)	1.18	1.09

Responsible supply chain management

SOVEL selects and manages its suppliers responsibly. Suppliers are an important group of stakeholders, as raw materials and other materials, equipment and services are essential components of product development. As a recipient of products and services, the Company is responsive to its obligations and is committed to positively influence the supply chain.

The Company's procurement policy follows the policy of strengthening the local economy by offering business opportunities and employment to local suppliers. In the process of evaluating and selecting suppliers, the criterion of locality is considered positively.

Non-financial risks and remedies

The Company operates in an economic and social environment characterized by various risks, financial and non-financial. In this context, it has established procedures for controlling and managing both financial risks and non-financial risks. The main categories of non-financial risks for the Company are the environmental risks and risks associated with H&S at work. The management of these risks is considered to be of great importance by the Management of the Company as they involve the risk of directly or indirectly affecting the smooth operation of the Company. The Company's internal rules of operation clearly describe the risk areas and include specific procedures developed under the Prevention Authority for the management of H & S and environmental issues.

Additionally, within the framework of the certified Management Systems implemented by the Company, an assessment is made on an annual basis for the relevant risks. In order to reduce the probability and the significance of the risks in these areas, the Company takes preventive measures, plans and implements specific programs and actions and monitors its performance through relevant indicators (quality, environment, health and safety at work) has set.

Note:

The non-financial indicators presented in this report are in line with the Global Reporting Initiative (GRI Standards) Guidelines for Sustainability Reporting Guidelines. The selection of these indicators was based on their relevance to the Company's activities.

VI. Main Risks

The Company through the use of its financial instruments is exposed to credit risk, liquidity risk and market risk. This note provides information on the Company's exposure to each of the above risks, the Company's objectives, its policies and procedures for risk measurement and management, and the Company's capital management. More figures for these disclosures are included in the full range of the consolidated financial statements.

The Company's risk management policies are applied to identify and analyze the risks faced by the Company and to set risk-taking limits and to apply controls on them. Risk management policies and related systems are reviewed periodically to incorporate changes observed in market conditions and the Company's activities

The supervision of compliance with risk management policies and procedures is entrusted to the Internal Audit Department, which carries out regular and extraordinary audits on the implementation of procedures, the findings of which are communicated to the Board of Directors.

Foreign exchange risk

The Company operates in Europe, and consequently the greater part of its transactions is carried out in Euros. However, part of the Company’s purchases is denominated in US Dollar.

Interest on loans is in a currency that does not differ from that of the cash flows arising from the Company's operating activities (euro).

The Company's investments in other subsidiaries are not hedged because these foreign exchange positions are considered to be of a long-term nature and have been realized mainly in euro.

Risk of products’ price fluctuation

The purpose of risk management against market conditions is to audit the Company’s exposure to those risks, within the framework of acceptable parameters while optimizing results.

The main market risk lays on the risk of fluctuations in the prices of raw materials (scrap), which determine to a great extent the final price of the products. Company’s policy is to record inventories at the lowest value between acquisition cost and net realizable value. In periods of price fluctuation, results are affected by the depreciation of the value of inventory. The Company makes use of hedging instruments by using derivative financial products where available.

Investments

Investments are classified by the Company based on the purpose for which they were acquired.

Management decides on the suitable classification of the investment at the time of acquisition. It also estimates that there will be no effect of default on these investments.

Interest rate risk

The Company finances its investments and its working capital requirements through bank and bond loans, which result in interest expense that encumbers its financial results. Upward trends in interest rates will have adverse effects on results, as the Company will incur additional cost of debt.

Interest rate risk is mitigated, as part of the Company's loans is subject to fixed interest rates, either directly or indirectly through the use of financial instruments (interest rates Swaps).

If, as of 31/12/2018, interest rates were increased (decreased) by 0.25% / (-0.25%), the effect on the Company's profits before taxes would be (loss) / profit equal to (-€372 thousand) / euro €372 thousand. The Equity of the Company would be affected proportionally.

Respectively, if, as of 31/12/2017, interest rates were increased (decreased) by 0.25% / (-0.25%), the effect on the Company's profits before taxes would be (loss) / profit equal to (-€380 thousand) / €380 thousand. The Equity of the Company would be affected proportionally.

Guarantees

The policy of the Company is not to provide guarantees, except only to subsidiaries or affiliated companies and then only by decision of the Board of Directors.

Capital Management

The policy of the Board of Directors consists of the preservation of a solid capital base, in order to maintain investor, creditor and market confidence in the Company and to allow the future expansion of its activities. The Board of Directors monitors the return on capital, which is defined by the Company as the net results divided by the total net position, excluding non-convertible preferred shares. The Board of Directors also monitors the level of dividends paid to the holders of ordinary shares.

The Board of Directors tries to maintain a balance between, on the one hand, higher returns which would have been possible under higher borrowing levels and, on the other hand, the advantages associated with the security that a strong and healthy capital position would provide.

		31-Dec-18	31-Dec-17
Debt Ratio	Non-current Liabilities / Non-Current Liabilities +Total Equity	0.48	0.50

		31-Dec-18	31-Dec-17
Index of Assets' Financing	Total Equity / Total non-current asset	58.54%	53.89%

The leverage ratios on 31 December 2018 and 2017 respectively is as follows:

	Note	31-Dec-18	31-Dec-17
Total Debt	16	148,714,911	151,892,127
Minus			
Cash and cash equivalents	13	(1,723,431)	(2,768,993)
Net Debt		**146,991,480**	**149,123,134**
Total Equity		91,999,134	88,543,368
Total Employed Capital		**238,990,614**	**237,666,502**
Leverage Ratio		**62%**	**64%**

The Company does not have a specific own share buyback plan.

No changes occurred insofar at the approach adopted by the Company in relation to capital management during the fiscal period reported.

Fair value estimation

The following table presents the financial assets valued at fair value at the date of preparation of the Company's financial statements, depending on how the fair value is determined:

The different levels have been identified as follows:

First Level: Includes imported prices quoted on an active market for that particular receivable and obligation.

Second Level: It includes the valuation collection, other than quoted prices belonging to the first level and considered directly or indirectly as objective.

Third Level: It includes the collection of valuations that are not based on objective market data.

The different levels are defined as follows:

	31-Dec-18			31-Dec-17		
Amounts in Euro	**First Level**	**Second Level**	**Third Level**	**First Level**	**Second Level**	**Third Level**
Financial assets available for sale	-	-	166,473	-	-	166,473
Total	**-**	**-**	**166,473**	**-**	**-**	**166,473**

There were no transfers between Level 1 and Level 2 during the period.

Valuation Techniques of Fair Values 2nd Level

Level 2 derivatives are composed of forward contracts in foreign currency.

The fair value of the above contracts is determined by the use of forward exchange rates at the date of preparation of financial statements, discounted to present values.

Valuation of Fair Values 3rd Level

Available-for-sale financial instruments at level 3 are securities that are not quoted on a traded market and therefore it is not possible to reliably measure their fair value and are valued at their acquisition cost.

Measurement procedure

The financial management assumes the measurement of the financial items and fair value of the third level required for financial reporting. The process is carried out once a year according to the dates of the annual reports of the company.

Fair Value of Financial Assets and Liabilities measured at amortized cost

The book value of current loans approximates fair value as the effect of discounting is not significant.

The fair value of the following financial assets and liabilities approximates their carrying amount:
-Trade and Other Receivables
- Cash and cash equivalents
-Trade and other payables
-Other current liabilities of financial nature

Risks of macroeconomic environment

The Company has assessed the possible impacts that may have on the management of financial risks due to macroeconomic conditions in the markets in which it operates.

The macroeconomic and financial environment in Greece shows signs of improvement, but uncertainties persist. SOVEL's strong customer base outside Greece minimizes the risk of liquidity that may arise from the uncertainty of the economic environment in Greece.

The UK's exit from the European Union will not affect the Company as its respective sales were up 0.01% in 2018. Therefore, the fluctuations in currency due to Brexit will not affect the operation of the Company.

With regard to the imposition of duties on US steel imports, the Company's Management is closely following developments. However, the Company will not be affected as it does not sell to the US.

Regarding the depreciation of the Turkish pound, the Company is following developments as it strengthens the competitiveness of Turkish export companies by reducing production costs. The Company's sales to Turkey amounted to 0.2% of total turnover compared to 0.6% in 2017.

SOVEL closely and continuously monitors developments in both the international and the domestic environment and adapts its business strategies and risk management policies in a timely manner to minimize the impact of macroeconomic conditions on its activities.

Liquidity Risk

The above developments as well as the instability of the Greek banking sector create an uncertain financial situation in Greece which may affect the Company's liquidity.

The bulk of the borrowing relates to non-current loans whose average maturity is around 4 years. Additionally, the fact that the Company exports most of its output significantly offsets the current situation in Greece.

The financing of the Company comes mainly from Greek financial institutions.

The approach adopted by the Company for liquidity management is to ensure, by holding the absolutely necessary cash and sufficient credit limits from the cooperating banks, that it will have liquidity to meet its obligations when they expire under normal and difficult conditions without incurring unacceptable damage or jeopardizing its reputation. At the same time, in order to avoid liquidity risks, the Company carries out a provision for cash flows for a period of one year when the annual budget is drawn up, and a monthly rolling three-month forecast to ensure that it has enough assets to meet its operational needs.

The Company has direct access to sources of finance and historically refinances its short-term borrowings. The Company believes that the refinancing of its short-term borrowing will continue in the future as in the past if deemed necessary.

During the financial year 2018, the Bondholders of the Syndicated Bond Loan amounting to € 71,363,000, accepted the Company's request to amend its terms. In particular, an extension of the repayment was approved until December 2023 and a fixed interest rate (4.25%) until its maturity.

The Company continues to maintain the "going concern principle" in the preparation of the financial statements for the year ended 31 December 2018.

Credit rating on cash and cash equivalents

	31-Dec-18	31-Dec-17
Caa1	1,722,505	-
Caa2	-	2,768.167
Total	**1,722,505**	**2,768.167**

Operational risks

The Company's sales in Greece amounted to 51% of its total turnover for the period ended December 31, 2018. The operations of the Company in Greece depend to a large extent on foreign suppliers. Assuming that capital controls currently in place will remain in place, the company should continue to seek approval from the competent authorities to use cash and cash equivalents held in Greece in order to service payments to suppliers outside Greece. This could cause a delay in imports of raw materials. However, this can be considered as distant as the Company properly makes payments from cash held abroad, and considers that this regularity will continue to occur in the future.

Developments that could negatively affect the Greek economy are beyond the control of the Company and Management is not in a position to forecast or foresee any potential impact thereof. Nevertheless, the Company's management, taking into account its export character, which is strengthened by the modern production facilities it holds in Greece, constantly assesses the situation and its possible consequences and takes all the necessary and effective measures and actions on time minimizing any impact on its activities.

Credit risk

Credit risk is the risk of loss to the Company in the event that a customer or third party in a financial instrument transaction fails to meet its contractual obligations and is primarily related to customer receivables. Credit risk exists also in cash and cash equivalents, in investments and financial derivative contracts.

The Company's exposure to credit risk is mainly affected by the characteristics of each client. Demographics of the Company's customer base, including the default risk of the particular market and the country in which customers operate, have less impact on credit risk as there is no geographical concentration of credit risk.

The Board of Directors has set a credit policy based on which each new client is examined on an individual basis for its creditworthiness before the usual payment terms are proposed. Credit limits are defined for each customer, which are reviewed according to current conditions and adjusted, if necessary, the terms of sales and receipts. Customer credit limits are generally determined on the basis of the insurance limits received for them by insurance companies, and then claims are insured against these limits.

In monitoring the credit risk of customers, customers are grouped according to their credit characteristics, the maturity characteristics of their receivables and any past receivables issues that they have occurred. Customers and other receivables include mainly wholesalers of the Company. Clients classified as "high risk" are placed in a special customer account and future sales must be pre-paid. Depending on the client's background and status, the Company seeks, where possible, interest or other collateral (eg letters of guarantee) to secure its claims.

The Company recognizes an impairment provision that represents the measurement of losses and expected losses for losses in relation to customers, other receivables and investments in debt securities. This provision mainly consists of impairment losses on specific receivables and is estimated on the basis of the conditions that they will be realized but not yet finalized, as well as from the provision for the expected credit losses according to the Company's study adopted for the application of IFRS 9.

Cash and cash equivalents are also considered to be items of high credit risk, as current macroeconomic conditions in Greece exercise significant pressure on domestic banks.

VII. Evolution of Activities for 2019

Developments during 2018 keep the macroeconomic and financial environment in the country volatile while returning to financial stability largely depends on the actions and decisions of the local and international institutions.

The uncertainty of the country's economic environment is a key risk factor where any adverse developments may adversely affect their domestic activities and financial position. The Management of SOVEL SA, as a member of SIDENOR Group, taking into account its export character, which is strengthened by the modern production facilities that it owns in Almyros Magnesia, constantly assesses the situation and takes all necessary and possible measures for the minimizing any impact.

