

F.G. EUROPE S.A.

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P.C. Reg. No. 13413/06/B/86/111



**ANNUAL FINANCIAL REPORT
COMPANY AND CONSOLIDATED FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2020
ACCORDING TO INTERNATIONAL FINANCIAL REPORTING
STANDARDS (IFRS)**

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F.G. EUROPE S.A.
SOCIETE ANONYME WHOLESALE OF ELECTRICAL AND ELECTRONIC
APPLIANCES

BOARD OF DIRECTORS ANNUAL REPORT ON THE FISCAL YEAR PERIOD
ENDED 31/12/2020

To the Shareholders of F.G. EUROPE S.A.,

The Company's Board of Directors hereby submits its Annual Report on the Fiscal Year ended December 31st, 2020, prepared in accordance with provisions set forth in Law 4548/2018.

This Report provides brief information on the financial results, current financial status and any changes thereto, recent developments and other changes of the Company and the Group during the fiscal year period from January 1st, 2020 until December 31st, 2020.

Reference is also made to any significant events that took place during fiscal year 2020 and in any way affecting the Annual Financial Statements- Company and Consolidated-, to any significant risks that may arise for the Company and the Group,

Companies of the **F.G. EUROPE Group**:

F.G. EUROPE S.A.: Parent Company of the Group.

Active in the Durable Consumer Goods market (importing and acting as wholesaler of Air-conditioning Units of all types, both for residential and professional use, White Electrical Home Appliances, and Consumer Electronics).

F.G. EUROPE is a longtime wholesaler and distributor of durable consumer goods as the exclusive trusted partner of two of the largest manufacturers in their sector, Fujitsu and Midea. From mid-2012, F.G EUROPE became the exclusive distributor for the Greek Market of Air-conditioning Units and from March 2013 of the White Appliances of the Chinese manufacturer giant Midea. Midea is one of the largest manufacturing and export companies of White Electrical Home Appliances, globally. Meanwhile, F.G. EUROPE carries its own line of white electrical home appliances under its own brand name, ESKIMO, which presence dates back to 1958.

During the year 2019, F.G. EUROPE became the exclusive distributor of the white appliances Hitachi to the Hellenic market.

F.G. EUROPE is active in 12 countries in total (Greece and Southeastern Europe) as the exclusive distributor of Fujitsu General Ltd products (mainly air-conditioners). Furthermore, starting from 2015, F.G. EUROPE is the exclusive distributor of Midea products in the Balkans, and, from 2017, also in Great Britain and Ireland.

FG EUROPE KLIMA TEKNOLOJILERI SANAYI VE TICARET ANONIM SIRKETI: In order to expand the Company's operation in Turkey, a subsidiary company was incorporated in 2014, based in Istanbul, for sale of all types of air-conditioners in Turkey. The company's share capital amounts to € 5,527 thousands and FG EUROPE's participation stake is 82,06%.

FG EUROPE UK LIMITED: In order to expand the Company's operation in UK, a subsidiary company was incorporated in 2017, based in London, for sale of all types of air-conditioners in UK and Ireland. The share capital amounts to € 931 and FG EUROPE SA participation stake is 100%.

R.F. ENERGY S.A.: Subsidiary of the Group. F.G. EUROPE S.A. currently owns a 50% stake. Restis Family also owns a 50% share. R.F. ENERGY is a holding company, and its business scope is development, management and ownership of energy production projects, focused on Renewable Energy Sources.

The RF ENERGY's subsidiaries, during the period 01/01/20-31/12/20 were the below:

Name of Subsidiary	<u>Operation</u>	<u>Percentage of interest</u> <u>31/12/2020</u>
Direct Stake		
• CITY ELECTRIC SINGLE MEMBER S.A.	Energy production	100.00%

Furthermore, the below company was RF ENERGY's subsidiary until 23/04/2020, afterwards is reported as discontinued operation because of its sale:

Name of subsidiary	<u>Discontinued</u> <u>Operation</u>	<u>Percentage of interest</u> <u>30/06/2020</u>
Direct Stake		
• R.F. ENERGY OMALIES SINGLE MEMBER SA	Energy Production	100,00%

A. Recent Developments – Changes to the Financial Figures of the Company and the Group

The profits after tax amounted to €18.87 mil. against €3.84 mil. increased by 391,71%. The abovementioned increase resulted by the dividend received from RF ENERGY which is based on the profits arising from 2019 and also from the sale of the 49% stake of the associate FG EUROPE ITALIA S.P.A

The Company's total sales amounted to €65,60 against €94,10 in 2019, decreased by 30,29% resulted by the sale of the subsidiary in Italy and effectiveness of COVID – 19 either in internal or external market.

The proportion internal/abroad sales in 2020 were 44/56 against 54/47 in 2019.

At the Parent Company Level:

The air conditioner sales amounted to €57, 14 mil. against € 85,40 mil., decreased by 33,09%. In the internal market, the Air conditioner sales amounted to €28,15 mil. against €35,15 mil. in 2019, increased by 20,00%.

ESKIMO's and Hitachi's brand white appliances sales were remained stable, amounting to €8.46 mil. against €8,71 mil. in 2019.

The Company's gross profit amounted to € 15,50 mil. against € 19,17 mil. The above decrease resulted by the reduction in sales.

The gross profit rate was increase (20,37% compared to 23.63% in 2020)

The Parent company's general expenses (administration, disposition, etc) were decreased, amounting to €12.39 mil. versus €14.39 mil. in 2019.

The functional profit EBITDA of 2020 amounted to €5.58 mil. in 2020 against €6.71 mil. in 2019, decreased by 16,84%. The operating margin was increased 8,51% in 2020 compared to 7,13% in 2019.

The financial result of the period was profit €1.30 mil in 2019 against corresponding profit €2.89, a result from the 49% sale of Subsidiary's shares in Italy which is reported in "Other Financial income" account.

The profit before tax of the company mainly occurred from the distributed dividend of the subsidiary RF ENERGY and the 49% sale Subsidiary's sale in Italy, configured €19.00mil. in 2020 against €7.67 mil. in 2019.

The profit after tax amounted to €18.87 mil. in 2020 versus €3.84 mil. in 2019.

The inventories of the company are decreased by 6,16 %, amounting to €24.09 mil. against €25.67 mil.. in 31/12/2019.

The Trade receivables are shown decreased by 25.65%, amounting to €35.04 mil. against €40.37 mil. in 2019. The above decrease was resulted from Parent Company's receivable, as a consequence of the decrease in sales. The amount of the receivables is expected to be reduced as the sales are staying in low level because of the pandemic.

The Company's Total Liabilities are shown decreased, amounted to €61.80 mil. in 2020 against €75.24 in 2019. The above reduction arises from the decrease in Company's liabilities both to vendors and Banks.

At the Group Level:

Sales: The total Group sales revenue arising from continuing and discontinued operations were configured €68.64 mil in 2020 against €103.57 mil. in 2019.

Gross Profit: The Group's Gross Profit, arising from continuing and discontinued operations, are decreased by 27,10 % amounting to €18.05 mil. against €24.76 mil. in 2019. Although, the gross profit rate are shown increased, configured to 26,30% against 23,91% in 2019

General Expenses: The Group's general expenses, arising from continuing and discontinued operations, are shown decreased by 2,96%, amounted to €17.07 mil. versus €17.59 mil. in 2019.

EBITDA: Earnings before interest, tax, depreciation, and amortization, arising from continuing and discontinued operations, are decreased by 73.36 % amounting to €2.85 mil. against 10.57 mil. in 2019. The operating margin rate was configured 4,15 % versus 10,33% in 2019.

Financial Income: The financial income of the Group which arising from continuing and discontinued operations, was profit € 20.89 mil. against 41.90 mil. in 2019.

Cash and Cash Equivalent: Cash and Cash Equivalent of the Group remained stable amounted to €24.01 mil. Against € 24.39 mil. In 2019

Trade and other receivables: Group's Trade and Oher receivables are increased by 5,47% (€41.06mil. in 2020 versus €27.37mil. in 2019) as a result of the decrease of Parent Company's receivables.

Inventories: Group's inventories are decreased by 6,21%, amounting to €25.67 mil. versus €27.37 at 31/12/2019, as a result of the decrease in inventories of the Parent Company.

Total Liabilities: Group's total liabilities were decreased by 32,74% (€68.49 mil. in 2020 against €77.40 mil in 2019) due to the reduction of Parent Company's total liabilities.

B. ALTERNATIVE PERFORMANCE MEASURES (APM)

The Group is using APMs as a decision-making tool regarding the assessment of its performance. These APMs could be helpful in the better understanding of the finance and operating results, the financial position, and the cash flow statement of the Group. The APMs should always be examined in combination with the financial results according to IFRS and under any circumstances they cannot replace them.

For performance evaluation of the Company and the Group, several profitability ratios are used. These are: EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization), EBITDA Margin (EBITDA/ Sales), Earnings Before Taxes Margin (EBT/ Sales), ROE (Return on Equity). Also, inventory turnover ratio and liquidity ratios are used (Current and Quick Ratio).

The Administration has proceed to the reform of the ratios of the Group for the comparative period (2018) for the purpose of taking under consideration only the data of the continuing operations, in order to be comparable with the data of 2019. No other change has taken place for the calculation of the ratios.

Calculation on APMs presented below:

B1. Liquidity Ratios (Continuing Operations)

In order to assess liquidity and count its ability to deal with current liabilities as they fall due, the Group is calculating below ratios:

	2020	2019	Definition
Current Ratio (Company level)	3,87	1,58	Current Assets / Current Liabilities
Current Ratio (Group level)	3,67	2,02	
Quick Ratio Company level)	2,61	0,99	(Current Assets – Inventory) / Current Liabilities
Quick Ratio (Group level)	2.63	1,41	

B.2. Inventory Turnover Ratio (Continuing Operations)

In order to show the efficient use of inventory, the Group is calculating Inventory Turnover Ratio.

This ratio counts the number of days that inventory is stocked before it is sold.

	2020	2019	Definition
Inventory Turnover Ratio (Company level)	176	125	Inventory / Cost of Sales * 365
Inventory Turnover Ratio (Group level)	185	131	

B.3. Return of Equity Ratio (ROE) (Continuing Operations)

In order to assess the effectiveness of equity, the Group is calculating the Return of Equity Ratio (ROE).

This ratio is showing the Profits after Taxes as a percentage of Equity.

Return of Equity Ratio is calculated in order to show how effective an entity is using its equity in order to create profit, expressed as a percentage.

ROE is used as an indication of effectiveness, showing how much profit can be realized by the use of resources invested by the shareholders (share capital) and reserves.

	2020	2019	Definition
Return of Equity Ratio (Company level)	41,37%	12,13%	Profit after tax / Equity
Return of Equity Ratio (Group level)	-1,55%	-1,70%	

B.4. Performance Ratios

In order for the assessment of its performance, the Group is calculating several performance ratios:

B.4.1. Profit before Taxes Margin is showing profit before taxes as a percentage of sales.

	2020	2019	Definition
Profit before Taxes Margin (Company level)	28,98%	8,15%	Profit before Taxes / Sales
Profit before Taxes Margin (Group level)	-3,95%	-0,04%	

B.4.2. EBITDA Margin which shows EBITDA as a percentage of sales.

	2020	2019	Definition
EBITDA Margin (Company level)	8,50%	7,13%	EBITDA (*) / Sales
EBITDA Margin (Group level)	4,18%	6,18%	

(*) EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortization calculated as follows:

	Group		Company	
	2020	2019	2020	2019
Profit before Taxes	(2.711)	(40)	19.009	7.670
+ Finance cost	4.959	5.062	7.402	6.602
- Debit Exchange Differences	(1.618)	(848)	(114)	(142)
- Finance income	(982)	(666)	(8.703)	(9.488)
+ Credit Exchange Differences	567	588	126	195
+ Rental discount	333	-	333	-
+ Other credit interest	39	-	39	-
+ Dividends receivable from subsidiaries	-	-	(14.500)	-
+ results from associates	225	191	-	-

+ Depreciation of PPE and intangible assets	2.057	1.944	1.984	1.875
EBITDA	2.869	6.040	5.576	6.712

C. Significant events occurred in the reporting period.

On 8/5/19, SILANER INVESTEMENTS LTD, 100% subsidiary of CYBERONICA SA, which is controlled by mr.Fidakis Georgios, made a successful public offer for the purchase of the 8,98%(4.744.053 shares) of F.G.EUROPE's share capital. With the 5/862/19 19.12.19 decision, the Hellenic Capital Market Commission approved the request of SILANER INVESTEMENTS LTD for squeeze out of FG EUROPE's SA shares, according with the article 27 of Law.3461/2006. The date that the shares stopped negotiating from the stock market, defined 10 of January 2020.

On 14/02/2020, Group's subsidiary called RF ENERGY, the 100% shareholder of the subsidiary ENERGY OMALIES SINGLE MEMBER SA, proceeded the signing of MoU with TERNA ENERGY SA for the transfer and the purchase of the 100% participation stake of the above subsidiary. The SPA was signed on 23/4/2020, when the the transfer of the shares took place as well as the application of resignation of mr.Pantousis and Korovesis from BoD. The consideration of the sale is based on specific terms and conditions and will be gradually received according to these terms until 31/12/2023. During the first half of 2020, part of the consideration was received, and the price of the sale amounted to €25.828. The financial result of the subsidiary has been included in consolidated Statements of fiscal period 01/01/20-31/12/20 and was reported as discontinuing operations.

On 31/3/2020 in order to increase the net assets of the associate FHJITSU GENERAL COMERCIAL AIR CONTITIONING ITALIA SPA, decided the participation in the Share Capital increase with an amount of € 351 by issuing waiver with corresponding resignation from the company's trade receivables.

On 27/4/2020 the General meeting of FG EUROPE KLIMA TEKNOLOJILERI SANAYI VETICARET A.S. decided the increase of the share capital by TL.7.000(€ 924). The only participant in the above increase was FG EUROPE SA. After that, the parent company is the owner of the 82,06% of the share capital.

On 25/06/2020, The General shareholders meeting of RF ENERGY SA, subsidiary of the group FG EUROPE SA, decided the distribution of dividend amounting to € 29.000 to the shareholders F.G EUROPE SA(50%) and FIRST ENERGY HOLDING (50%) for the fiscal period 2019. The abovementioned dividend was offset with € 8.000 and € 7.600 liquidity facility which FG EUROPE and FIRST ENERGY HOLDING has received on 01/08/2019 and 25/02/20 respectively. Furthermore, General Shareholders Meeting authorized the BoD to decide the distribution of temporary dividend for 2020 amounting to € 3.000.

On 5/11/20 the Share Purchase Agreement was signed by FUJITSU GENERAL LIMITED for the transfer of the remaining 49% capital stake of the associate FUJITSU GENERAL COMERCIAL AIR CONTITIONING ITALIA SPA. The consideration that was received amounted to € 9.800 mil. against investment in associate € 1.038 mil. and total liabilities amounted to € 561.

The annual shareholders meeting took place on the 28th of August 2020 at which attended and legally represented eleven (11) shareholders who are the 95,59% representers of the Company's share capital. Given that, the meeting unanimously:

- Approved the Company and Consolidated financial statements for the fiscal period 1/1/19-31/12/19
- Decided the distribution of dividend to shareholders amounting to 4.900.382.29 €
- Gave Discharge both to the members of the BoD and Auditors for the closing period 01/01/19-31/12/2019
- Modified the article 23 of the Constitution as below: The Company are administrated by the BoD, which is consists of at least three members and maximum of seven(7).
- Elected new Bod with 2 year term as below:
Executive members: Feidakis Georgios, son of Athanasios,
Pantousis Ioannis, son of Dimitrios.
Demenagas Costas, son of Andreas-Fotios
Politis Andreas, son of Dimitrios
- Gave authorization according to articles 99 and 100 of Law 4548/2018 and approved the contracts between the Company and the members of BOD or companies related with them.
- Gave authorization either to BoD members or Managers of the Company according to article 98 par.1 of Law 4548/2018, to take part in BOD meetings or related parties.
- Elected the auditor firm GRANT THORNTON to proceed with financial and tax audit for the reporting period 01/01/-31/12/20 and also approved the compensation.

Finally, a reference to the positive start of the first quarter of 2020 was made, which was interrupted by the pandemic COVID -19. Although is believed that the decrease in sales will stop and the perspectives of the company will be positive again.

D. Perspectives for the year 2021

The progress of Company and Group has been stopped in 2020, because of pandemic COVID -19, which caused enormous problems globally and also reduced substantial sections of the economy. The pandemic and the developments in it , unfortunately is the key factor which will estimates the sales during 2021.

The administration remains positive. The progress of sales in Balkans, the consistent increasing involvement in Great Britain and Ireland from 2021, in combination with the expected increase in sales from the 3rd Quarter of 2021 in the eternal market, are the main targets.

E. Main Events after the reporting period

Till now there is no other significant events in or after the reporting period that either have to be reported or differentiate the accounts of the financial statements

F. Risks and Uncertainties

Financial Risk Management

Financial Risk Factors

The Group's activities are exposed to a variety of financial risks (including currency risk, fair value interest rate risk, cash flow risk and price risk), credit risk and liquidity risk. The Group's risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses in certain instances derivative financial instruments to hedge certain risk exposures but does not apply hedge accounting.

Risk management is carried out by the treasury department under policies approved by the Board of Directors. The treasury department identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board of Directors provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange

risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity.