Finally, workplace safety, environmental protection, harmonious living with the local community and continuous staff training continue to be non-negotiable goals, inextricably linked to the operation of the company.

Athens, 19 June 2019

The Chairman of the BoD

Georgios X. Kalfarentzos
ID No: Φ 147183

B. Independent Chartered Auditor Accountant's Report

To the Shareholders of the company "SOVEL HELLENIC STEEL PROCESSING COMPANY S.A"

Audit Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of SOVEL HELLENIC STEEL PROCESSING COMPANY S.A which comprise the statement of financial position as of 31 December 2018 and the statement of income statement and statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018, its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union and comply with the regulatory requirements of Cod. Law 2190/1920.

Basis of opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA), which have been incorporated into the Greek Legislation. Our responsibilities, according to these standards, are further described in the section of our report "Auditor's Responsibilities for the Financial Statements' Audit". We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence of the Auditor

Throughout our appointment we remain independent of the Company in accordance with the Code of Conduct for Professional Auditors of the Board of International Standards on Auditors' Ethics (Code of Ethics and Standards) incorporated into the Greek Legislation and the ethical requirements of Law 4449 / 2017, relating to the audit of the financial statements in Greece. We have fulfilled our ethical obligations in accordance with Law 4449/2017 and the requirements of the Code of Ethics.

Other Information

Members of the Board of Directors are responsible for Other Information. Other Information is the Management Report of the Board of Directors (but does not include the financial statements and the audit report thereon) that we received before the date of this auditor's report.

Our opinion on the financial statements does not cover the Other Information and, in addition to what is expressly stated in this paragraph of our Report, we do not express an audit opinion or other assurance on it.

With respect to our audit of the financial statements, it is our responsibility to read the Other Information and thus to examine whether the other information is materially inconsistent with the financial statements or the knowledge we acquired during the audit or otherwise appears to be fundamentally incorrect.

We have examined whether the Management Report of the Board of Directors includes the disclosures required by the Cod. Law 2190/1920.

Based on the work we performed during our review, in our opinion:

- The information included in the Management Report of the Board of Directors for the year ended 31 December 2018 corresponds to the financial statements.

- The Management Report of the Board of Directors has been prepared in accordance with the applicable legal requirements of article 43a of Cod. Law 2190/1920.

In addition, based on the knowledge and understanding we have acquired during our audit, for SOVEL HELLENIC STEEL PROCESSING COMPANY S.A and its environment, we are obliged to report whether we have identified material inaccuracies in the Management Report of the Board of Directors. We have nothing to say about this issue.

Responsibilities of the Board of Directors and the Management for the governance of the financial statements

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union, the requirements of Cod. Law 2190/1920 and for such internal control as management determines is necessary in order to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue its operations, disclosing where relevant the matters relating to the continuing activity and the use of the accounting basis of the continuing activity, and if the Board of Directors either intends to liquidate the Company or to discontinue its activities or has no other realistic option than to proceed to these actions.

Those responsible for governance are responsible for the supervision of the Company's financial reporting process.

Auditor's responsibilities for auditing financial statements

Our goals are to obtain reasonable assurance that the financial statements as a whole are free from material error, whether due to fraud or error, and to issue an auditor's report that includes our opinion. The reasonable assurance is a high level of assurance but it is not a guarantee that the audit carried out in accordance with the IAS, incorporated into the Greek Legislation, will always detect a material error when it exists. Errors may result from fraud or error and are considered essential when individually or collectively could reasonably be expected to affect the economic decisions of users made on the basis of those financial statements.

As a duty of control, according to the IAS incorporated into the Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. Also:

- We identify and evaluate the risks of material misstatement in financial statements, whether due to fraud or error, by designing and performing audit procedures that respond to those risks, and we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of failing to detect a material error due to fraud is higher than that due to error, as fraud may involve collusion, forgery, deliberate omissions, false assurances, or bypassing internal controls.

- We understand control-related internal controls in order to design audit procedures that are appropriate to the circumstances, but not in order to express an opinion on the effectiveness of the Company's internal control.

- We assess the appropriateness of the accounting policies and methods used and the reasonableness of accounting estimates and disclosures made by the Board of Directors.

- We decide on the appropriateness of the Board of Directors' use of the going concern basis and based on the audit evidence obtained about whether there is material uncertainty about events or circumstances that may indicate significant uncertainty as to the Company's ability to continue its activity. If we conclude that there is material uncertainty, we are required to draw the attention of the auditor's report to the relevant disclosures of the financial statements or if these disclosures are insufficient to differentiate our opinion. Our findings are based on audit evidence obtained until the date of the auditor's report. However, future events or conditions may cause the Company to cease to operate as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements present the underlying transactions and events in a manner that is reasonably priced.

Among other issues, we report to those responsible for the governance, the scope and timing of the audit, as well as the important audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

The work we performed on the Management Report of the Board of Directors is mentioned in the "Other Information" section above.

Athens, 16 July 2019

The Certified Auditor Accountant

PricewaterhouseCoopers S.A.
Societe Anonyme
Certified Auditor Accountant
268 Kifissias Avenue
152 32 Halandri
AM SOEL 113

Konstantinos Michalatos
AM SOEL 17701

Annual Financial Report
For the Period from 1st of January to 31st of December 2018
In accordance with International Financial Reporting Standards ("IFRS")

SOVEL HELLENIC STEEL

PROCESSING COMPANY S.A.

Societe Anonyme Reg. No.: 23635/01/B/91/534(93) 2-4 Mesogheion Ave, Athens

C. Annual Financial Statements

Contents

Statement of Financial Position

	Note	31-Dec-18	31-Dec-17
ASSETS			
Land & buildings	6	47,579,018	49,305,395
Machinery equipment	6	101,068,243	106,615,780
Other Fixed Assets	6	2,324,005	2,217,295
Intangible Assets	6	1	1
Participations in associates	7	4,570,682	4,570,682
Participations in subsidiaries	8	148,562	148,562
Financial Assets Available for Sale	9	166,473	166,473
Other non-current receivables	12	1,286,527	1,285,977
Total non-current assets		**157,143,511**	**164,310,164**
Inventory	11	77,670,785	64,815,205
Trade and other receivables	12	104,910,694	126,323,184
Cash and cash equivalents	13	1,723,431	2,768,993
Total current assets		**184,304,910**	**193,907,382**
Total assets		**341,448,421**	**358,217,546**
EQUITY AND LIABILITIES			
EQUITY			
Share Capital	14	40,981,356	40,981,356
Share premium	14	47,611,049	47,611,049
Other reserves	15	41,324,658	41,324,658
Retained Earnings/(losses)		(37,917,929)	(41,373,694)
Total		**91,999,134**	**88,543,368**
Total Equity		**91,999,134**	**88,543,368**
LIABILITIES			
Loans	16	64,363,000	58,143,759
Deferred tax liabilities	10	13,272,811	18,524,298
Liabilities for staff indemnities	17	1,780,725	1,601,103
Subsidies	18	2,080,364	2,889,704
Provisions	20	53,631	53,631
Other non-current liabilities	19	2,137,636	7,951,084
Total non-current liabilities		**83,688,167**	**89,163,579**
Current liabilities			
Suppliers and other liabilities	19	81,120,214	86,760,397
Income tax liabilities		1,834	1,834
Loans	16	84,351,911	93,748,368
Advances from customers	19	287,161	-
Total current liabilities		**165,761,120**	**180,510,598**
Total liabilities		**249,449,287**	**269,674,177**
Total equity and liabilities		**341,448,421**	**358,217,546**

The notes on pages 29 to 70 are an integral part of these annual financial statements.

Income Statement

Amounts in Euro	Note	2018	2017
Turnover	5	**372,228,520**	**342,961,871**

Cost of Goods Sold	21	(348,303,051)	(309,899,687)
Gross Profit		**23,925,469**	**33,062,185**
Distribution expenses	21	(15,746,362)	(16,890,704)
Administration expenses	21	(7,836,541)	(7,608,187)
Other operating income	25	6,391,671	1,816,946
Operating expenses		**6,734,237**	**10,380,240**
Financial income	23	7,902	9,798
Financial expenses	23	(8,337,249)	(9,398,201)
Income from dividends	30	8,550	5,850
Net financial result		**(8,320,797)**	**(9,382,554)**
Profit (losses) before tax			
Income tax		**(1,586,561)**	**997,686**
Profit (losses) after taxes	24	5,207,482	6,269,180
Turnover		**3,620,921**	**7,266,867**

Statement of Comprehensive Income

	2018	2017
Profit (losses) after taxes	**3,620,921**	**7,266,867**
Recognised actuarial gain / losses	(132,015)	(23,338)
Total comprehensive income after taxes	**(132,015)**	**(23,338)**
Aggregate total comprehensive income after taxes	**3,488,906**	**7,243,529**

The notes on pages 29 to 70 are an integral part of these annual financial statements.

Statement of Changes in Equity

	Share Capital& Share Premium	Other reserves	Retained Earnings	Total Equity
Balance as of 1st of January 2017	**88,592,405**	**41,324,658**	**(48,617,223)**	**81,299,840**
Profit/(loss) that was recognized directly in equity	-	-	(23,338)	**(23,338)**
Net profit/(loss) of the period			7,266,867	**7,266,867**
Total aggregate comprehensive income	**-**	**-**	**7,243,529**	**7,243,529**
Balance as of 31st of December 2017	**88,592,405**	**41,324,658**	**(41,373,694)**	**88,543,369**
Balance as of 1st of January 2018	**88,592,405**	**41,324,658**	**(41,373,694)**	**88,543,369**
Amendment in accounting policy (IFRS 9)	-	-	(33,141)	**(33,141)**
Adjusted balance on 1st of January 2018	**88,592,405**	**41,324,658**	**(41,406,835)**	**88,510,228**
Profit/(loss) that was recognized directly in equity	-	-	(132,015)	**(132,015)**
Net profit of the period			3,620,921	**3,620,921**
Aggregate total comprehensive income	**-**	**-**	**3,488,906**	**3,488,906**
Balance as of 31st of December 2018	**88,592,405**	**41,324,658**	**(37,917,929)**	**91,999,134**

Cash Flows Statement

	Note	2018	2017
Cash flows from operating activities			
Cash flows from operating activities	26	15,502,792	(7,652,680)
Interest paid		(8,577,175)	(9,063,391)
Income tax paid		-	1,834
Net Cash flows from operating activities		**6,925,617**	**(16,714,238)**
Cash flows from investing activities			
Purchase of tangible assets	6	(5,481,616)	(2,583,922)
Sales of tangible and intangible assets	6	-	15,000
Sales of participations	30	-	39,419
Dividends received		8,550	5,850
Interest received		7,902	9,798
Purchase of financial assets available for sale	7	-	(8,300)
Net cash flows from investing activities		**(5,465,164)**	**(2,522,156)**
Cash flows from financing activities			
Loans received		38,724	41,894,193
Debt repayment		(2,544,738)	(29,140,761)
Net cash flows from financing activities		**(2,506,015)**	**12,753,432**
Net (decrease)/ increase in cash and cash equivalents		**(1,045,562)**	**(6,482,962)**
Cash and cash equivalents at the beginning of period	13	2,768,993	9,251,955
Cash and cash equivalents at the end of period		**1,723,431**	**2,768,993**

The notes on pages 29 to 70 are an integral part of these annual financial statements.

1 General Information

The main activities of SOVEL HELLENIC STEEL PROCESSING COMPANY S.A ("the Company" or "Sovel S.A") are the industrial processing and trade of iron and steel products. The Company operates in Greece and the broader region of the Balkans. The Company is a member of the SIDENOR Group of companies. The Company is registered in Athens, Greece, 2-4 Mesogheion Ave., Attika and it also maintains branches in Almyros, Magnesia, where the total of its production activity is being carried out.

The financial statements have been approved for publication by the Board of Directors on 19 June 2019 and are subject to approval by the Annual General Assembly which will convene on 24 June 2019.

The Company does not prepare or publish consolidated financial statements because the financial statements of the company itself and its subsidiaries are included in the consolidated financial statements prepared by the parent company VIOHALCO S.A. and for that reason, based on IAS 27, it is not required to prepare consolidated financial statements. The Company's financial statements are published at the company's site (http://sovel.vionet.gr).

2 Summary of significant accounting principles

The main accounting principles applied by the Company in the preparation of these annual, financial statements are set out below. These principles have been consistently applied to all the years presented.

2.1 Basis of preparation of the financial statement

These annual financial statements have been prepared by the management in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB), including the International Accounting Standards ("IAS") and Interpretations issued by the International Financial Reporting Interpretations Committee, as adopted by the European Union (EU).

These financial statements have been prepared under the historical cost principle, as amended by the revaluation at fair value of available-for-sale investments and financial assets and liabilities through results including derivatives.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates and exercise of judgment by the Management in the process of applying the Company's accounting principles. Moreover, it requires the use of calculations and assumptions affecting the aforementioned assets and liabilities' amounts, the disclosure of contingent receivables and liabilities existing on the financial statements' preparation date and of the aforementioned income and expense amounts during the reported year. Although these calculations are based on the best possible knowledge of Management with respect to the current conditions and activities, the actual results can eventually differ from these estimates (Note 4).