The following sensitivity analysis of the results for the Group and the Company is based tax rate 24% for 2020 and 2019.

Market Risks

Foreign Exchange Risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD and JPY. Foreign exchange risk arises from commercial transactions, recognized assets and liabilities in currencies other than the functional currency of the Group the Euro.

On 31/12/2020, Profit after Tax and the equity for the Group and the Company would have been € 10 (€ 1 in 2019) (lower) / higher, if € was weaker / stronger than USD by 7% (3% for 2020), with the other variables held constant mainly as a result of losses / gains from foreign exchange differences on the settlement of trade liabilities hedged by credit / debit exchange differences on the conversion of cash and cash equivalents.

On 31/12/2020, Profit after Tax and the equity for the Group and the Company would have been € 61 and € 13 respectively (€ 14 and € 6 in 2019 respectively) (lower) / higher, if € was weaker / stronger than JPY by 5% (5% for 2019) , with the other variables held constant mainly as a result of gains / losses from foreign exchange differences on the collection of trade receivables and the conversion of cash and cash equivalents hedged by losses / gains on the settlement of trade liabilities.

On 31/12/2020, Profit after Tax and the net assets of the Group and the Company would have been € 233 and €1 respectively (€ 151 and € 7 in 2019 respectively) (lower) / higher, if € was weaker / stronger than GBP by 7% (6% for 2019) with the other variables held constant mainly as a result of gains / losses as result of gains / losses from foreign exchange differences on the collection of trade receivables and the conversion of cash and cash equivalents hedged by losses / gains on the settlement of trade liabilities.

On 31/12/2020, Profit after Tax and the equity for the Group and the Company would have been € 670 and € 0 respectively (€ 278 and € 0 in 2019 respectively) (lower) / higher, if € was weaker / stronger than TRY by 7% (6% for 2019) with the other variables held constant mainly as a result of gains / losses as result of gains / losses from foreign exchange differences on the collection of trade receivables and the conversion of cash and cash equivalents hedged by losses / gains on the settlement of trade liabilities.

Price Risk

The Group is exposed to price volatility risks resulting from investment in shares of listed companies, which for the purposes of preparing the Financial Statements are recognized as available for sales assets. In order to hedge this risk the Group diversifies its stock portfolio. Such diversification in the Group's portfolio is authorized by the Company's Board of Directors.

Shares of the portfolio are included in the General Index of the ASE. The following table shows the effect that an increase/decrease in the General Index of the ASE would have on equity of the Group for the fiscal year. The analysis is based on the assumption of increase/decrease of the General Index of the ASE by 34% (21% for 2019), with all other variables held constant and the shares held by the Group and the Company following exactly this change.

Equity would have changed by € 1 (€ 1 in 2019) as a result of gains /(losses) resulting from the evaluation of the held for trade financial instruments.

Cash Flow and Fair Value Interest Rate Risk

The Group has no significant interest-bearing assets and its income and operating cash flow are substantially independent of changes in market interest rates. The Group's interest rate risk arises from long term and short term borrowing from banks in Euro with variable interest rates.

The Group analyses its interest rate exposure on a continuous basis taking into consideration the possibility of restructuring debt with alternative terms and types as well as the renewal of existing positions. Based on these alternatives the Group calculates the impact on significant medium- and long-term debt positions a shift in interest rates would have.

If on 31/12/20 its interest rates in EURO were higher than (70) units both for the Group and company, (the comparable year 2019 was increased by 20 units for Group and the Company) with the remaining variables remaining constant, after-tax profits and net worth would have been lower for the group by € 173 (€50 in 2019). This would be due to the higher financial cost of bank lending with a floating interest rate in €.

If on 31/12/19 its interest rates in TRY were higher than (300) units both for the Group and company, (the comparable year 2019 was increased by 20 units for Group and the Company) with the remaining variables remaining constant, after-tax profits and net worth would have been lower for the group by € 6 (€ 0 in 2019). This would be due to the higher financial cost of bank lending with a floating interest rate in €.

Credit Risk

Credit risk is managed on Group basis. Credit risk arises mainly from credit exposures to customers including accounts receivables. The commercial departments assess the credit quality of the customer taking into consideration its financial position, past experience and other factors and sets predefined credit limits that are monitored regularly, and each customer cannot exceed. Sales to retail customers are settled in cash. No credit limits were exceeded during the reporting period and management does not expect any material losses from non-performance of accounts receivables. Moreover, Company's receivables are distributed at a wide number of customers, and as a consequence, credit risk is significantly restricted.

The maximum exposure of both the Group and the Company to credit risk arising from commercial receivables on December 31.12.20, is analyzed at note 15.

Liquidity Risk

Liquidity risk management ensures sufficient cash and cash equivalents and secured credit ability through existing financing for working capital and issuance of letters of guarantee to suppliers, which amounted to € 98.070 and € 97.825 for the Group and the Company respectively on 31/12/2020 (€ 87.337 and € 87.262 for the Group and the Company respectively on 31/12/2019).

The Group monitors and controls cash daily, taking into consideration expected cash flows.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows including interests and therefore may not reconcile to the amounts disclosed on the balance sheet.

Consolidated December 31, 2020	< 1 year	Between 1 year and 2 years	Between 2 year and 5 years	> 5 years
Borrowings	4.061	4.350	15.562	8.577
Leasings	1.580	1.688	4.116	7.937
Trade and other payables	19.110 -	-	-	-
Total	24.751	6.038	19.678	16.514

Consolidated December 31, 2019	< 1 year	Between 1 year and 2 years	Between 2 year and 5 years	> 5 years
Borrowings	15.722	2.000	5.500	8.915
Leasings	1.326	1.381	3.830	9.604
Trade and other payables	27.818	-	-	-
Total	44.866	3.381	9.330	18.519

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows and therefore may not reconcile to the amounts disclosed on the balance sheet.

Company December 31, 2020	< 1 year	Between 1 year and 2 years	Between 2 year and 5 years	> 5 years
Borrowings	3.816	4.350	15.562	8.577
Leasings	1.567	1.657	4.116	7.937
Trade and other payables	13.811 -	-	-	-
Total	19.194	6.007	19.678	16.514

Company December 31, 2019	< 1 year	Between 1 year and 2 years	Between 2 year and 5 years	> 5 years
Borrowings	15.647	2.000	5.500	8.915
Leasings	1.306	1.360	3.758	9.213
Trade and other payables	27.160	-	-	-
Total	44.113	3.360	9.258	18.128

Appearance of pandemic COVID-19: Risks – Impacts – Adoption of measures

During March 2020, Worldwide Organization of Health (WHO) declared the pandemic COVID-19, which its rapid infection, has damaged every business and financial operation and also caused a slow-down in substantial sectors of the economy.

The country-members of EU to limit the spread of the pandemic took restrictive measures which had a massive impact on FG EUROPE's operations. In order to combat the pandemic, The Hellenic Government took restrictive measures which included the free movement restriction of citizens and the closing of the retail stores. At this moment, the normal activity of the retail stores and the free movement of citizens has been restored.

Risks of pandemic COVID-19

Pandemic has caused a significant number of risks that has to be under consideration for the financial position and the Statement of Profit or Loss of the reporting period 2020, which are mainly focused on the sectors below:

The reduction in revenues during summer period: The segment has strong seasonal operation. The period June-September is by far the most profitable period of the year, consequently, has the greatest impact on year's profit. New Decisions of restoring restrictive measures both on the citizens' free movement and consumer habits would have an impact both on the Group Sales and economic outturn of the year 2020.

Financial position/Liquidity: The strong equity structure and the significant Cash and Cash equivalent is a result of FG EUROPE Administration's actions. Although, the pandemic created new conditions which resulted liquidity danger for the Group. Another issue that has to be considered is the receipt restriction of the postdate checks arising from client which were affected from the pandemic according with the Greek Law.

Credit Risk: The Company handles the Credit Risk sufficiently and has develop credit Risk procedures in order to succeed the limitation of doubtful debts. Although, the appearance of the pandemic has created new conditions and requires the vigilance for the face of possible "inability to pay" cases that may arise.

Covenants: On the substance of loan contracts, The Group shall be conformed with specific terms including financial ratios. The financial impact of COVID-19 on the Group's operations is uncertain at this moment. The Group monitors the situation closely in order to request and achieve the waiver of covenants if needed.

Implications on the Group Financial Performance

The recent developments are going to affect the financial performance of the group for the year 2021 significantly.

The range of casualties depends on factors such as the duration of the pandemic, the possibility of the imposition of new additional measures, and the size of the detrimental impact on the global economy.

Specifically, the decrease in sales in 2020 compared to sales revenues of 2019 amounted to 16% (sales to associate FUJITSU AIR CONTIONTING ITALIA SPA are not included). Gradual improvement is expected in upcoming months in the light of relaxation of the restrictive measures.

In the following months of 2021 a significant improvement is expected, given the relaxation of restrictive measures

The Group administration evaluates in consistent basis any new element which arises from the evolution of the disease and from the relevant decisions that the Hellenic Authorities take. Furthermore, The Group administration adjust the plans at regular intervals with major concern to protect the financial position of the Group. Within the framework of the consistent monitoring of the evolution of the Group's performance, an estimation took place that the operating cycle of the Group will be reduced between 5% and 20%. (sales to associate FUJITSU AIR CONTIONTING ITALIA SPA are not included).

Although it is noted that while the phenomenon is in decline, the above estimations and acceptances have high degree of uncertainty. The facts could change to positive or negative as the pandemic has long term characteristics.

Implications on the Group Financial Position

Taking under consideration the current conditions, the uncertainty and rapidly changing environment, the administration targets to the liquidity maximization of the Group. The

Administration makes every effort to keep the sufficient working capital and locates cost saving in order to protect the cash flows of the Group.

Also, under the estimations that took place for the Company's progress, the Group liquidity fully covers the needs of it for the next 12 months.

Adoption measures for the response of pandemic COVID-19

The Company has set four main targets in response of the exceptional situation which pandemic of coronavirus caused:

- I. The health protection both of employees and collaborators of the Company. The main purpose of the Group is the health protection of the employees and collaborators. Therefore, the Administration took preventive measures by giving specific guidance for the actions that an employee has to take in case of symptoms of the disease appears.
- II. Reduction measures of the operating cost and strengthening of the financial position of the Group.
- III. The rapid spread and the intensity of the pandemic caused a significant damage at almost entire economy. The above facts led the administration to take decisions in order to minimize the operating cost and strengthen the Group financial position which are the below:
- IV. The control of the operating expenses has been decided. Specifically, every category of operating expense was examined in detail and according the administration's decision only the necessary needs will be implemented.

All the respite measures, that the Hellenic Government announced, was used in order to ensure the sufficient liquidity even in case the pandemic take long term characteristics.

Actions are taken for further improvement of liquidity via banking grants.

G. Own Shares

As at December 31st 2020, FG EUROPE S.A. does not own any of its shares.

H. Internal Code of Conduct

The Company operates under an internal code of conduct, which is updated and kept abreast of current events, in order to incorporate any issues arising pertaining to matters of corporate governance, as well as any changes in the organizational structure of the Company.

I. Corporate Social Responsibility

F.G. EUROPE S.A. is especially sensitive to matters of environmental awareness and protection, responsibility towards its employees and contribution to society as a whole, through sponsorships and actions. Social responsibility is developed and implemented through a system of values, objectives and actions relating to corporate governance.

Respect for the environment, promoting renewable energy sources, taking part in recycling initiatives and implementing recycling policies, all are guidelines incorporated in FG Europe's strategy. The companies of the Group, following a path of sustainable growth, operate in a manner that protects both the environment and the health and safety of their employees.

Management's commitment is to continue, also in the future, actions aimed at relieving our fellow men, sparing no material and moral burden.

J. Dividend Policy

In accordance with relevant provisions of Greek Law (Law 4548/2018) the Company is obliged to distribute to its shareholders a minimum dividend (Article 161), which is calculated at 35% of its net profits after tax and deduction for accounting reserve and the other income of the statement of Comprehensive Income which do not come from realized profits, which is paid in cash.

The Law provides that the minimum dividend of 35% can be reduced (but not less than ten per cent (10%), by a General Assembly of Shareholders resolution, in which a majority of at least 66,67% (2/3) of shareholders are represented and vote. The Law according to the paragraphs 3 and 4 of Article 130, provides that this obligation can be waived by a General Assembly of Shareholders resolution (a quorum of 1/2 of the paid-up share capital, reduced to 1/3 in the event of a re-assembly, in which a majority of at least 80% of shareholders are represented and vote).

K – Internal Control

Internal Control

The Board should present a balanced and clear assessment of the company's position and prospects and ensure the integrity of financial statements and disclosures to shareholders and to the public.

The Board should maintain a sound system of internal control to safeguard shareholders' investment and the company's assets and ensure that significant risks are identified and adequately managed. The Board should regularly review the corporate strategy, the main risks to the business, and the effectiveness of the systems of internal control in managing these risks. The review should cover all material controls, including financial, operational and compliance controls, as well as the risk management systems. The Board, through its audit committee (where applicable) should also develop a direct and ongoing relationship with and receive regular reports from the company's auditors in respect of the effective functioning of the control system.

Internal Control System and Risk Management

Main features of the internal control system:

The Company's internal audit is conducted by the Head of the Internal Audit and in accordance with the audit plan set by the Board of Directors.

It is noted that the audit, according to which the respective Report is issued, is conducted within the current framework. During his exercise of control, the Head of Internal Audit takes note of all necessary books, documents, records, bank accounts and portfolios of the Company, with the continuing cooperation of the Management in order to be provided with all information and data necessary for the smooth implementation of planned and emergency audits and preparation of reports provided with the utmost accuracy in the information and conclusions contained therein. The audit does not include any assessment of the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management as well, since these are subject to review by the statutory auditor of the Company.

The purpose of the audit is to assess the overall level and operating procedures of internal control system. In each test period, some areas – control fields are selected, while the operation of the Shareholder Services Department and the Office of Corporate Communications is permanently monitored and reviewed.

Glyfada, May 12, 2021

**Chairman of the
Board of Directors**

Georgios Fidakis

Independent Auditor's Report

To the shareholders of the Company "F.G. EUROPE F.G. EUROPE S.A. SOCIETE ANONYME WHOLESALER OF ELECTRICAL AND ELECTRONIC APPLIANCES"

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of the company "F.G. EUROPE F.G. EUROPE S.A. SOCIETE ANONYME WHOLESALER OF ELECTRICAL AND ELECTRONIC APPLIANCES" (the Company), which comprise the separate and consolidated statement of financial position as at December 31st, 2020, the separate and statements of comprehensive income, changes in equity and cash flows for the year then ended, as well as a summary of significant accounting policies and methods and other explanatory notes.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company "F.G. EUROPE F.G. EUROPE S.A. SOCIETE ANONYME WHOLESALER OF ELECTRICAL AND ELECTRONIC APPLIANCES" and its subsidiaries (the Group) as of December 31st, 2020, their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as they have been transposed in Greek Legislation. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of the separate and consolidated financial statements" section of our report. During our audit, we remained independent of the Company and the Group within the entire course of our appointment, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as transposed in Greek legislation and the ethical requirements relevant to the audit of the separate and consolidated financial statements in Greece. We have fulfilled our responsibilities in accordance with the provisions of the currently enacted law and the requirements of the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the separate and consolidated Financial Statements.

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as endorsed by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the separate and consolidated Financial Statements.

Our objectives are to obtain reasonable assurance about whether the separate and the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs, as they have been transposed in Greek Legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs as they have been transposed in Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Company and the Group. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report which also includes the Corporate Governance Statement, according to the provisions of paragraph 5 of article 2 (part B) of Law 4336/2015, we note the following:

- a) In our opinion, the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of articles 150 and 153 of Law 4548/2018 and its content is consistent with the accompanying separate and consolidated financial statements for the year ended 31.12.2020.
- b) Based on the knowledge we obtained during our audit about the Company "F.G. EUROPE F.G. EUROPE S.A. SOCIETE ANONYME WHOLESALE OF ELECTRICAL AND ELECTRONIC APPLIANCES" and its environment, we have not identified any material inconsistencies in the Board of Directors' Report.

Athens, 12 May 2021

Certified Public Accountant

Christina Tsironi
SOEL Reg Num. 36671



F.G. EUROPE S.A.