The major priorities of SOVEL SA as member of SIDENOR Group are:

- the preservation and further increase of its market share
- the permanent and continuous enhancement of its presence in the Central Europe, the Balkans and the Eastern Mediterranean markets offsetting the considerable decline in the Greek construction market.
- the reduction of its production costs
- the efficient management of its working capital.

Within this framework, innovative investments have been almost completed at SOVEL's production plant, in order to reduce both the consumption of energy and the factory's carbon foot-print (Co2).

Consequently, the Company continues to adopt the "principle of going concern" in preparing its financial statements for the year ended 31st of December, 2018.

2.2 New standards, interpretations and amendments to International Accounting Standards

More specifically, there have been issued new standards and amendments of standards and interpretations that are mandatory for periods beginning on 01.01.2018 or later. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IFRS 9 "Financial instruments"

IFRS 9 replaces the provisions of IAS 39 on classification and measurement of financial assets and financial liabilities, and also includes a model of expected credit losses that replaces the model of realized credit losses under IAS 39. In addition, IFRS 9 establishes an approach based on principles of hedge accounting based on principles and addresses inconsistencies and weaknesses in the previous IAS 39 model. The effect from the application of the standard to the Company as of January 1, 2018 was a decrease in the Retained Earnings of € 33 thousand, as reflected in the Statement of Changes in Equity and a decrease in Trade and other receivables by the same amount.
The Company chose not to adjust the comparative figures and to recognize any differences between the previous book value and the new book value at the opening balance of retained earnings at 1 January 2018. Therefore, the adjustments arising from the new provisions for impairment are not included in the statement of financial position at 31 December 2017 and are recognized in the opening balance sheet as at 1 January 2018.
The table below presents the adjustments identified separately for each item on 1 January 2018. The items that were not affected by the requirements of IFRS 9 are not included. As a result, the totals and sub-totals presented cannot be recalculated on the basis of the amounts provided.

	31-Dec-17 As published	Effect IFRS 9	01-Jan-18 Opening balance re-drafted
ASSETS			
Current Assets			
Trade and Other receivables	126,323,184	-33,141	126,290,043
Total current assets	**193,907,382**	-33,141	**193,874,241**
Total Assets	**358,217,546**	-33,141	**358,184,405**
EQUITY			
Retained (losses)/earnings	(41,373,694)	-33,141	(41,406,835)
Total Equity	**88,543,368**	-33,141	**88,510,227**
Total Equity and Liabilities	**358,217,546**	-33,141	**358,184,405**

IFRS 15 " Revenue from Contracts with Customers"

IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability among companies within same industries, across industries, and across capital markets. It contains principles that an entity

should apply in order to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity recognizes revenue in a way so as to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services.
The application of IFRS 15 did not have any effect on the Company.

IFRIC 22 "Foreign currency transactions and advance consideration"

The interpretation provides guidance on how to determine the date of the transaction when applying the standard on foreign currency transactions, IAS 21. The Interpretation applies where an entity either pays or receives consideration in advance for foreign currency-denominated contracts

Annual Improvements to IFRSs 2014 (2014 – 2016 Cycle)

IAS 28 "Investments in associates and Joint ventures"

The amendments provide clarifications that when venture capital organizations, mutual funds, and entities with similar activities use the option to measure their investments in associates or joint ventures at fair value through income statement, this selection should be made separately for each associate or joint venture at initial recognition.

Standards and Interpretations are mandatory for subsequent periods

IFRS 16 "Leases" (effective for annual periods beginning on or after 1 January 2019)

IFRS 16 has been issued in January 2016 and replaces IAS 17. The objective of the standard is to ensure that the lessees and lessors provide useful information in a manner reasonably presenting the substance of the transactions relating to leases. IFRS 16 introduces a single model for the accounting treatment on the part of the lessee which requires from the lessee to recognize assets and liabilities for all lease contracts with a maturity of more than 12 months unless the underlying asset is of non-significant value. Regarding accounting treatment from the side of the lessor, IFRS 16 substantially integrates the requirements of IAS 17. Therefore, the lessor continues to categorize lease contracts in operating and finance leases and to follow different accounting treatment for each type of contract. The application of the new standard is expected to create a right-of-use (ROU) and lease obligations of approximately € 3m. on the transition date. The expected increase relates mainly to the Company's cars and machinery and results from the recognition of ROU asset in non-current assets and lease liabilities (from discounting future leases).

The effect on the Income Statement is not expected to be significant as the operating lease payments will be replaced by the depreciation of the ROU assets that will be recognized in the operating activity. The annual interest to be recognized in the lease obligations is not expected to be significant. The EBITDA indicator, which shows the Company's operating and financial performance, is expected to increase by approximately € 1m.

IAS 28 (Amendments) "Long-term Investments in Associates and Joint Ventures" (effective for annual periods beginning on or after 1 January 2019)

The amendments clarify that entities should account for their long-term interests in an associate or joint venture - to which the equity method does not apply – according to IFRS 9. The amendments have not yet been adopted by the European Union.

IFRIC 23 "Uncertainty regarding Income Tax Treatments" (effective for annual periods beginning on or after 1 January 2019)

The Interpretation provides explanations regarding the recognition and measurement of current and deferred income taxes when there is uncertainty about the tax treatment of certain items. IFRIC 23 applies to all aspects of income tax accounting when there is such uncertainty, including taxable profit / loss, the tax base of assets and liabilities, tax profits and tax losses and tax rates.

IAS 19 (Amendments) "Plan Amendment, Curtailment or Settlement" (effective for annual periods beginning on or after 1 January 2019)

The amendments specify how entities should determine the retirement costs when changes are made to defined benefit pension plans. The amendments have not yet been adopted by the European Union.

IFRS 3 (Amendments) "Definition of Business Combination" (effective for annual periods beginning on or after 1 January 2020)

The new definition focuses on the concept of performance of an enterprise in the form of providing goods and services to customers, as opposed to the previous definition that focused on returns in the form of dividends, lower costs or other economic benefits to investors and other parties. The amendments have not yet been adopted by the European Union.

IAS 1 and IAS 8 (Amendments) "Definition of material " (effective for annual periods beginning on or after 1 January 2020)

The amendments clarify the definition of material and how it should be used, supplementing the definition with instructions that have been provided so far in other parts of the IFRS. In addition, the clarifications accompanying the definition have been improved. Finally, the amendments ensure that the definition of material is consistently applied to all IFRSs. The amendments have not yet been adopted by the European Union.

Annual Improvements to IFRSs (2015 – 2017 Cycle) (effective for annual periods beginning on or after 1 January 2019)

The amendments listed below include changes in four IFRSs. The amendments have not yet been adopted by the European Union.

IFRS 3 "Business combinations"

The amendments clarify that an entity remeasures its previously held share in a jointly controlled activity when it acquires control of that entity

IFRS 11 "Joint Arrangements"

The amendments clarify that an entity does not remeasure its previously held share in a jointly controlled activity when it acquires joint control of that entity.

IAS 12 "Income taxes"

The amendments clarify how an entity accounts for all the effects on income tax on dividend payments in the same way.

IAS 23 "Borrowing costs"

Amendments specify that an entity treats as part of general borrowing any loan that was specifically incurred for the development of an asset when that asset is ready for its intended use or sale.

2.3 Investments in Subsidiaries and Associates

(a) Subsidiary companies

Subsidiaries are all entities over which the Company exercises control. The group exercises control on an entity when the group is exposed to, or has rights to, variable returns from its participation in the entity and has the ability to affect those returns through its power exercised over the entity. The Company does not prepare and publish consolidated financial statements because the financial statements of the company itself and its subsidiaries are included in the consolidated financial statements prepared by the parent Company SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. and for that reason, based on IAS 27, it is not required to prepare consolidated financial statements.

Control may also exist in cases where the participation in the share capital with voting rights is less than 50%, but the Company is in a position to exercise control over financial and business policies, de facto. De facto control exists when the number of voting rights of the Company in relation to the number and distribution of the voting rights of the other shareholders allow the Company to control the financial and business policies.

Acquisition of subsidiaries is accounted for using the acquisition method. The cost of the acquisition also includes the fair value of all assets or liabilities that result from any possible price agreement. Expenditure related to the acquisition is expensed. If the business combination is progressively achieved, the fair value of the Company's holding in the acquired company is remeasured at its fair value of the participation held by the Company in the acquired entity at the date of the acquisition. The gain or loss arising from re-measurement is recognized in the income statement in recognizable assets and liabilities and contingent liabilities obtained in a business combination are measured initially at the acquisition date at fair value. By acquisition case, the Company recognizes any non-controlling interest in the subsidiary either at fair value or in the value of the non-controlling interest in the subsidiary's equity.

Any possible consideration transferred by the acquirer is recognized at fair value at the acquisition date. Any subsequent changes in the fair value of the possible consideration that is presumed to be an asset or liability are recognized in accordance with IAS 39 either in the income statement or as a change in other comprehensive income. If the possible consideration is classified as a component of Equity, it is not re-measured until it is finally settled through Equity.

The Company records the investments in subsidiaries in its separate financial statements at cost less impairment.

In addition, the cost of acquisition is adjusted to reflect changes in the cost arising from any adjustments to the potential consideration.

(b) Sale of Subsidiary

When the Company ceases to have control, any retained interest in the entity is re-measured to its fair value, while any differences arising are recognized in income statement. This asset is then recognized as an associate, joint venture or financial asset at that fair value. In addition, relevant amounts that were previously recognized directly in Other Comprehensive Income are accounted for in the same way as when those assets and liabilities are sold, namely are transferred to the income statement.

(c) Associates

Associates are all entities over which the Company has significant influence but not control, which generally applies when the participation interest is between 20% and 50% of the voting rights. The investment in associates is accounted by applying the equity method and is initially recognised at acquisition cost. The account of investments in associates includes goodwill arising on acquisition (less any impairment losses). Investments in associates are accounted for using the equity method and are initially recognized at cost, which is increased or decreased by recognizing the Company's share of the profits or losses of associates after the acquisition.

If the ownership interest in an associate is reduced but the Company's significant influence is retained, only a proportionate share of the amounts previously recognized in Equity is transferred in income statement.

The Company's share of post-acquisition profit or loss is recognized in the income statement, and its share of post-acquisition changes in other comprehensive income is recognized in other comprehensive income. The cumulative changes after acquisition affect the book value of the investments in associates with a corresponding adjustment in the carrying amount of the investment. When the Company's share of losses in an associate exceeds the investment in the associate, including non-secured accounts receivables, the Company does not recognize further losses, unless payments have been conducted or further commitments have been undertaken on behalf of the associate.

The Company's investments in associate companies are recorded at acquisition cost less any impairment.

2.4 Reporting per Segment

The operating segments are presented in a manner consistent with its internal financial reports, in accordance with the Company's management.

2.5 Foreign exchange translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are recorded and presented using the currency of the primary economic environment in which the Company operates ('the functional currency').

(b) Transactions and balances

Gain and losses stemming from foreign exchange differences resulting from the settlement of such transactions during the fiscal year and from the translation of monetary assets and liabilities denominated in foreign currencies under effective exchange rates at the date of the Financial Statements' preparation are recorded in the income statement, except when transferred in Other Comprehensive Income as they have been qualified as items of cash flow hedges.

2.6 Tangible Assets

Tangible assets are presented at cost less subsequent depreciation and impairment. Acquisition cost may also include expenditure that is directly attributable to the acquisition of the items.

Cost of acquisition also includes any transfer from the Equity net profit / loss from cash flow hedges for purchases of tangible assets in foreign currency.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. The carrying amount of the part of the asset that is replaced it is de-recognized.

Land is not depreciated. Depreciation of other tangible assets is calculated using the straight-line method with equal interim charges during the term of the items' useful life so as to delete their cost at their residual values as follows:

- Buildings 10-33 Years

- Mechanical equipment	2-25	Years
- Vehicles	6-7	Years
- Other equipment	3-8	Years

Tangible assets' residual values and useful lives are subject to review, if appropriate, at each balance sheet's preparation date.

When an asset's carrying amount is greater than its estimated recoverable amount, the difference (impairment) is written down immediately to results.

Upon sale of tangible assets, any difference between the proceeds and their book value is recorded as profit or loss in the operating results.

General borrowing costs and borrowing costs incurred specifically for the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset for the period of time required for that asset to be ready for use or sale. A qualifying asset is an asset that requires an extended period of time to be ready for the use for which it is designated or the sale.

Interest income from the temporary placement of borrowing that is specifically incurred for the acquisition, construction or production of an asset is deducted from the borrowing costs that may be capitalized.

All other borrowing costs are recognized in the income statement as incurred.

2.7 Intangible assets

Computer Software

Acquired computer software licenses are valued at the acquisition cost less any accumulated amortization, less any accumulated impairment. Amortization expenses are conducted based on the straight-line method over their estimated useful lives, which is three to five years.

Costs associated with developing or maintaining computer software programs are recognized as an expense in the Income Statement as incurred.