**128, Vouliagmenis Ave.
166 74 Glyfada
P.C. Reg. No. 13413/06/B/86/111**

ANNUAL FINANCIAL STATEMENTS COMPANY AND CONSOLIDATED FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

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Statement of Comprehensive Income (Consolidated)
For the Years ended December 31, 2020 and 2019
(All amounts in Euro thousands unless otherwise stated)



Other operating expenses	7	(1.336)	-	(1.336)	(229)	(8)	(237)
interests and taxes		1.490	(18)	1.472	4.456	2.734	7.190
Finance income	7.2	982	2	984	665	4	669
Other financial income	7.3	-	25.100	25.100	2	46.378	46.380
Finance cost	7.2	(4.958)	(6)	(4.964)	(4.814)	(148)	(4.962)
Results from associates		-	(225)	(225)	-	(191)	(191)
Earnings before taxes		(2.486)	24.853	22.367	309	48.777	49.086
Income tax expense	8	(34)	(3.322)	(3.356)	(780)	(13.662)	(14.442)
Net profit for the period		(2.520)	21.531	19.011	(471)	35.115	34.644
Attributable as follows:							
Equity holders of the Parent		(1.132)	13.982	12.850	(813)	22.503	21.690
Minority interest		(1.388)	7.549	6.161	342	12.612	12.954
attributable to the		(2.520)	21.531	19.011	(471)	35.115	34.644
reclassified to the							
Employee benefits	21	8	-	8	190	3	193
Income tax expense		(2)	-	(2)	(44)	(1)	(45)
Amounts reclassified to the income statement:		6	-	6	146	2	148
Other Comprehensive							
Exchange differences		(124)	-	(124)	(5)	-	(5)
Other Comprehensive		(118)	-	(118)	141	2	143
Income after taxes							
Total Comprehensive Income		(2.638)	21.531	18.893	(330)	35.117	34.787
Attributable as follows:							
Equity holders of the Parent		(1.236)	13.982	12.746	(672)	22.504	21.832
Minority interest		(1.402)	7.549	6.147	342	12.613	12.955
Net profit (after tax) attributable to the Group		(2.638)	21.531	18.893	(330)	35.117	34.787
Earnings per share (expressed in Basic							

Statement of Comprehensive Income (Company)
For the Years ended December 31, 2020 and 2019
(All amounts in Euro thousands unless otherwise stated)



		Company	
		1/1-	
		31/12/2020	1/1-31/12/2019
Sales	6	65.599	94.097
Less cost of sales	7	(50.104)	(74.931)
Gross profit		15.495	19.166
Other operating income	6	99	5
Distribution expenses	7	(10.671)	(12.286)
Administrative expenses	7	(1.662)	(2.099)
Other operating expenses	7	(53)	(2)
Earnings before interests and taxes		3.208	4.784
Finance income	7.2	502	203
Other Finance income	7.3	8.201	9.285
Finance costs	7.2	(7.402)	(6.602)
Finance costs	7.4	14.500	-
Earnings before taxes		19.009	7.670
Income tax expense	8	(142)	(3.833)
Net profit for the period		18.867	3.837
Attributable as follows:			
Equity holders of the Parent			
Minority interest			
Net profit (after tax) attributable to the Group		-	-
Amounts non-reclassified to the income statement:			
Revaluation of Employee benefits obligations	21	8	182
Income tax expense		(2)	(44)
		6	138
Amounts reclassified to the income statement:			
Exchange differences			
Other Comprehensive Income after taxes		6	138
Total Comprehensive Income after taxes		18.873	3.975

Statement of Financial Position
(Company and Consolidated)
For the Years ended December 31, 2020 and 2019
(All amounts in Euro thousands unless otherwise stated)



		Group		Company	
	Note	31/12/2020	31/12/2019	31/12/2020	31/12/2019
ASSETS					
Non-current assets					
Property, plant and equipment	9	923	5.708	688	459
Investments in PPE right to use	2.2.9	14.342	15.594	14.287	15.102
Leased Tangible assets	9	325	228	325	228
Intangible assets	9	5	3	3	3
Investments in subsidiaries	1.2.2	-	-	6.510	9.643
Investments in associates	1.3.1	-	3.215	-	687
Long term receivables	10	8.770	7.387	8.691	7.291
Deferred taxes	20	807	1.067	599	474
Other Financial assets	11	2.069	3.471	2.069	3.471
Total non-current assets		27.241	36.673	33.172	37.358
Current assets					
Inventories	12	25.666	27.371	24.092	25.670
Trade receivables	13	41.061	38.933	35.035	40.375
Cash and cash equivalents	14	24.009	24.387	15.103	3.465
Total current assets		90.736	90.691	74.230	69.510
Available for sale investments		-	7.140	-	-
Total assets		117.977	134.504	107.402	106.868
SHAREHOLDERS' EQUITY & SHAREHOLDERS' EQUITY					
Share capital	15	15.840	15.840	15.840	15.840
Share premium	16	6.731	6.731	6.731	6.731
Reserves	17	27.425	3.640	27.697	4.138
Retained earnings		(5.633)	10.432	(4.663)	4.922
		44.363	36.643	45.605	31.631
Minority interest		5.124	13.320	-	-
Total shareholders' equity		49.487	49.963	45.605	31.631
LIABILITIES					
Non-current liabilities					
Long term Borrowings	19	28.489	16.415	28.489	16.415
Long term Leasings	2.2	13.741	14.815	13.710	14.331
Retirement benefit obligations	21	442	420	404	378
Long-term provisions		1.042	-	-	-
Deferred taxes	20	-	859	-	-
Other long-term liabilities		25	26	-	-
Total non-current liabilities		43.739	32.535	42.603	31.124
Current liabilities					
Short term Borrowings	19	1.261	843	1.016	768
Short term portion of long term borrowings	19	2.800	14.879	2.800	14.879
Short term Leasings	2.2	1.580	1.326	1.567	1.306
Current tax liabilities		6.873	8.576	391	314
Trade and other payables	18	12.237	19.242	13.420	26.846
Total current liabilities		24.751	44.866	19.194	44.113
Total liabilities		68.490	77.401	61.797	75.237
Total equity and liabilities		117.977	127.364	107.402	106.868

Statements of Changes in Equity (Company and Consolidated)
For the Years ended December 31, 2020 and 2019
(All amounts in Euro thousands unless otherwise stated)



<u>Group</u>	Share capital	Share premium	Legal reserve	Special tax reserves	Retained earnings / (Losses)	Total	Minority interest	Total equity
Balance on December 31, 2018	15.840	6.731	4.514	(747)	(12.039)	14.299	16.311	30.610
Change in Accounting Policy (Note 2)	-	-	-	-	21.690	21.690	12.954	34.644
Other Comprehensive Income	-	-	-	144	-	144	(1)	143
Total Comprehensive Income	-	-	-	144	21.690	21.834	12.953	34.787
Legal reserve	-	-	(391)	-	391	-	-	-
Purchase of minority rights	-	-	-	-	-	-	(34)	(34)
Share issue costs	-	-	-	-	-	-	(162)	(162)
Adjustment of minority rights	-	-	-	120	390	510	(510)	-
(Increase)/ Decrease shareholding of Subsidiaries	-	-	-	-	-	-	(15.228)	(15.228)
Balance on December 31, 2019	15.840	6.731	4.123	(483)	10.432	36.643	13.330	49.973
Year's changes:								
Net profit for the period	-	-	-	-	12.850	12.850	6.161	19.011
Other Comprehensive Income	-	-	-	(104)	-	(104)	(14)	(118)
Total Comprehensive Income	-	-	-	(104)	12.850	12.746	6.147	18.893
Legal reserve	-	-	626	-	(626)	-	-	-
Purchase of minority rights	-	-	-	23.262	(23.262)	-	-	-
Share issue costs	-	-	-	-	(4.900)	(4.900)	-	(4.900)
Adjustment of minority rights	-	-	-	-	(124)	(124)	124	-
(Increase)/ Decrease shareholding of Subsidiaries	-	-	-	-	-	-	(14.500)	(14.500)
Other	-	-	-	1	(3)	(2)	33	31
Balance on December 31, 2019	15.840	6.731	4.749	22.676	(5.633)	44.363	5.134	49.497
Company	Share capital	Share premium	Legal reserve	Actuarial gains / (Losses)	Special tax reserves	Retained earnings / (Losses)	Total	
Balance on December 31, 2018	15.840	6.731	4.005	(35)	(7)	1.122	27.656	
Net profit for the period	-	-	-	-	-	3.837	3.837	
Other Comprehensive Income	-	-	-	138	-	-	138	
Total Comprehensive Income..	-	-	-	138	-	3.837	3.975	
Legal Reserve	-	-	37	-	-	(37)	-	
Balance on December 31, 2019	15.840	6.731	4.042	103	(7)	4.922	31.631	
Year's changes:								
Net profit for the period	-	-	-	-	-	18.867	18.867	
Other Comprehensive Income	-	-	-	6	-	-	6	
Total Comprehensive Income..	-	-	-	6	-	18.867	18.873	
	-	-	291	-	-	(291)	-	
	-	-	-	-	23.262	(23.262)	-	
	-	-	-	-	-	(4.900)	(4.900)	
Other	-	-	-	-	-	1	1	
Balance on December 31, 2020	15.840	6.731	4.333	109	23.255	(4.663)	45.605	

Statements of Cash Flows (Company and Consolidated)
For the Years ended December 31, 2020 and 2019
(All amounts in Euro thousands unless otherwise stated)



CASH FLOWS FROM OPERATING ACTIVITIES

Profit before tax (and minority interest) from continuing operations
Profit before tax (and minority interest) from discontinued operations

Add/ (less) adjustments for:

Depreciation and amortization
Provisions
Exchange rate differences
Result of investment activity
Interest and similar expenses
Government grants recognized in income
Employee benefits
Impairment charges

Operating result before changes in working capital

Add/ (less) adjustments for changes in working capital items:

(Increase)/ decrease in inventories
(Increase)/ decrease in receivables and prepayments
Increase / (decrease) in trade and other payables
(Increase) in long term receivables
Operating cash flow from discontinued activities

Total cash inflow / (outflow) from operating activities

Interest and similar expenses paid
Income taxes paid
Interest and similar expenses paid - from discontinued operations

Total net inflow / (outflow) from operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

(Purchase) of subsidiaries and other investments
Return on capital from subsidiaries
Proceeds from sales of subsidiaries, associates, joint ventures and other investments
(Purchase) of PPE and intangible assets
Proceeds from the sale of subsidiaries and other investments
Interest income
Dividends received
Loans to associates
investment cash flows from discontinued operations

Total net cash inflow / (outflow) from investing activities

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from share capital Decrease
Expenses for share Capital return
Proceeds from borrowings
Payments of borrowings
Payments of Leasings
Dividends payable
Cash flow from discontinued operations

Total net cash inflow from financing activities

Net increase / (decrease) in cash and cash equivalents

Exchange rate differences

Cash and cash equivalents continuing perations at beginning of period

Cash and cash equivalents from discontinued operations at beginning of period

Cash and cash equivalents at end of period

	Group		Company	
	1/1- 31/12/2020	1/1- 31/12/2019	1/1- 31/12/2020	1/1- 31/12/2019
Profit before tax (and minority interest) from continuing operations	(2.486)	309	19.009	7.670
Profit before tax (and minority interest) from discontinued operations	24.853	48.777	-	-
Add/ (less) adjustments for:				
Depreciation and amortization	2.057	4.590	1.984	1.875
Provisions	1.210	643	201	457
Exchange rate differences	(87)	(1)	6	(17)
Result of investment activity	(25.093)	(47.131)	(18.686)	(9.386)
Interest and similar expenses	3.351	4.056	3.230	3.895
Government grants recognized in income	-	(852)	-	-
Employee benefits	63	225	56	217
Impairment charges	-	-	-	2.566
Operating result before changes in working capital	3.868	10.616	5.800	7.277
Add/ (less) adjustments for changes in working capital items:				
(Increase)/ decrease in inventories	1.467	17.382	1.557	16.486
(Increase)/ decrease in receivables and prepayments	(6.803)	(24.669)	14.230	(14.112)
Increase / (decrease) in trade and other payables	4.293	5.285	(7.022)	811
(Increase) in long term receivables	1	(8)	1	(1)
Operating cash flow from discontinued activities	74	10.980	-	-
Total cash inflow / (outflow) from operating activities	2.900	19.586	14.566	10.461
Interest and similar expenses paid	(3.114)	(4.126)	(3.017)	(4.037)
Income taxes paid	(10.453)	(1)	(342)	(1)
Interest and similar expenses paid - from discontinued operations	(6)	(62)	-	-
Total net inflow / (outflow) from operating activities	(10.673)	15.397	11.207	6.423
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
(Purchase) of subsidiaries and other investments	-	(159)	(925)	5.537
Return on capital from subsidiaries	-	-	-	15.238
Proceeds from sales of subsidiaries, associates, joint ventures and other investments	34.280	64.874	9.240	10.000
(Purchase) of PPE and intangible assets	(610)	(201)	(542)	(105)
Proceeds from the sale of subsidiaries and other investments	163	93	163	93
Interest income	69	8	43	3
Dividends received	-	-	8.000	-
Loans to associates	(9.500)	-	(9.500)	-
investment cash flows from discontinued operations	(642)	(1.152)	-	-
Total net cash inflow / (outflow) from investing activities	23.760	63.463	6.479	30.766
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>				
Proceeds from share capital Decrease	-	(20.376)	-	-
Expenses for share Capital return	-	(140)	-	(35)
Proceeds from borrowings	15.000	-	15.000	-
Payments of borrowings	(14.578)	(33.790)	(14.754)	(33.763)
Payments of Leasings	(1.392)	(1.257)	(1.392)	(1.219)
Dividends payable	(12.453)	-	(4.902)	-
Cash flow from discontinued operations	(37)	(1.899)	-	-
Total net cash inflow from financing activities	(13.460)	(57.462)	(6.048)	(35.017)
Net increase / (decrease) in cash and cash equivalents	(373)	21.398	11.638	2.172
Exchange rate differences	(5)	(1)	-	(1)
Cash and cash equivalents continuing perations at beginning of period	22.753	2.600	3.465	1.294
Cash and cash equivalents from discontinued operations at beginning of period	1.634	390	-	-
Cash and cash equivalents at end of period	24.009	24.387	15.103	3.465

The funds of the consolidated statement of comprehensive income and cash flows for the comparative period ended 31/12/19 have been restated to include only continuing operations.

The results of discontinuing operations are separately disclosed and analyzed in a separate note (note 6) in accordance with the requirements of IFRS 5 «non-current assets held for sale and discontinued operations».

1. Incorporation and Business of the Group

1.1 General information and activities

The parent company F.G. EUROPE S.A. (hereinafter referred to as “the Company”) and its subsidiaries (hereinafter referred to as “the Group”) activate:

The company in the import and wholesale of all types of air conditioners, all types of white and consumer electronics electrical appliances, televisions and in the wholesale of rendered services of mobile telephony.

The subsidiaries **F.G. EUROPE KLIMA TEKNOLOJILERI SANAYI VE TICARET A.S.**, **F.G. EUROPE ITALIA S.P.A.** and **F.G. EUROPE UK LTD**, take action in the import and wholesale of all types of air conditioners, while **R.F. ENERGY S.A.** and its subsidiaries below activate in the field of electric energy production from renewable energy sources.

The Company and its subsidiary RF ENERGY are domiciled in Greece, in the municipality of Glyfada, with registered offices: 128, Vouliagmenis Ave., GR-16674 Glyfada, Greece. The total number of personnel occupied as of December 31, 2020 is 103 for the Company and 134 for the Group. After the 4/873/ 12.03.2020 decision of the Hellenic Capital Market commission the Company's shares deleted from stock exchange tablets.

The remaining total expense relates to the Group's total profit of € 118 and the corporation's net profit of € 6. These results arose from: a) Group losses of € 124 from exchange differences during the conversion of foreign holdings, and b) Profit from the revaluation of "personnel benefit obligations" of € 6 for the group and the company respectively.

1.2 Group structure and activities

The subsidiaries contained with the method of full consolidation in the attached consolidated financial statements of the group are the following:

Name	Country	Share as of December 31, 2020	Method of consolidation
• F.G. EUROPE S.A.	Greece	Parent company	Full consolidation
• F.G. EUROPE UK L.T.D.	U.K.	100.00% (a)	Full consolidation
• F.G. EUROPE KLIMA TEKNOLOJILERI SANAYI VE TICARET A.S.	Turkey	82,06% (a)	Full consolidation
• R.F. ENERGY S.A.	Greece	50.00% (a)	Full consolidation
• CITY ELECTRIC S.A.	Greece	50.00% (b)	Full consolidation

Note: a) Direct investments, b) Indirect investments

F.G. EUROPE's holding share in the company R.F. ENERGY S.A. is to 50.00%. Due to the fact that the existing shareholders' agreement concerning the appointment of the majority of Board Members through F.G. EUROPE S.A., R.F. ENERGY is fully consolidated in the Company's financial statements, with the method of full consolidation.

F.G. EUROPE S.A. participates with 10.00% in the share capital of ANAKYKLOSI SYSKEVON SYMMETOCHIKI S.A. which is not included in the consolidated financial statements of the Group and the Company as 'Other Financial Instruments' according to the classification of IFRS 9.

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1.2.1 Changes in the structure of the Group

In the Consolidated Financial Statements of the period ending 31st December 2020, the Group does not longer include: R.F. ENERGY OMALIES SINGLE MEMBER SA which was sold in April 2020 and was 50% subsidiary of RF ENERGY SA

In the Consolidated Financial Statements of the period ending 31st December 2020, the company does not include Fujitsu General Commercial Italia (former FG Europe Italia Spa) which was divested in November (sale of remaining 49% of its shares). This company is now consolidated by equity method with 49% percentage. (Note 1.3.1)

1.2.2. The investments in subsidiaries of the Company are as follows:

Investments in Subsidiaries as at 31/12/2020					
Subsidiary name	Balance as at 31/12/2019	Additions 1/1-31/12/20	Reductions 01/01-31/12/20	Impairments 01/01-31/12/20	Balance as at 31/12/19
1 R.F. ENERGY S.A	8.713	-	-	(3.595)	5.118
2 F.G. EUROPE KLIMA TEKNOLOJILERI SANAYI VE TICARET A.S	-	924	-	(462)	462
4 F.G EUROPE UK LTD	930	-	-	-	930
Total	9.643	924	-	(4.057)	6.510

Investments in Subsidiaries as at 31/12/2019					
Subsidiary name	Balance as at 31/12/2018	Additions 1/1-31/12/19	Reductions 01/01-31/12/19	Impairments 01/01-31/12/19	Balance as at 31/12/19
1 R.F. ENERGY S.A	23.950	-	(15.237)	-	8.713
2 F.G. EUROPE KLIMA TEKNOLOJILERI SANAYI VE TICARET A.S	2.532	35	-	(2.567)	-
3 F.G. EUROPE ITALIA S.P.A	1.402	-	(1.402)	-	-
4 F.G EUROPE UK LTD	930	-	-	-	930
Total	28.814	35	(16.639)	(2.567)	9.643

During 2020, the company carried out an impairment review of its holdings as part of the sale of its subsidiaries. An impairment review of investment in associates was carried out.