Goodwill

Goodwill represents the difference between the acquisition cost and the fair value of the share of subsidiary's equity at the acquisition date. Goodwill on acquisitions of subsidiaries is recognized in intangible assets. Goodwill is not amortized and is tested annually for impairment and recognized at cost less any impairment losses. Losses of goodwill are not reversed.

Brands and Licenses

Licenses are valued at acquisition cost less amortization. The amortization is conducted using the straight-line method and it is calculated from the date of the right's initiation until the expiration date of license.

2.8 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment and when certain events imply that their book value may not be recoverable. Assets that are subject to amortization are reviewed for impairment whenever indications incur that their carrying amount may not be recoverable. Recoverable amount is the higher among that of an asset's fair value less costs to sell and that of value in use. (current cash flow value that is expected to be created based on the management's estimation for the future financial and operational conditions). Impairment loss is recognized in income statement in the year it incurred. For the purposes of assessing impairment, assets are grouped at the lowest possible units of cash flow generation. Impairments recognized in non-financial assets are reviewed at each reporting date for potential reversal.

2.9 Financial Assets

Initial recognition and measurement

The classification of financial assets is conducted in the following categories:

- Financial assets measured at fair value (either in other comprehensive income or in profit or loss) and
- Financial assets measured at amortized cost.

The classification depends on the Company's business model for the management of financial assets and the contractual characteristics of the financial asset's cash flows.

The Company measures financial assets initially at their fair value by adding transaction costs if a financial asset is not measured at fair value through profit or loss. A financial asset to be classified and measured at amortized cost or at fair value through aggregate comprehensive income there must result cash flows that are only capital and interest payments (SPPIs) on the original principal.

The Company's business model for managing financial assets refers to how they are managed to generate cash flows. It also determines whether cash flows arise from the sale of financial assets, collection of cash flows or from both.

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

- **Financial assets at amortized cost**

  They are acquired within the framework of a business model that aims to maintain them in order to collect the conventional cash flows while meeting the SPPI criterion. Interest income of these items is included in financial income and is recognized using the effective interest rate method. Any gain or loss resulting from the write-off is recognized immediately in the income statement.

- **Financial assets at fair value through other comprehensive income**

  Upon initial recognition, the Company may choose to classify its equity investments as equity instruments that are designated at fair value through total comprehensive income when the purpose of ownership is not their trading.

  Profits and losses from these financial assets are never recycled in profits or losses. Dividends are recognized as other income in the income statement. Equity instruments designated at fair value through total comprehensive income are not subject to an impairment test.

- **Financial assets at fair value through income statement**

  This includes financial assets that the Company holds for trading, financial assets that are measured at fair value through profit or loss, or which are classified at initial recognition. This category also includes securities whose cash flows do not meet the SPPI criterion or the

Company does not own them within the framework of a business model for the purpose of collecting contractual cash flows or collecting contractual cash flows and selling them. The gain or loss on financial assets at fair value through profit or loss is recognized in the income statement.

Offsetting of financial instruments

Financial assets and liabilities are offset and presented at net basis in the statement of financial position if there is a legal right to offset the amounts recognized and, in addition, it is intended to clear the net amount, ie assets and liabilities to be settled in parallel.

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when there is the legal enforceable right to offset the amounts recognized and there is an intention to clear the net amount.

Impairment of financial assets

The Company recognizes impairment provisions for expected credit losses for all financial assets other than those measured at fair value through profit or loss.

For trade receivables, the Company applied a simplified approach of the standard and calculated the expected credit losses on the basis of Country Risk Premium of the customer's country.

2.10 Derivatives Financial Instruments

Cash Flow Hedging

The part of changes in the fair value of financial derivatives that are designated and classified as "cash flow hedges" and relates to effective hedge is recognized in other comprehensive income. The gain / loss of the ineffective portion of these is recognized immediately in the income statement.

Amounts accumulated in Equity are recycled through the income statement when the hedged item affects the profit or loss for the period. The gain / loss attributable to the effective portion of the interest rate risk hedging derivatives is recognized in the Income Statement of the year in the financial cost.

At the time a financial derivative expires, is sold or is judged to be ineffective, hedging then any cumulative loss / gain remains in equity and is recognized in the income statement when the transaction to which it relates is recognized in profit or loss. When an expected transaction ceases to be expected that it will occur, cumulative gains / losses that are recognized in Other Comprehensive Income are transferred directly to the Income Statement.

The Company records in detail at the initial recognition of the transaction the hedging relationship between the hedging instrument and the hedged item, as well as the purpose and risk management strategy in which the Company carries out the hedge transactions. The Company also documents the effectiveness of the hedging relationship both at the beginning of the hedge and throughout its duration.

2.11 Inventories

Inventories are estimated at the lower value between their acquisition cost and their net realizable value. The acquisition cost is determined based on the average monthly weighted cost method. Financial expenses are not included in the acquisition cost. The net realizable value is estimated based on the stock’s current sales price, within the framework of ordinary business activities, less any possible selling expenses, wherever such a case concurs.

2.12 Trade and other receivables

Trade receivables are balances due from customers from the sale of goods or the provision of services to them from the ordinary activity of the Group. If the collection of these balances is expected to take place within a year or less (or more if this is part of the normal business cycle) then the receivables are classified as current assets. If not, they are classified as non-current assets.

Trade receivables are initially recognized at fair value and then measured at amortized cost using the effective interest rate method, net of impairment losses.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank deposits.

2.14 Share capital

Ordinary shares are classified as Equity.

Direct expenses attributable to the issuance of new shares appear following the subtraction of the relevant in-come tax, as a deduction in Equity.

Treasury share acquisition cost is deducted from equity attributable to the Company’s equity holders until the shares are cancelled, reissued or disposed of. Any gain or loss on the sale of treasury shares net of other expenses and taxes directly attributable to the transaction, appears as a reserve in Equity.

2.15 Trade Payables

The trade payables are accounted for initially at fair value and later on are evaluated at amortized cost using the effective interest rate method. Trade payables are classified as current liabilities if payment is due within the following year. If the payment can be conducted after the one-year period, then they are presented as non-current liabilities.

2.16 Debt

Loans are initially recognized at their fair value, less any direct expense for the completion of the transaction. Subsequently, they are measured at amortized cost using the effective interest rate method. Any difference between the amount received (net of related costs) and the redemption value is recognized in the income statement on the basis of the effective interest rate method.

Loans are classified as current liabilities unless the Company has the right to postpone the payment of the liability for at least 12 months from the date of preparation of the Financial Statements. In this case, they are classified as non-current liabilities.

General borrowing costs as well as borrowing costs specifically incurred in acquiring, constructing or producing a qualifying asset are capitalized as part of the cost of that asset for the period of time it takes until that asset is ready for use or sale. A qualifying asset is an asset that requires an extended period of time to be ready for the intended use or sale.

2.17 Deferred Income Tax

Deferred income tax is determined using the liability method that results from the temporary differences between the carrying amount and the tax base of the assets and liabilities. Deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, when the transaction took place, did not affect either the accounting or the tax profit or loss. Deferred tax is determined using the tax rates at the date of preparation of the financial statements that will be effective when the temporary differences are reversed.

Deferred tax assets are recognized to the extent that there will be a future taxable profit for the use of the temporary difference that creates the deferred tax asset.

Deferred income tax is recognized for temporary differences arising from investments in subsidiaries and associates, unless the reversal of the temporary differences is controlled by the company and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax liabilities and receivables may be offset only if they relate to a joint tax authority and there is a right to be offset.

Tax is recognized in profit or loss unless it relates to items recognized in other comprehensive income or directly to equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.18 Taxation

Income tax is calculated on the basis of the tax laws and tax rates in force in the countries where the Company operates and is recognized as an expense in the period in which the income arises.

Management periodically evaluates positions in tax returns for situations where tax legislation is subject to interpretation. It prepares forecasts where necessary in relation to the amounts expected to be paid to the tax authorities.

2.19 Employees Benefits

(a) Pension Obligations

The employee benefits after their retirement include defined contribution plans and defined benefit plans.

The accrued cost of defined contribution plans is recognized as expense during the relevant period.

The liability recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation less the fair value of the plan's assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using discount rates of interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension plan.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity through credit or debit of other comprehensive income in the period in which they arise.

Past-service cost is recognized immediately in income statement.

(b) Termination benefits

Termination benefits are considered as payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due in more than 12 months after the end of the reporting period are discounted to their present value.

(c) *Short term benefits*

Short term employee benefits both in money and kind are accounted for as expense when accrued.

2.20 Subsidies

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to costs are deferred and recognized in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of tangible assets are included in non-current liabilities as deferred government grants and are credited to the income statement on a straight line basis over the expected lives of the related assets.

2.21 Provisions

A provision shall be recognized when:

i. The Company has a current legal or inferable commitment as a result of past events

ii. It is likely that a cash outflow will be required to settle the commitment

iii. The amount can be reliably estimated

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any of the items included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax interest rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

2.22 Revenues recognition

Revenue is the amount that an entity expects to be entitled of as an exchange for the goods or services it has transferred to a client.

Revenue from contracts with clients

An entity recognizes revenue when (or as) meets the obligation to execute a contract by transferring the goods or services promised to the customer. The customer acquires control of the good or service if it is able to direct the use and derive virtually all the economic benefits from that good or service. Control is passed over a period or at a specific time.

IFRS 15 replaces IAS 11 "Construction Contracts", IAS 18 "Revenue" and related interpretations and applies to all revenue arising from contracts with customers, unless such contracts fall within the scope of other standards. The new standard establishes a five-step model to measure revenues from customer contracts:

1. Determination of the contract (s) with the customer.

2. Determination of execution obligations.

3. Determine the transaction price.

4. Allocation of the transaction price to the execution obligations of the contract.

5. Revenue recognition when (or until) an entity fulfils the execution of the obligation.

The underlying principle is that an entity recognizes revenue in a manner that reflects the transfer of the goods or services to customers to the amount it expects to be entitled to in exchange for those goods or services. It also includes the principles that an entity must apply to determine the measurement of revenue and the timing of its recognition. In accordance with IFRS 15, revenue is recognized when the customer acquires control of the goods or services by specifying the time of the transfer of control - either at a given time or over time.

Interest income

They are recognized using the effective interest rate. When there is impairment of loans or receivables, their carrying amount is reduced to their recoverable amount, which is the present value of the expected future cash flows discounted at the original effective interest rate. Interest income at the same interest rate (original effective interest rate) is then accounted for on the discounted (new book) value.

Income from dividends

They are recognized in the income statement when their right to receive is established.

2.23 Leases

Leases of assets where the Company substantially retains all the risks and benefits of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the lower among the fair value of the leased tangible asset and the present value of the minimum lease payments. The corresponding payables, net of financial charges, are shown in liabilities. The part of the financial expense relating to finance leases is recognized in the income statement during the lease term. Tangible assets acquired under finance leases are depreciated over the shorter period among the useful life of the assets and the duration of their lease.

Leases where the lessor retains substantially all the risks and benefits of ownership are classified as operating leases. Payments made under operating leases are recognized in the income statement on a straight-line basis over the period of the lease.

2.24 Profits allocation, distribution of dividends

The allocation of the profits for the year and the recognition of dividends' distribution obligation are recognized in the financial statements upon receipt of the final approval by the General Assembly of Shareholders.

2.25 Rounding of Numbers

The numbers contained in these financial statements have been rounded to Euro. Due to this fact, differences that may exist, are due to these rounding.

2.26 Changes in accounting policies

- The application of IFRS 15 "Revenue from contracts with customers" (paragraph 2.22) had no impact on the Company.
- The application of IFRS 9 "Financial Assets" (paragraph 2.9) had an effect on the company. The effect of applying the standard to the Company as at 1 January 2018 was a reduction in the Retained Earnings of € 33 thousand as reflected in the Statement of Changes in Equity and a decrease in Trade and other receivables by the same amount.

The Company chose not to adjust the comparative figures and to recognize any differences between the previous carrying amount and the new carrying amount at the opening balance of retained earnings at 1 January 2018. Therefore, the adjustments arising from the new clauses for impairment are not included in the statement of financial position at 31 December 2017 and are recognized in the opening balance sheet as at 1 January 2018.

The table below presents the adjustments identified separately for each item on 1 January 2018. Funds not affected by the requirements of IFRS 9 are not included. As a result, the totals and sub-totals presented cannot be recalculated on the basis of the amounts provided.

	31-Dec-17 As published	Effect IFRS 9	01-Jan-18 Opening balance re-drafted
ASSETS			
Current Assets			
Trade and Other receivables	126,323,184	-33,141	126,290,043
Total current assets	**193,907,382**	-33,141	**193,874,241**
Total Assets	**358,217,546**	-33,141	**358,184,405**
EQUITY			
Retained (losses)/earnings	(41,373,694)	-33,141	(41,406,835)
Total Equity	**88,543,368**	-33,141	**88,510,227**
Total Equity and Liabilities	**358,217,546**	-33,141	**358,184,405**

3 Financial risk management

The Company from the use of its financial instruments is exposed to credit risk, liquidity risk and market risk. This note provides information on the Company's exposure to each of the above risks, the Company's objectives, its policies and procedures for risk measurement and management, and the management of the Company's capital. More figures for these disclosures are included in the full range of financial statements.