The control was conducted on the basis of generally accepted valuation models which include data based on both unobservable and observable data market. The evaluation of the value of the non-negotiable holdings focuses on both exogenous and endogenous agents in active markets.

The impairment review carried out showed impairment for the subsidiary A company in Turkey amounting to € 462 was recognized in the results of the parent company period. For the FG EUROPE UK LTD it did not occur the need to impair their value.

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1.3 Significant Events

1.3.1 Sale of an associate

The rest of the Group's and the Company's investments in associates at 31/12/2020 are analyzed as follows:

Group					
Investments in associates at 31/12/2020					
Subsidiary name	Balance as at 31/12/2019	Additions 1/1-31/12/2020	Results from Associates 1/1-31/12/2020	Fair value 1/1-31/12/2020	Balance as at 31/12/2020
1 FUJITSU GENERAL COMERCIAL AIR CONTITIONING ITALIA SPA	3.215	351	(225)	(3.341)	-
Total	3.215	351	(225)	(3.341)	-
Investments in associates at 31/12/2019					
Subsidiary name	Balance as at 31/12/2018	Additions 1/1-31/12/2019	Results from Associates 1/1-31/12/2019	Fair value 1/1-31/12/2019	Balance as at 31/12/2019
1 FUJITSU GENERAL COMERCIAL AIR CONTITIONING ITALIA SPA	-	-	(191)	3.406	3.215
Total	-	-	(191)	3.406	3.215
Company					
Investments in associates at 31/12/2020					
Subsidiary name	Balance as at 31/12/2019	Additions 1/1-31/12/2020	Reductions 1/1-31/12/2020	Fair value 31/12/2020	Balance as at 31/12/2020
1 FUJITSU GENERAL COMERCIAL AIR CONTITIONING ITALIA SPA	687	351	(1.038)	-	-
Total	687	351	(1.038)	-	-
Investments in associates at 31/12/2019					
Subsidiary name	Balance as at 31/12/2018	Additions 1/1-31/12/2019	Reductions 1/1-31/12/2019	Fair value 31/12/2019	Balance as at 31/12/2019
1 FUJITSU GENERAL COMERCIAL AIR CONTITIONING ITALIA SPA	-	687	-	-	687
Total	-	687	-	-	687

On 4/1/2019, the Share Purchase Agreement (SPA) between FG EUROPE SA and FUJITSU was signed. The initial agreement between FG EUROPE and FUJITSU GENERAL LIMITED for the transfer of 51% of the shares of its subsidiary in Italy FUJITSU GENERAL COMERCIAL AIR CONTITIONING ITALIA SPA took place on September 9 of 2018. The price was € 10.000, against the cost of corresponding participation (of 51%), of € 715 and a gain in parent level € 9.285. The subsidiary was classified as an asset held for sale at the Annual Financial Report on 31/12/2018. The amount of € 10.000 It was fully recovered during fiscal year 2019. The parent company retained a percentage 49% of subsidiary FUJITSU GENERAL COMERCIAL AIR CONTITIONING ITALIA SPA with loss of control. The remaining percentage was valued at the date sale at fair value in accordance with IFRS 10 Consolidated Financial Statements paragraph B98. Fair value was determined by based on commonly accepted methods and amounting to € 3.406. After losing control of FUJITSU

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GENERAL COMERCIAL AIR CONTITIONING ITALIA SPA the investment that remained in the Group, namely 49%, was recognized in the Statement of Financial Position in the Investments in associates' account and is consolidated via equity method.

B. Sale of the remaining 49% stake in 2020

On 5/11/2020, the agreement for the sale of the remaining 49% of FUJITSU GENERAL COMERCIAL AIR CONTITIONING ITALIA SPA, between F.G. EUROPE SA and FUJITSU GENERAL LIMITED was completed. The consideration amounted to € 9.800, against investment in associate € 1.038 plus the adoption of liabilities (liabilities arising from taxes during 2015). The net profit at parent level was € 8.201.

The consideration of € 9.800 was completely received in 2020. After the abovementioned sale the parent company does not longer maintain percentage of stake in the above company. For the year ending 2020 the financial result of FUJITSU GENERAL COMERCIAL AIR CONTITIONING ITALIA SPA, which is reported via equity method, was loss amounted to € 191 and € 225 respectively and was shown in the Consolidated Statement of Comprehensive Income in results of associate's account.

At the date of sale, the value of the assets and liabilities of FUJITSU GENERAL COMERCIAL AIR CONTITIONING ITALIA SPA was as below:

FUJITSU GENERAL COMERCIAL AIR CONTITIONING ITALIA SPA

	5/11/2020	4/1/2019
Fixed Assets	-	146
Deferred Taxes	-	186
Inventories	-	2.412
Trades and other receivables	-	4.012
Cash and cash equivalents	-	384
Retirement benefit obligations	-	(112)
Long-term provisions	-	(96)
Trades and other Payables	-	(6.409)
Total shareholders' equity	-	523
Price	9.800	10.000
Fair value of residual percentage 2019	(3.407)	
Deleting results from associates 2020	192	
Share capital increase 2020	225	
Expenses related to the sale 2020	(351)	
Fair value of residual percentage	(561)	
Fair value at the percentage of 49%	-	3.407
Profit from the sale	5.898	12.884

1.3.2 Sale of subsidiaries

On 28/06/2019, the sale of the 50% subsidiaries Aioliki Aderes SA, Kallisti Energy SA, Aioliki Kylindrias SA and Hydroilektriki Axaias SA was completed, with the transfer of 100% of the shares for a total consideration of € 55.493. The results of these subsidiaries are included in the Statement of Comprehensive Income of the period 01 / 01- 30/06/2019 to the day of sale and were shown at Statement of Comprehensive Income as discontinued operations.

On 14/02/2020, Group's subsidiary called RF ENERGY, the 100% shareholder of the subsidiary ENERGY OMALIES SINGLE MEMBER SA, proceeded the signing of MoU with TERNA ENERGY SA for the transfer and the purchase of the 100% participation stake of the above subsidiary. The SPA was signed on 23/4/2020, when the the transfer of the shares took place and also the application of resignation of mr.Pantousis and Korovesis from BoD. The consideration of the sale is based on specific terms and conditions and will be gradually received according to these terms until 31/12/2023. During the first half of 2020, part of the consideration was received, and the price of the sale amounted to €25.828. The financial result of the subsidiary has been included in consolidated Statements of fiscal period 01/01/20-31/12/20 and was reported as discontinuing operations.

At the date of sale, the assets and the liabilities of the company was reported as follow:

	R.F. ENERGY (R.F. ENERGY OMALIES)	R.F. ENERGY
	23/4/2020	28/6/2019
Fixed Assets	5.054	34.984
Intangible assets	-	565
Asset with right to use	492	17
Other long-term receivables	-	2
Trades and other receivables	282	4.654
Cash and cash equivalents	717	234
Deffered Tax Liabilities	789	(5.889)
Retirement benefit obligations	-	(27)
Grants	-	(11.884)
Long-term Leasing obligations	(474)	(13)
Other provisions	-	(2.216)
Vendors and other short-term Obligations	(34)	(4.473)
Short-term of Long-term Leasing Obligations	-	(6)
Total shareholders' equity	(6.826)	(15.948)
Price	26.028	55.493
Intangible assets	-	(5.396)
expenses associated with the sale	-	(653)
Profit from the sale	19.202	33.496

The above profit from the sale was reflected in its discontinued operations Statement of Comprehensive Income under Other Financial Statements.

1.3.3 Share capital increase in a subsidiary

On 27/4/2020 the General meeting of FG EUROPE KLIMA TEKNOLOJILERI SANAYI VETICARET A.S. decided the increase of the share capital by TL.7.000(€ 924). The only participant in the above increase was FG EUROPE SA. After that, the parent company is the owner of the 82,06% of the share capital.

1.3.4 Share capital increase in associate

On 31/3/2020, in order to straighten the Net Assets of the associate FUJITSU GENERAL COMERCIAL AIR CONTITIONING ITALIA SPA, decided to participate at the share capital increase with an amount of € 351 by issuing waiver with relative resignation for the trade receivables of the company.