The Company's risk management policies are applied to identify and analyze the risks faced by the Company and to set risk-taking limits and to apply controls to them. Risk management policies and related systems are reviewed periodically so as to incorporate changes observed in market conditions and Company activities.

The supervision of risk management policies and procedures implementation is entrusted to the Internal Audit Department, which carries out regular and extraordinary audits on the implementation of procedures, the findings of which are communicated to the Board of Directors.

3.1 Foreign exchange risk

The Company operates in Europe, and consequently the greater part of the Company’s transactions are carried out in Euro. However, part of the Company’s purchases is denominated in US Dollar.

The loan interest is in the same currency as that used in the cash flows relating to the Company’s operational activities, which is mainly Euro.

The Company's investments in other subsidiaries are not hedged, as these are regarded as long-term currency investments and have mainly been carried out in Euro.

3.2 Risk of products' price fluctuation

The purpose of risk management against market conditions is to audit the Company's exposure to those risks, within the framework of acceptable parameters while optimizing results.

The main market risk lays on the risk of fluctuations in the prices of raw materials (scrap), which determine to a great extent the final price of the products. Company's policy is to record inventories at the lowest value between acquisition cost and net realizable value. In periods of price fluctuation, results are affected by the depreciation of the value of inventory. The Company makes use of hedging instruments by using derivative financial products where available.

3.3 Investments

Investments are classified by the Company based on the purpose for which they were acquired.

Management decides on the suitable classification of the investment at the time of acquisition. It also estimates that there will be no effect of default on these investments.

3.4 Interest rate risk

The Company finances its investments and its working capital requirements through bank and bond loans, which result in interest expense that encumbers its financial results. Upward trends in interest rates will have adverse effects on results, as the Company will incur additional cost of debt.

Interest rate risk is mitigated, as part of the Company's loans is subject to fixed interest rates, either directly or indirectly through the use of financial instruments (interest rates Swaps).

If, as of 31/12/2018, interest rates were increased (decreased) by 0.25% / (-0.25%), the effect on the Company's profits before taxes would be (loss) / profit equal to (-€372 thousand) / euro €372 thousand. The Equity of the Company would be affected proportionally.

Respectively, if, as of 31/12/2017, interest rates were increased (decreased) by 0.25% / (-0.25%), the effect on the Company's profits before taxes would be (loss) / profit equal to (-€380 thousand) / €380 thousand. The Equity of the Company would be affected proportionally.

3.5 Guarantees

The policy of the Company is not to provide guarantees, except only to subsidiaries or affiliated companies and then only by decision of the Board of Directors.

3.6 Risks of macroeconomic environment

The Company has assessed the possible impacts that may have on the management of financial risks due to macroeconomic conditions in the markets in which it operates.

The macroeconomic and financial environment in Greece shows signs of improvement, but uncertainties persist. SOVEL's strong customer base outside Greece minimizes the risk of liquidity that may arise from the uncertainty of the economic environment in Greece.

The UK's exit from the European Union will not affect the Company as its respective sales were up 0.01% in 2018. Therefore, the fluctuations in currency due to Brexit will not affect the operation of the Company.

With regard to the imposition of duties on US steel imports, the Company's Management is closely following developments. However, the Company will not be affected as it does not sell to the US.

Regarding the depreciation of the Turkish pound, the Company is following developments as it strengthens the competitiveness of Turkish export companies by reducing production costs. The Company's sales to Turkey amounted to 0.2% of total turnover compared to 0.6% in 2017.

SOVEL closely and continuously monitors developments in both the international and the domestic environment and adapts its business strategies and risk management policies in a timely manner to minimize the impact of macroeconomic conditions on its activities.

3.7 Liquidity risk

The above developments as well as the instability of the Greek banking sector create an uncertain financial situation in Greece which may affect the Company's liquidity.

The bulk of the borrowing relates to non-current loans whose average maturity is around 4 years. Additionally, the fact that the Company exports most of its output significantly offsets the current situation in Greece.

The financing of the Company comes mainly from Greek financial institutions.

The approach adopted by the Company for liquidity management is to ensure, by holding the absolutely necessary cash and sufficient credit limits from the cooperating banks, that it will have liquidity to meet its obligations when they expire under normal and difficult conditions without incurring unacceptable damage or jeopardizing its reputation. At the same time, in order to avoid liquidity risks, the Company carries out a provision for cash flows for a period of one year when the annual budget is drawn up, and a monthly rolling three-month forecast to ensure that it has enough assets to meet its operational needs.

The Company has direct access to sources of finance and historically refinances its short-term borrowings. The Company believes that the refinancing of its short-term borrowing will continue in the future as in the past if deemed necessary.

During the financial year 2018, the Bondholders of the Syndicated Bond Loan amounting to € 71,363,000, accepted the Company's request to amend its terms. In particular, an extension of the repayment was approved until December 2023 and a fixed interest rate (4.25%) until its maturity.

The Company continues to maintain the "going concern principle" in the preparation of the financial statements for the year ended 31 December 2018.

Credit rating on cash and cash equivalents

	31-Dec-18	31-Dec-17
Caa1	1,722,505	-
Caa2	-	2,768.167
Total	**1,722,505**	**2,768.167**

3.8 Operational risks

The Company's sales in Greece amounted to 51% of its total turnover for the period ended December 31, 2018. The operations of the Company in Greece depend to a large extent on foreign suppliers. Assuming that capital controls currently in place will remain in place, the company should continue to seek approval from the competent authorities to use cash and cash equivalents held in Greece in order to service payments to suppliers outside Greece. This could cause a delay in imports of raw materials. However, this can be considered as distant as the Company properly makes payments from cash held abroad, and considers that this regularity will continue to occur in the future.

Developments that could negatively affect the Greek economy are beyond the control of the Company and Management is not in a position to forecast or foresee any potential impact thereof. Nevertheless, the Company's management, taking into account its export character, which is strengthened by the modern production facilities it holds in Greece, constantly assesses the situation and its possible consequences and takes all the necessary and effective measures and actions on time minimizing any impact on its activities.

3.9 Credit risk

Credit risk is the risk of loss to the Company in the event that a customer or third party in a financial instrument transaction fails to meet its contractual obligations and is primarily related to customer receivables. Credit risk exists also in cash and cash equivalents, in investments and financial derivative contracts.

The Company's exposure to credit risk is mainly affected by the characteristics of each client. Demographics of the Company's customer base, including the default risk of the particular market and the country in which customers operate, have less impact on credit risk as there is no geographical concentration of credit risk.

The Board of Directors has set a credit policy based on which each new client is examined on an individual basis for its creditworthiness before the usual payment terms are proposed. Credit limits are defined for each customer, which are reviewed according to current conditions and adjusted, if necessary, the terms of sales and receipts. Customer credit limits are generally determined on the basis of the insurance limits received for them by insurance companies, and then claims are insured against these limits.

In monitoring the credit risk of customers, customers are grouped according to their credit characteristics, the maturity characteristics of their receivables and any past receivables issues that they have occurred. Customers and other receivables include mainly wholesalers of the Company. Clients classified as "high risk" are placed in a special customer account and future sales must be pre-paid. Depending on the client's background and status, the Company seeks, where possible, interest or other collateral (eg letters of guarantee) to secure its claims.

The Company recognizes an impairment provision that represents the measurement of losses and expected losses for losses in relation to customers, other receivables and investments in debt securities. This provision mainly consists of impairment losses on specific receivables and is estimated on the basis of the conditions that they will be realized but not yet finalized, as well as from the provision for the expected credit losses according to the Company's study adopted for the application of IFRS 9.

Cash and cash equivalents are also considered to be items of high credit risk, as current macroeconomic conditions in Greece exercise significant pressure on domestic banks.

3.10 Capital management

The policy of the Board of Directors consists of the preservation of a solid capital base, in order to maintain investor, creditor and market confidence in the Company and to allow the future expansion of its activities. The Board of Directors monitors the return on capital, which is defined by the Company as the net results divided by the total net position, excluding non-convertible preferred shares. The Board of Directors also monitors the level of dividends paid to the holders of ordinary shares.

The Board of Directors tries to maintain a balance between, on the one hand, higher returns which would have been possible under higher borrowing levels and, on the other hand, the advantages associated with the security that a strong and healthy capital position would provide.

		31-Dec-18	31-Dec-17
Debt Ratio	Non-current Liabilities / Non-Current Liabilities +Total Equity	0.48	0.50

		31-Dec-18	31-Dec-17
Index of Assets' Financing	Total Equity / Total non-current asset	58.54%	53.89%

The leverage ratios on 31 December 2018 and 2017 respectively is as follows:

	Note	31-Dec-18	31-Dec-17
Total Debt	16	148,714,911	151,892,127
Minus			
Cash and cash equivalents	13	(1,723,431)	(2,768,993)
Net Debt		**146,991,480**	**149,123,134**
Total Equity		91,999,134	88,543,368
Total Employed Capital		**238,990,614**	**237,666,502**
Leverage Ratio		**62%**	**64%**

The Company does not have a specific own share buyback plan.

No changes occurred insofar at the approach adopted by the Company in relation to capital management during the fiscal period reported.

3.11 Fair value estimation

The following table presents the financial assets valued at fair value at the date of preparation of the Company's financial statements, depending on how the fair value is determined:

The different levels have been identified as follows:

First Level: Includes imported prices quoted on an active market for that particular receivable and obligation.

Second Level: It includes the valuation collection, other than quoted prices belonging to the first level and considered directly or indirectly as objective.

Third Level: It includes the collection of valuations that are not based on objective market data.

The different levels are defined as follows:

2018	First Level	Second Level	Third Level	Total
Financial assets available for sale	-	-	166,473	166,473
	-	**-**	**166,473**	**166,473**

2017	First Level	Second Level	Third Level	Total
Financial assets available for sale	-	-	166,473	166,473
	-	**-**	**166,473**	**166,473**

There were no transfers between Level 1 and Level 2 during the period.

Valuation Techniques of Fair Values 2nd Level

Level 2 derivatives are composed of forward contracts in foreign currency.

The fair value of the above contracts is determined by the use of forward exchange rates at the date of preparation of financial statements, discounted to present values.

Valuation of Fair Values 3rd Level

Available-for-sale financial instruments at level 3 are securities that are not quoted on a traded market and therefore it is not possible to reliably measure their fair value and are valued at their acquisition cost.

Measurement procedure

The financial management assumes the measurement of the financial items and fair value of the third level required for financial reporting. The process is carried out once a year according to the dates of the annual reports of the company.

Fair Value of Financial Assets and Liabilities measured at amortized cost

The book value of current loans approximates fair value as the effect of discounting is not significant.

The fair value of the following financial assets and liabilities approximates their carrying amount:
-Trade and Other Receivables
- Cash and cash equivalents
-Trade and other payables
-Other current liabilities of financial nature

4 Accounting estimates and Management's judgments

Management's estimates and judgments are continually being reviewed and are based on historical data and expectations for future events that are judged to be reasonable under the current circumstances

4.1 Critical accounting estimates and assumptions

The Company makes estimates and assumptions about the evolution of future events. Estimates and assumptions that contain a significant risk of causing material adjustments to the carrying amounts of assets and liabilities over the next 12 months are as follows:

a) Significant judgment is required by the Company in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. If the final tax is different from the amounts that were initially recorded, the difference will impact the income tax and deferred tax provisions of the fiscal year.

b) The Company estimates the future tax profits that will be available to offset losses that have been recognized as deferred tax. The Company makes assumptions as to whether these deferred tax assets can be recovered using the estimated future taxable income in accordance with the approved five-year business plan.

c) The Company recognizes provisions for contractual obligations to its customers, which are calculated on the basis of historical data and statistics from the settlement of similar cases in the past

d)The Company makes estimates for any impairment of investments in Subsidiaries and Associates that are not measured at fair value.

e) The Company recognizes provisions for contractual obligations to its customers, which are calculated on the basis of historical data and statistics from the settlement of similar cases in the past. If the resulting final amount is different from the initially recognized one, the difference will affect the results of the year that the event will take place.

f) Employee benefits

The present value of the employee benefit obligations is based on a number of factors specified actuarially using some assumptions. The assumptions used to define the net expenditure of employee benefits include discount rates, future pay raises as well as inflation rates. Possible changes in these assumptions would affect the book value of the obligation.

The present value of the defined benefits is calculated based on the appropriate discount rate (1.5%) plus increases in staff salaries. The assumptions used are further illustrated in Note 17.

4.2 Critical judgments of the Management in applying the accounting principles

By application of the provisions of IAS 2, inventories are valued at the lower price among acquisition cost and the net realizable value.

5 Sales

Sales	31-Dec-18	31-Dec-17
Greece	188,745,237	140,284,561
European Union apart Greece	112,874,031	126,826,688
Other European countries	30,055,009	37,391,868
Asia	38,081,609	27,889,224
Africa	2,472,634	10,569,530
Total	**372,228,520**	**342,961,871**

Amounts in euro	31-Dec-18	31-Dec-17
Sales of goods (at certain point in time)	359,036,786	342,747,794
Revenues from services	175,912	214,077
Sales of Scrap and raw materials	13,000,518	-
Other	15,304	-
Total	**372,228,520**	**342,961,871**

6 Tangible Assets

Amounts in Euro	Land Plots	Buildings	Mech. Equipment	Transportation vehicles	Furniture and other equipment	Assets under construction	Total
Cost							
Balance as of 1st of January 2017	**9,254,863**	**73,079,077**	**251,222,233**	**1,339,104**	**6,177,259**	**772,161**	**341,844,697**
Additions	86,103	98,571	1,710,950	670	471,209	1,165,667	**3,533,169**
Sales	-	-	(15,000)	-	-	-	**(15,000)**
Destructions	-	-	(1,081,957)	-	-	-	**(1,081,957)**
Reclassifications	-	42,000	326,768	-	-	(368,768)	**-**
Balance as of 31st of December 2017	**9,340,967**	**73,219,648**	**252,162,994**	**1,339,774**	**6,648,468**	**1,569,059**	**344,280,909**
Accumulated depreciation							
Balance as of 1st of January 2017	**-**	**(31,532,614)**	**(136,668,648)**	**(1,292,011)**	**(5,832,146)**	**-**	**(175,325,419)**
Depreciation expense for the year	-	(1,722,604)	(9,470,929)	(15,428)	(200,421)	-	**(11,409,383)**
Sales	-	-	11,563	-	-	-	**11,563**
Destructions	-	-	580,800	-	-	-	**580,800**
Balance as of 31st of December 2017	**-**	**(33,255,219)**	**(145,547,214)**	**(1,307,439)**	**(6,032,567)**	**-**	**(186,142,439)**
Book Value as of 31st of December 2017	**9,340,967**	**39,964,429**	**106,615,780**	**32,335**	**615,900**	**1,569,059**	**158,138,470**

Amounts in Euro	Land Plots	Buildings	Mech. Equipment	Transportation vehicles	Furniture and other equipment	Assets under construction	Total
Cost							
Balance as of 1st of January 2018	**9,340,967**	**73,219,648**	**252,162,994**	**1,339,774**	**6,648,468**	**1,569,059**	**344,280,910**
Additions	-	-	3,715,198	-	642,930	1,123,487	**5,481,615**
Destructions	-	-	(1,923,919)	-	-	-	**(1,923,919)**
Reclassifications	-	-	1,320,096	-	-	(1,320,096)	**-**
Balance as of 31st of December 2018	**9,340,967**	**73,219,648**	**255,274,369**	**1,339,774**	**7,291,398**	**1,372,451**	**347,838,606**
Accumulated depreciation							
Balance as of 1st of January 2018	-	**(33,255,219)**	**(145,547,214)**	**(1,307,439)**	**(6,032,567)**	-	**(186,142,439)**
Depreciation expense for the year	-	(1,726,378)	(9,604,274)	(14,352)	(325,259)	-	**(11,670,263)**
Destructions	-	-	945,362	-	-	-	**945,362**
Balance as of 31st of December 2018	**-**	**(34,981,597)**	**(154,206,126)**	**(1,321,791)**	**(6,357,826)**	**-**	**(196,867,340)**
Book Value as of 31st of December 2018	**9,340,967**	**38,238,051**	**101,068,243**	**17,983**	**933,572**	**1,372,451**	**150,971,267**

On the Company's fixed assets there are mortgages and bank notes for a total amount of € 85,636 thousand for loans with a total balance of € 69,403 thousand.

7 Participations in Associates that are consolidated through Equity Method by the SIDENOR Group

Amounts in Euro	31-Dec-18	31-Dec-17
Opening Balance	4,570,682	4,570,682
Closing Balance	4,570,682	4,570,682

The associates that are being consolidated through the equity method in the consolidated financial statements of SIDENOR Group are the following:

Company Name	Country of Registry	31-Dec-18	31-Dec-17	Operational Segment
SIDMA SA	Greece	27.90%	27.90%	Iron

8 Participations in Subsidiaries that are consolidation through full consolidation method by the SIDENOR Group

Amounts in Euro	31-Dec-18	31-Dec-17
Opening Balance	**148,562**	**226,562**
Sales	-	(78,000)
Closing Balance	**148,562**	**148,562**

The companies that are consolidated through full consolidation method by the SIDENOR group are the following:

Company Name	Country of Registry	Direct Participation Percentage	Operational Segment
31-Dec-17			
ERLIKON	Greece	0.64%	Iron

Company Name	Country of Registry	Direct Participation Percentage	Operational Segment
31-Dec-18			
ERLIKON	Greece	0.64%	Iron

9 Financial Assets available for Sale

The available for sale assets include the following:

Amounts in Euro	31-Dec-18	31-Dec-17
Non-listed titles		
- Equity titles in Greek companies	166,473	166,473
	166,473	**166,473**

Amounts in Euro	31-Dec-18	31-Dec-17
Opening Balance	**166,473**	**158,173**
Additions	-	8,300
Closing Balance	**166,473**	**166,473**
Non-current assets	166,473	166,473

All equity instruments are in Euro.

As most of the financial assets are un-listed securities that are not feasible to be valued at fair value, the Company valued them at acquisition cost.

The maximum exposure to credit risk at the date of preparation of the financial statements is the value at which available-for-sale financial assets are disclosed.

10 Deferred Taxation

Amounts in Euro	31-Dec-18	31-Dec-17
Deferred Tax Liabilities:		
Deferred Tax Assets for offsetting	6,079,433	6,084,681
Tax (liabilities) before offsetting	(19,352,244)	(24,608,979)
Total	**(13,272,811)**	**(18,524,298)**

The total change in deferred tax income is the following:

Amounts in Euro	31-Dec-18	31-Dec-17
Opening Balance	**(18,524,298)**	**(24,803,011)**
(Debit) / credit in income statement	5,207,482	6,269,180
Tax (debit)/ credit in other comprehensive income	44,005	9,532
Closing Balance	**(13,272,811)**	**(18,524,298)**

Deferred tax assets and liabilities' movements are as follows:

	Depreciation Difference	Difference in provisions	Loans	Employees benefits	Sub-Funding	Transferable Tax losses for offsetting	Total

Amounts in Euro							
Balance as of 1 January 2017	**(25,218,320)**	**37,199**	**(54,329)**	**432,439**	**-**	**-**	**(24,803,011)**
(Debit) / credit in income statement	609,341		228,809	22,348	2,675,000	2,733,682	**6,269,180**
In Total Comprehensive Income	-	-	-	9,532	-	-	**9,532**
Balance as of 31 December 2017	**(24,608,979)**	**37,199**	**174,480**	**464,320**	**2,675,000**	**2,733,682**	**(18,524,298)**
Balance as of 1 January 2018	**(24,608,979)**	**37,199**	**174,480**	**464,320**	**2,675,000**	**2,733,682**	**(18,524,298)**
(Debit) / credit in income statement	5,287,810	(68,275)	(174,480)	-	(192,585)	355,011	5,207,482
In Total Comprehensive Income	-	-	-	44,005	-	-	44,005
Balance as of 31 December 2018	**(19,321,169)**	**(31,076)**		**508,325**	**2,482,415**	**3,088,693**	**(13,272,811)**

The rate at which the deferred tax is calculated is equal to that estimated to apply when the temporary tax differences are reversed.

The current tax rate of income tax for companies operating in Greece is 29%. Deferred tax has been calculated taking into account the change in the tax rate from 29% to 25% by 2022 (reference to paragraph 24).

Deferred tax recognized in the Total Comprehensive Income relates to deferred tax arising from the recognition of actuarial loss / gain in the retirement benefit obligation.

Deferred tax assets that arise from unused tax losses for offsetting in future periods are recognized only if it is probable that future tax profits will be offset against. Deferred tax asset recognized for unused tax losses amounted decreased by € 3.1mn at 31 December 2018 as based on the approved business plan the management judges that it is possible to offset the tax losses with future tax profits.

In 2014, the provisions of Art. 49 of Law 4172 on sub-funding were applied for the first time, according to which the limit for the deduction of excess interest expense is defined as a percentage of the tax EBITDA of the respective company (60% in 2014, 50% in 2015 and 40% 2016 and future). The impact on the deferred tax amount of the Company was € 2.5 million (asset) at 31 December 2018. This amount can be offset against future tax profits without a time limit.

11 Inventories

Amounts in Euro	**31-Dec-18**	**31-Dec-17**
Finished products	18,832,653	16,304,086
Semi-finished	2,324,044	1,470,629
Sub-products & scrap	1,909,840	1,567,295
A' & B' raw materials - consumables-spare parts & packaging material	54,604,248	45,473,196
Total	**77,670,785**	**64,815,205**

The cost of inventories recognized as an expense in cost of sales amounted to € 297 million (2017: € 263 million).

Under the provisions of IAS 2 inventories are measured at the lower price among that of acquisition cost and net realizable value.

The Company has inventory mortgages of € 30,000 thousand for the ranting of an equivalent loan.

12 Trade & Other Receivables

Amounts in Euro	31-Dec-18	31-Dec-17
Accounts Receivables	12,113,928	14,802,846
Minus: Provisions for bad debt	(161,414)	(128,273)
Net accounts receivables	**11,952,514**	**14,674,573**
Other Advances	165,124	851,050
Notes-Cheques receivables.& stamped	14,599	14,599
Receivables from related parties	89,350,800	108,948,798
Current tax receivables	15,222	14,806
Other debtors	3,463,665	1,870,589
Minus: Impairment provisions	(51,231)	(51,231)
Total	**104,910,694**	**126,323,184**
Non-Current Assets		
Other non-current receivables	1,286,527	1,285,977
Total	**1,286,527**	**1,285,977**
Total receivables	**106,197,221**	**127,609,161**

	31-Dec-18	31-Dec-17
Guarantees for secure of trade receivables	11,456,063	15,031,500
Total	**11,456,063**	**15,031,500**

Provision for bad debt expense of account receivables – debtors

	31-Dec-18	31-Dec-17
Opening	(179,504)	(179,837)
Change in accounting policy	(33,141)	-
Re-classifications	-	333
Closing	**(212,645)**	**(179,504)**

Trade and other receivables (per currency)

	31-Dec-18	31-Dec-17
Euro	106,171,409	127,609,161
GB Pounds	25,812	-
Total	**106,197,220**	**127,609,161**

Other non-current receivables included in non-current assets relate to guarantees given to third parties within the scope of the Company's business and do not have a specific end date. The Company estimates that the receivables are approximately equal to their fair values.

Financial assets per category

Balance 31 December 2017
Amounts in Euro

Assets	Loans and receivables	Available for sale

Non-current assets available for sale	-	166,473
Trade and Other Receivables	126,142,666	-
Cash and cash equivalents	2,768,993	-
Total	**128,911,659**	**166,473**

Balance 31 December 2018
Amounts in Euro

Assets	**Loans and receivables**	**Available for sale**
Non-current financial assets available for sale	-	166,473
Trade and other receivables	104,688,516	-
Cash and cash equivalents	1,723,431	-
Total	**106,411,946**	**166,473**

13 Cash and cash equivalents

Amounts in Euro	**31-Dec-18**	**31-Dec-17**
Cash at the cashier and at bank	926	826
Shirt-term bank deposits	1,722,505	2,768,167
Total	**1,723,431**	**2,768,993**

Credit rating at bank deposits

	31-Dec-18	**31-Dec-17**
Caa1	1,722,505	-
Caa2	-	2,768,167
Total	**1,722,505**	**2,768,167**

14 Share capital

Amounts in Euro	**Number of Shares**	**Common Shares**	**Share Premium**	**Total**
1 January 2017	**1,193,400**	**40,981,356**	**47,611,049**	**88,592,405**
31 December 2017	**1,193,400**	**40,981,356**	**47,611,049**	**88,592,405**
1 January 2018	**1,193,400**	**40,981,356**	**47,611,049**	**88,592,405**
31 December 2018	**1,193,400**	**40,981,356**	**47,611,049**	**88,592,405**

The shares of the company are registered and their value amounts to € 34.34.

15 Other reserves

Amounts in Euro	Statutory Reserve	Special Reserves	Extra-ordinary Reserve	Tax-free Reserves	Total
1 January 2017	**4,152,029**	**-**	**194,739**	**36,977,890**	**41,324,658**
Re-classifications	-	255,063	(194,739)	(60,323,1)	0,0
31 December 2017	**4,152,029**	**255,063**		**36,917,567**	**41,324,658**
1 January 2018	**4,152,029**	**255,063**		**36,917,567**	**41,324,658**
31 December 2018	**4,152,029**	**255,063**	**-**	**36,917,567**	**41,324,658**

Based on Greek tax legislation, tax-free reserves are exempted from income tax, provided that they are not distributed to the shareholders.

Pursuant to Law 4172, paragraph 12, and in respect of the non-distributed or non-capitalized reserves of the legal persons referred to in Article 45 of the Code of Civil Procedure as they were formed up to 31 December 2014 and which arose as a result of their exemption pursuant to of the provisions of Law 2238/94 from 1 January 2015 unless they are distributed or capitalized, they shall be offset at the end of each tax year with taxable losses of any kind and if they have been incurred during the last 5 years until they have been exhausted.

The offsetting of the credit reserves will take place in the Company's income tax return and no tax liability is expected to arise.

16 Debt

Amounts in Euro	31-Dec-18	31-Dec-17
Non-current		
Secured Bond Loans	64,363,000	58,143,759
Total	**64,363,000**	**58,143,759**
Current		
Secured Debt	34,790,787	42,561,131
Un-secured Debt	43,209,632	36,481,105
Secured bond loans	5,040,937	13,501,062
Factoring with a right of recourse	1,310,555	1,205,069
Total	**84,351,911**	**93,748,368**
Total Debt	**148,714,911**	**151,892,127**

The maturity dates of non-current loans are as follows:

Amounts in Euro	31-Dec-18	31-Dec-17
Between 1 and 2 years	6,000,000	18,410,801
Between 2 and 5 years	58,363,000	39,732,958
Total	**64,363,000**	**58,143,759**

The actual weighted average interest rates at the date of the Financial Statements are as follows:

	31-Dec-18	31-Dec-17
Bank Debt (current) - EUR	4.83%	5.86%
Bonds- EUR	4.25%	4.00%

The maturities for all loans are as follows:

Amounts in Euro	31-Dec-18	31-Dec-17
Up to 1 year	84,351,911	93,748,368
Between 1 and 2 years	6,000,000	18,410,801
Between 2 and 5 years	58,363,000	39,732,958
Total	**148,714,911**	**151,892,127**

All loans are in Euro.

The fair market values of loans are equal to their book values, as the impact of discounting is not significant. The fair values are evaluated based on parameters such as interest expense, specific country risk factors, or price quotations at the reporting date and are within level 2 of the fair value hierarchy.

The Company has given guarantees for the bonds (Note 29).

The Company has direct access in funding sources and has been historically engaging in refinancing its short-term debt liabilities. The Company estimates that the refinancing of its short-term debt will continue in the future, as before.

Some of the Company's loan agreements include financial terms, the most important of which are the maintenance of specific ratios, calculated as follows: "Net Debt / Profit before Tax, Interest and Depreciation", "Earnings Before Interest, Taxes and Depreciation / Net Interest"; and "Net Debt / Equity". The Company's Management monitors its performance to ensure and comply with the above financial terms.

During the fiscal year 2018, the Bondholders of the Syndicated Bond Loan amounting to € 71,363,000, accepted the Company's request for amendment of its terms. More specifically, the following amendments were approved:

- The margin is changed to 4.25% throughout the loan, i.e. until 27/12/2023.
- A new term "Cash Sweep" is added, with a 40% prepayment of the Net Cash Advance, except when this is due to: i) an increase in the Non-current Loan, ii) an increase in other Non-current Liabilities, iii) income from subsidies (iv) the changes in Equity, with a date of first application from 2020 (based on the pro - forma consolidated financial statements of the company, i.e. based on the financial statements for the year ending 31/12/2019).
- Extension of the Syndicated Bond Loan by three (3) years, until December 2023, with the following repayment schedule:

Year	Amount
2018	2,000,000
2019	5,000,000
2020	6,000,000
2021	9,500,000
2022	11,000,000
2023	37,863,000

17 Employees Retirement Obligations

The breakdown of changes in the retirement benefit obligations for the years 2018 and 2017 is as follows:

Change in the present value of the liability	**31-Dec-18**	**31-Dec-17**
Present value of the obligation at the beginning of the period	1,601,103	1,491,170
Current service cost	51,615	61,305
Interest cost	23,707	23,799
Settlement/curtailment/termination cost	243,758	65,813
Benefits paid by the employer	(315,477)	(73,854)
Adjustment to the obligation (through Equity)	(76,818)	26
Actuarial loss / (gain) - economic assumptions	142,441	23,569
Actuarial loss / (gain) – period's service experience	110,398	9,275
Present value of the obligation at the end of the period	**1,780,725**	**1,601,103**

Amounts recognized in equity through other comprehensive income are:

Adjustments to the obligation	**31-Dec-18**	**31-Dec-17**
Adjustment to the obligation due to change of assumptions	(142,441)	(23,569)
Empirical adjustments to obligations	(110,398)	(9,275)
Total actuarial gain / (loss) in Equity	**(252,838)**	**(32,844)**
Other adjustments in Equity	76,818	(26)
Total amount recognised in Equity	**(176,020)**	**(32,870)**

The total changes in the net liability recognized in the financial statements are:

Changes in the net liability recognised in the Statement of Financial Position	**31-Dec-18**	**31-Dec-17**
Net liability at the beginning of the year	1,601,103	1,491,170
Benefits paid by the employer	(315,477)	(73,854)
Total cost recognised in the income statement	319,080	150,917
Total amount recognised in Equity	176,020	32,870
Net liability at the end of the year	**1,780,725**	**1,601,103**

The main actuarial assumptions used are as follows:

Actuarial Assumptions	**31-Dec-18**	**31-Dec-17**

Discount rate	1.61%	1.50%
Inflation	1.50%	1.50%
Rate of compensation increase	1.00%	0.50%
Liability maturity	15.00	14.96

The sensitivity analysis for each significant actuarial assumption which was reasonably possible, at the end of the reporting period and that shows how the defined benefit obligation would have been affected by those changes is the following:

Sensitivity analysis	**31-Dec-18**	**31-Dec-17**
Discount rate	1.61%	1.50%
Rate of salary increase	1.00%	0.50%

1. If the discount rate was 0.5% higher, then the DBO would be lower by 7%
2. If the salary increase assumption used was 0.5% higher, then the DBO would be higher by 8%
3. If the rate of voluntary retirements were zero, then the DBO would be higher by 0.5% approximately

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation at significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognized within the statement of financial position. The methods and the type of assumptions used for the calculation of sensitivity analysis have not changed compared with the previous year.

Regarding the risks associated with the above mentioned plan, this plan is not funded and therefore no assets exist for this plan. Hence asset volatility or similar risks (e.g. low returns, asset concentration etc.) do not exist. The risks associated with the existing plan relate to the actuarial assumptions that are used in determining the liability, that must be reflected in the financial statements, and comprise potential changes in bond yields, which determine the discount rate, and assumptions relating to inflation rate of future salary increase that may affect the future cash flows of the plans.

18 Subsidies

Amounts in Euro	**31-Dec-18**	**31-Dec-17**
Opening Balance	2,889,704	3,699,045
Subsidies' amortization	(809,341)	(809,341)
Closing Balance	**2,080,364**	**2,889,704**

Subsidies relate to investments conducted for the purchase and installation of tangible assets (buildings, machines and transportation vehicles).

19 Trade and Other Payables

Amounts in Euro	31-Dec-18	31-Dec-17
Suppliers	51,006,083	44,020,448
Advances from customers	-	183,620
Social Security funds	811,618	964,487
Amounts due to related parties	26,120,740	37,454,469
Other debtors	392,908	523,002
Accrued expenses	1,656,301	2,489,075
Other Transitional Liabilities Accounts	84,479	56,652
Other taxes and fees	1,048,085	1,068,644
Total	**81,120,214**	**86,760,397**
Non-current liabilities	2,137,636	7,951,084
Total liabilities	**83,257,850**	**94,711,481**

31/12/2018

Liabilities	<1 year	1- 2 years	2-5 years
Debt	84,351,911	15,500,000	48,863,000
Trade and other payables	83,484,594	17,348	-
Total	**167,836,505**	**15,517,348**	**48,863,000**

31/12/2017

Liabilities	<1 year	1- 2 years	2-5 years
Debt	93,748,368	18,410,801	39,732,958
Trade and other payables	92,255,509	8,195,176	-
Total	**186,003,877**	**26,605,977**	**39,732,958**

The above amounts are reflected in the contractual, non-discounted cash flows and therefore do not agree with the respective amounts presented in the financial statements. They concern the accounts of trade and other payables and loans.

Financial Assets per category

Balance 31 December 2018
Amounts in Euro

Liabilities	Other financial obligations
Non-current debt	64,363,000
Current debt	84,351,911
Trade and Other Payables	81,120,214
Total	**229,835,125**

Balance 31 December 2017
Amounts in Euro

Liabilities	Other financial obligations
Non-current debt	58,143,759
Current debt	93,748,368
Trade and Other Payables	86,760,397
Total	**238,652,524**

20 Provisions

Non-current Provisions

Amounts in Euro	Other Provisions	Total
1 January 2017	53,297	**53,297**
Additional Provisions for the year	333	**333**
31 December 2017	**53,631**	**53,631**
31 December 2018	**53,631**	**53,631**

21 Expenses per category

31/12/2017

Amounts in Euro	Cost of goods sold	Distribution expenses	Administration expenses	Total
Cost of inventories recognized as an expense	(263,185,372)	(15,889)	(5,312)	**(263,206,573)**
Employees benefits	(9,603,842)	(1,135,704)	(1,687,242)	**(12,426,789)**
Energy	(17,599,003)	(106,893)	(8,467)	**(17,714,363)**
Depreciation and amortization	(10,104,498)	(635,569)	(370,350)	**(11,110,418)**
Taxes	(18,356)	(670)	(223,489)	**(242,515)**
Other insurances	(501,166)	(151,992)	(2,685)	**(655,843)**
Rental fees	(99,231)	(3,282)	(84,582)	**(187,095)**
Transportation expenses	(405,343)	(8,877,899)	(80,791)	**(9,364,033)**
Advertising and promotion expenses	(17,459)	-	(4,121)	**(21,580)**
Third party fees	(6,106,450)	(4,261,649)	(4,382,508)	**(14,750,607)**
Provisions for Bad receivables	-	-	(92,918,4)	**(92,918)**
Commissions		(377,775)	-	**(377,775)**
Foreign exchange differences	-	(29,092,8)	(29,092,8)	(58,185,7)
Maintenance	(2,722,601,7)	(19,100,6)	(155,690,3)	(2,897,392,7)
Rights of use expenses	(63,377,3)	-	(29,271,8)	(92,649,1)
BoD Remuneration	-	-	(209,167,0)	(209,167,0)
Other expenses	527,014	(1,275,189)	(242,500)	**(990,675)**
Total	**(309,899,687)**	**(16,890,704)**	**(7,608,187)**	**(334,398,577)**

31/12/2018

Amounts in Euro	Cost of goods sold	Distribution expenses	Administration expenses	Total
Cost of inventories recognized as an expense	(296,958,096)	(31,442)	(4,851)	**(296,994,389)**
Employees benefits	(10,676,705)	(1,318,997)	(1,600,891)	**(13,596,593)**
Energy	(17,841,405)	(121,919)	(3,514)	**(17,966,838)**
Depreciation and amortization	(10,565,594)	(692,539)	(412,129)	**(11,670,263)**
Taxes	(16,335)	(14,561)	(243,133)	**(274,029)**
Other insurances	(530,866)	(77,276)	(1,381)	**(609,523)**
Rental fees	(89,033)	(2,492)	(97,380)	**(188,905)**
Transportation expenses	(426,467)	(7,289,509)	(74,516)	**(7,790,492)**
Advertising and promotion expenses	(273,606)	(473,994)	(46,879)	**(794,479)**
Third party fees	(6,797,238)	(3,881,366)	(4,052,963)	**(14,731,568)**
Warehouse and packaging expenses	(82,969)	(189,273)	(38,582)	(310,824)
Production tools	(9,050)	(33)	-	(9,084)
Commission	-	(253,633)	-	**(253,633)**
Foreign exchange differences	(1,119,996)	-	-	**(1,119,996)**
Maintenance	(1,858,722)	(771,128)	(272,757)	**(2,902,607)**
Travelling expenses	(28,874)	(3,306)	(34,201)	(66,381)
Rights of use expenses	(17,426)	-	(28,809)	**(46,235)**
BoD Remuneration	-	-	(258,667)	**(258,667)**
Communal Expenses	(59,033)	-	(13,815)	(72,848)
Other expenses	(951,637)	(624,894)	(652,072)	**(2,228,602)**
Total	**(348,303,051)**	**(15,746,362)**	**(7,836,541)**	**(371,885,954)**

22 Employees Benefits

Amounts in Euro	31-Dec-18	31-Dec-17
Employee remuneration & expenses	10,582,896	9,690,894
Social security expenses	2,694,618	2,584,979
Pension cost of defined benefits plan	319,080	150,917
Total	**13,596,593**	**12,426,789**

The analysis of the above expenses to the Company's operations is as follows:

	31-Dec-18	31-Dec-17
Cost of goods sold	10,676,705	9,603,842
Distribution expenses	1,318,997	1,135,704
Administration expenses	1,600,891	1,687,242
Total	**13,596,593**	**12,426,789**

23 Financial Expenses

Amounts in Euro	31-Dec-18	31-Dec-17
Income		
Interest Income	7,902	9,798

Total income	**7,902**	**9,798**

Amounts in Euro	**31-Dec-18**	**31-Dec-17**
Expenses		
Interest expense and other related expenses	(7,483,968)	(9,276,030)
Letters of guarantee expenses	(540,567)	-
Other bank commissions	(245,951)	-
Interest on Factoring without recourse	(66,763)	(44,803)
Foreign exchange differences	-	(29,661)
Losses from sale of participations	-	(38,581)
Other	-	(9,126)
Total expenses	**(8,337,249)**	**(9,398,201)**

24 Income Tax

Amounts in Euro	**31-Dec-18**	**31-Dec-17**
Deferred tax	5,207,482	6,269,180
Total	**5,207,482**	**6,269,180**

	31-Dec-18	**31-Dec-17**
Accounting Profit / (loss) before tax	(1,586,561)	997,686
At statutory income tax rate of 29%	460,103	(289,329)
Non-deductible expenses for tax purposes	(231,367)	(145,000)
Recognition of previously unrecognized tax losses	900,995	6,703,509
Change of income tax rate – Introduction of new tax	4,077,751	-
Tax included in the Income Statement	**5,207,482**	**6,269,180**

The tax rate of income tax for companies operating in Greece is 29%. From 2019 the tax rate for the taxation of profits from business activity acquired by legal entities is redefined, as follows:

(i) twenty nine per cent (29%) for the income of the tax year 2018,

(ii) twenty eight per cent (28%), for the income of the tax year 2019,

(iii) twenty-seven percent (27%), for income for the tax year 2020,

(iv) twenty six percent (26%), for the income for the tax year 2021 and

(v) twenty five per cent (25%) for the income of the tax year 2022 and subsequent years. The tax expense / income for other comprehensive income is analyzed as follows:

	31-Dec-18			**31-Dec-17**		
	Before Taxes	Tax (expense)/Income	After taxes	Before Taxes	Tax (expense)/Income	After taxes
Recognized actuarial	(176,020)	44,005	(132,015)	(32,870)	9,532	(23,338)

gain/losses						
	(176,020)	**44,005**	**(132,015)**	**(32,870)**	**9,532**	**(23,338)**

The above amounts relate to deferred taxation.

25 Other operating income

Amounts in Euro	**31-Dec-18**	**31-Dec-17**
Other income		
Subsidies of the Year	146,096	118,005
Amortization of granted subsidies	809,341	809,341
Rental income	51,972	51,972
Profit from foreign exchange differences	3,890	217,180
Other operating income	6,694	-
Income from re-pricing of expenses	247,267	-
Gain from sales of assets	-	11,563
Commissions	-	497,239
Income from reversal of other provisions	431,426	93,251
Other income	4,694,986	18,396
Total other income	**6,391,671**	**1,816,946**

26 Operating Cash Flows

Amounts in Euro	**Note**	**31-Dec-18**	**31-Dec-17**
Profit / (loss) after income taxes		3,620,921	7,266,867
Plus/Minus: Adjustments for:			
Tax	24	(5,207,482)	(6,269,180)
Depreciation of tangible assets	6	11,670,262	11,409,383
Amortization of subsidies		(809,341)	(809,341)
Loss from the destruction/impairment of assets		978,558	501,157
(Gain) / loss from sale of assets	6	-	(11,563)
(Gain) / loss from investment activities (income, expenses, gain, losses)		(16,452)	(15,648)
Interest expenses & related expenses	23	8,337,249	9,398,201
(Gain) / Losses from foreign exchange differences		(292,849)	(129,334)
Decrease/ (Increase) of inventories		(12,855,580)	(3,773,042)
Decrease/ (Increase) of receivables		21,378,925	(39,572,639)
Decrease/ (Increase) of liabilities (excluding bank debt)		(10,977,137)	14,352,791
(Decrease) / Increase in Employees Benefits Obligation		3,602	-
(Decrease) / increase of contractual obligations		103,542	-
Other provisions		-	(333)
Increase/ (decrease) of provisions for bad debt expense and other provisions		(431,426)	-
Net cash flows from operating activities		**15,502,792**	**(7,652,680)**

27 Commitments

The Company leases land, buildings, machines, transportation vehicles and other equipment under operational lease agreements. The future aggregate lease payments according to operational leases are as follows:

Amounts in Euro	**31-Dec-18**	**31-Dec-17**

Less than 1 year	129,194	95,108
Between 1 and 5 years	298,007	216,062
More than 5 years	3,508	1,329
	430,710	**312,499**

Amounts recognised as gain or loss	**31-Dec-18**	**31-Dec-17**
Surcharge of results	183,921	187,095
	183,921	**187,095**

28 Contingent Liabilities

The Company has contingent liabilities in respect of banks, other guarantees and other matters arising in the ordinary course of business, as follows:

	31-Dec-18	**31-Dec-17**
Guarantees to secure liabilities to suppliers	12,419,876	9,988,200
Guarantees to secure good execution of contracts with customers	11,456,063	15,031,500
Assigned mortgages and prenotations - land plots & buildings	85,635,600	85,635,600
Mortgage amount on inventory	30,000,000	30,000,000
Guarantees to secure obligations to banks	2,140,280	838,412
Other liabilities	53,297	53,297
Total	**141,705,116**	**141,547,009**

29 Existing Collateral

Tangible assets incorporate mortgages and prenotations in favor of the banks amounting to € 85,636 thousand for loans of total balance € 69,403 thousand.

30 Related Parties

The transactions below relate to transactions with related parties in the VIOHALCO group.

Amounts in Euro	**31-Dec-18**	**31-Dec-17**
Sale of goods		
Subsidiaries	9,561,200	55,556,577
Associates	1,625,817	1,115,625
Parent	184,174,792	136,315,336
Other related parties	65,563,050	65,177,821
	260,924,859	**258,165,358**
Provision of services		
Subsidiaries	89,363	401,191
Parent	146,568	162,391
Other related parties	182,208	69,367
	418,139	**632,949**
Sale of tangible assets		
Subsidiaries	-	15,000
Other related parties	-	242
	-	**15,242**
Purchase of goods		

Subsidiaries	255,052	2,903,828
Associates	835,518	862,249
Parent	9,204,222	9,851,927
Other related parties	63,769,902	39,244,830
	74,064,694	**52,862,834**
Purchase of services		
Subsidiaries	3,663,872	6,147,874
Associates	70,298	43,852
Parent company	5,655,839	6,158,627
Other related parties	3,665,545	1,151,062
	13,055,555	**13,501,415**
Purchase of tangible assets		
Subsidiaries	501,150	421,559
Other related parties	3,516	110,362
	504,666	**531,921**

Amounts in Euro	**31-Dec-18**	**31-Dec-17**
Fees to Management and BoD included in the employee cost	549,400	483,434
	549,400	**483,434**

Closing balances arising from the sale-purchases of goods, services, tangible assets, etc. with the companies of VIOHALCO Group.

Receivables from related parties	**31-Dec-18**	**31-Dec-17**
Subsidiaries	4,874,726	13,146,966
Associates	174,305	252,486
Parent company	74,863,519	59,124,492
Other related parties	9,438,251	36,424,853
	89,350,800	**108,948,798**

Liabilities towards related parties	**31-Dec-18**	**31-Dec-17**
Subsidiaries	934,214	5,431,257
Associates	170,904	30,022
Parent company	312,039	-
Other related parties	24,703,583	31,993,190
	26,120,740	**37,454,469**

(amounts expressed in th. Euro €)

	Sales of goods and services	**Purchases of goods and services**	**Receivables**	**Liabilities**	**Purchase of Assets**
Parent	**184,321,360**	**14,860,061**	**74,863,519**	**312,039**	**-**
SIDENOR INDUSTRIAL SA	184,321,360	14,860,061	74,863,519	312,039	-

Subsidiaries	**9,650,563**	**3,918,925**	**4,874,726**	**934,214**	**501,150**
DOJRAN STEEL LLCOP	3,859,189	-	1,748,249	-	-
ERLIKON SA	4,139,949	28,352	2,599,309	-	-
ETIL SA	373	3,738,678	-	934,214	501,150
PRAKSIS	-	151,895	-	-	-
SIDERAL SHRK	1,611,227	-	511,227	-	-
SIDEROM STEEL SRL	39,825	-	15,940	-	-
Associates	**-**	**47,804**	**-**	**98,486**	**-**
VIENER SA	-	858,012	-	72,418	-
DOMOPLEX	1,625,817	-	174,305	-	-
SIDMA SA	-	47,804	-	98,486	-
Other related parties	**65,745,258**	**67,435,447**	**9,438,251**	**24,703,583**	**3,516**
AEIFOROS SA	76,256	3,971,383	-	5,377,518	-
ANAMET SA	2,137	40,768,090	28,141	13,740,613	-
ANOXAL SA	-	-	-	326	-
CENERGY HOLDINGS SA	-	-	-	176,321	-
CORINTH PIPEWORKS SA	456	-	-	404,817	-
ELKEME SA	-	75,344	-	111,864	-
ELVALHALCOR - 2.Aluminium Segment	21,600	102,278	-	3,967,225	-
ETEM COMMERCIAL SA	-	102	-	-	-
FULGOR SA	10,800	-	26,570	-	-
HELLENIC CABLES SA	-	6,847	-	75,609	-
INTERNATIONAL TRADE	-	19,656,310	167,562	-	-
LESCO OOD	-	88,811	-	48,961	-
METALIGN S.A.	-	264,780	-	124,145	-
NOVAL SA	-	273	-	203	-
SIDEBALK STEEL DOO	9,142,257	-	1,221,420	-	-
STEELMET PROPERTIES SA	-	38,290	-	-	-
STOMANA IDUSTRY SA	56,487,123	511,131	7,992,568	-	-
TEKA SYSTEMS SA	-	301,001	-	136,384	3,516
THERMOLITH SA	4,628	1,392,572	-	362,458	-
VIEXAL SA	-	223,942	-	56,012	-
VIOHALCO SA	-	1,761	-	114,308	-
VITRUVIT SA	-	9,807	-	6,818	-
AWM	-	22,726	1,990	-	-
Total	**259,717,181**	**86,262,237**	**89,176,495**	**26,048,322**	**504,666**

Services to and from related parties, as well as sales and purchases of goods, are made in accordance with the price lists applicable to unrelated parties. There are no specific payment terms for the amounts due and they are interest free.

Income from dividends

The Company SOVEL SA has income from dividends from the related company STILMET amount of € 9 th. (2017: € 6 th.)

31 Unaudited fiscal years

The Company has not been audited by the competent tax authorities for the fiscal year 2009. On 27/08/2010 the Company received an audit order for the fiscal year 2009.

However, pursuant to the relevant tax provisions of: (a) paragraph 1 of article 84 of law 2238/1994 (unaudited income tax cases), b) paragraph 1 of article 57 of Law 2859/2000 (non-audited VAT cases and (c) of paragraph 5 of Article 9 of Law 2523/1997 (imposition of fines for income tax cases), the right of the

State to impose the tax for the fiscal years up to 2011 is time-barred until 31/12/2017, subject to special or exceptional provisions which may provide for a longer limitation period and subject to conditions which they define.

Moreover, according to settled case-law of the Council of State and the Administrative Courts, in the absence of a limitation provision contained in the Code on Stamps Law, the State's claim for stamp duty is subject to the twenty-year limitation period laid down in Article 249 of the Civil Code.

The Company was audited for the years 2011-2017 and received a tax compliance certificate with unqualified opinion. For the fiscal year 2017, the tax audit is already carried out by the audit firm PricewaterhouseCoopers SA. From the conduct of this tax audit, the Company's management does not expect to incur significant tax liabilities other than those recorded and presented in the financial statements.

32 Number of Personnel

The number of employees at the end of the year end was 389 people. For the corresponding period of 2017 Company’s personnel amounted to 355 employees.

33 Events after the Date of the Financial Statements’ Preparation

There are no significant events that took place after the date of the Financial Statements.

34 Important Events

The most important events that took place during the financial year 2018 are as follows:

- During the financial year 2018, the Bondholders of the Syndicated Bond Loan amounting to € 71,363,000, accepted the Company's request for the amendment of its terms. In particular, an extension of the repayment was approved until December 2023 and fixed interest rate (4.25%) until its maturity.

Ordinary General Assembly Decisions

At the Ordinary General Assembly of the company's shareholders that took place in Athens on 16 July 2019, the following were decided:

1. Approval of the annual financial statements for the financial year ended 31.12.2018 with the reports of the Board of Directors and the auditors.
2. Approval of Board of Directors’ Management and discharge of the auditors from any liability for the year 2018.
3. Election of auditors for the year 2019 and determination of their remuneration.
4. The approval of remuneration to members of the Board of Directors in accordance with article 109 par. 1 of Law 4548/2018.
5. Election of new Board of Directors

Athens, 16 July 2019

The Chairman of the BoD	**The Executive Director**	**The Chief Financial Officer**
Kalfarentzos Georgios **ID No Φ 147183**	**Passas Georgios** **ID No Φ 020251**	**Karanikolas T. Nikolaos** **ID No AI 142104** **License No 0113872, A' Class**