1.3.5 Dividend distribution of a subsidiary

On 25/06/2020, The General shareholders meeting of RF ENERGY SA, subsidiary of the group FG EUROPE SA, decided the distribution of dividend amounting to € 29.000 to the shareholders F.G EUROPE SA(50%) and FIRST ENERGY HOLDING (50%) for the fiscal period 2019. The abovementioned dividend has been offset with € 8.000 and € 7.600 liquidity facility which FG EUROPE and FIRST ENERGY HOLDING has received on 01/08/2019 and 25/02/20 retrospectively. Furthermore, General Shareholders Meeting authorized the BoD to proceed with decision to distribute temporary dividend for 2020 amounting to € 3.000.

1.4. Discontinued operations

On 28/06/2019, the sale of the 50% subsidiaries Aioliiki Aderes SA, Kallisti Energy SA, Aioliiki Kylindrias SA and Hydroilektriki Axaia SA was completed, with the transfer of 100% of the shares for a total consideration of € 55.493. The results of these subsidiaries are included in the Statement of Comprehensive Income of the period 01 / 01- 30/06/2019 to the day of sale and were shown at Statement of Comprehensive Income as discontinued operations because Management has judged in accordance with the requirements of IFRS 5, the subsidiaries that were sold are a distinct activity that is not expected to continue in the near future. Income and expenses, profits and losses related to discontinued operations are not included in the Group's results from continuing operations for the period 01/01-31/12/2019, and are reported in the results from discontinued operations. It is also reported in the discontinued operations' profit or loss the profit from the sale of the Italian subsidiary FUJITSU GENERAL COMERCIAL AIR CONTITIONING ITALIA SPA. It is noted that the corresponding funds for the above activities are presented on discontinued activities in the comparative period 01/01 – 31/12/2019.

On 23/04/2020, the sale of the 50% subsidiary R.F. ENERGY OMALIES SINGLE MEMBER SA, with the transfer of the 100% of its shares with an amount of € 26.028 mil. completed. The financial result of the abovementioned subsidiary was reported at the Statement of Comprehensive Income of the period 01/01-31/12/2020 until the date of sale as discontinued

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operation because the administration, according to the criteria of IFRS 5, decided that subsidiary is an operation that will not be continued in the near future.

The sales and expenses, profit or loss which are relative with the above discontinued operation are not included in the financial results of the continuing operations for the year 01/01/-31/12/2020 and are shown as result from discontinued operations.

It is noted that the relative accounts of the discontinued operations are shown in comparison with period 01/01/19-31/12/19:

Discontinued operations

	(FUJITSU GENERAL ITALIA SPA)	R.F. ENERGY S.A.	Total
	1/1- 31/12/2020	1/1- 31/12/2020	1/1- 31/12/2020
Sales	-	-	-
Less cost of sales	-	-	-
Gross profit	-	-	-
Other operating income	-	4	4
Administrative expenses	-	(22)	(22)
Other operating expenses	-	-	-
Earnings before interests and	-	(18)	(18)
Finance Income	-	2	2
Other financial results	5.898	19.202	25.100
Finance costs	-	(6)	(6)
Financial results from associates	(225)	-	(225)
Earnings before taxes	5.673	19.180	24.853
Income tax expense	756	(4.078)	(3.322)
Net profit for the period	6.429	15.102	21.531

Discontinued operations

	(FUJITSU GENERAL ITALIA SPA)	R.F. ENERGY S.A.	Total
	1/1- 31/12/2019	1/1- 31/12/2019	1/1- 31/12/2019
Sales	-	5.886	5.886
Less cost of sales	-	(2.921)	(2.921)
Gross profit	-	2.965	2.965
Other operating income	-	2	2
Administrative expenses	-	(225)	(225)
Other operating expenses	-	(8)	(8)
Earnings before interests and	-	2.734	2.734
Finance Income	-	4	4
Other financial results	12.882	33.496	46.378
Finance costs	-	(148)	(148)
Financial results from associates	(191)	-	(191)
Earnings before taxes	12.691	36.086	48.777
Income tax expense	(3.146)	(10.516)	(13.662)
Net profit for the period	9.545	25.570	35.115

2. Significant Accounting Policies used by the Group

2.1 Basis of Preparation of Financial Statements

These consolidated and company financial statements (hereinafter referred to as “Financial Statements”) have been prepared according to International Financial Reporting Standards (IFRS) that have been issued by the International Accounting Standards Board (IASB), interpreted by the Standing Interpretations Committee and adopted by the European Union on the 31st of December 2019. Furthermore the above financial statements have been established under the going concern principle.

Consequently, because of the uncertainty that derives from COVID-19 pandemic, there is a case of affection on the operations and perspectives of the Group. Although, the Administration believe that the cash and cash equivalent can handle the situation at this moment.

The financial statements of the Group, have been prepared based on the cost principal record, as amended for the fair value adjustment of the following:

- financial assets and liabilities
- financial assets available for sale

The functional currency is Euro (currency of the Country where the parent company's registered) and all amounts are presented in thousands Euros unless mentioned otherwise.

Differences between the amounts in the financial statements and the corresponding amounts in the notes are due to rounding.

The funds of the consolidated statement of comprehensive income and cash flows for the comparative period ended 31/12/19 have been restated to include only continuing operations.

The results of discontinued operations are separately disclosed and analyzed in a separate note (note 1.4) in accordance with the requirements of IFRS 5 « non-current assets held for sale and discontinued operations».

2.2. Changes in Accounting Policies

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

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

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

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), the objective of which was to incorporate some important issues that were not covered, as well as update and clarify some guidance that was unclear or out of date. The revised Conceptual Framework includes a new chapter on measurement, which analyzes the concept on measurement, including factors to be considered when selecting a measurement basis, concepts on presentation and disclosure, and guidance on derecognition of assets and liabilities from financial statements. In addition, the revised Conceptual Framework includes improved definitions

of an asset and a liability, guidance supporting these definitions, update of recognition criteria for assets and liabilities, as well as clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The amendments affect/ do not affect the consolidated/ separate Financial Statements.

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

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

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

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

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

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

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

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

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

In May 2020, the IASB issued amendments to IFRS 16 that provide lessees with an exemption from assessing whether a Covid-19-related rent concession is a lease modification. More specifically, the amendments clarify that

if certain conditions are met, lessees are not required to assess whether particular Covid-19-related rent concessions are lease modifications. Instead, lessees that apply the practical expedient, would account for those rent concessions as if they were not lease modifications. It applies to Covid-19-related rent concessions that reduce lease payments due on or before June 30, 2021. The amendments affect the consolidated/ separate Statement of Comprehensive Income (Gains € 332).

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

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

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

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

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

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

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

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

- **Amendments to IFRS 3 Business Combinations** update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- **Amendments to IAS 16 Property, Plant and Equipment** prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.
- **Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets** specify which costs a company includes when assessing whether a contract will be loss-making.

- **Annual Improvements 2018-2020** make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

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

IFRS 17 “Insurance Contracts” (effective for annual periods starting on or after 01/01/2023)

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. Furthermore, in June 2020, the IASB issued amendments, which do not affect the fundamental principles introduced when IFRS 17 has first been issued. The amendments are designed to reduce costs by simplifying some requirements in the Standard, make financial performance easier to explain, as well as ease transition by deferring the effective date of the Standard to 2023 and by providing additional relief to reduce the effort required when applying the Standard for the first time. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

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

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

2.3 Basis of Consolidation

2.3.1. Subsidiary Companies

The consolidated financial statements include the financial statements of the parent company and all entities in which the parent company exercises control (its subsidiaries) as of December 31, 2020.

Subsidiaries are fully consolidated from the acquisition date, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statement of the subsidiaries is prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- ▶ Derecognizes the assets (including goodwill) and liabilities of the subsidiary.
- ▶ Derecognizes the carrying amount of any non-controlling interest
- ▶ Derecognizes the cumulative translation differences, recorded in equity
- ▶ Recognizes the fair value of the consideration received
- ▶ Recognizes the fair value of any investment retained
- ▶ Recognizes any surplus or deficit in profit or loss
- ▶ Reclassifies the parent's share of components previously recognized in other comprehensive Income to profit or loss or retained earnings, as appropriate.

2.3.2 Investments in associates

An entity can be reported as associate when the group exercises substantive influence but not control or joint control. The substantive control is exercised through participation in financial or operational decisions of the economic entity.

The results of operation and the assets and liabilities of these economic entities are consolidated using the equity method excluding the case if classified as available for sale.

The investment is recognized at cost and is adjusted to recognize the investor's share of the earnings or losses of the investee after the date of acquisition and is adjusted for any accumulated impairment loss.

The cost exceeding the fair value of the acquisition (assets – liabilities – contingent liabilities) is recorded as goodwill in the period of acquisition included in the account of investments in other companies.

If the total cost is below the fair value of the assets and liabilities the difference is charged directly to the statement of income of the respective period.

If the Group undertakes transactions with these companies, the related gains or losses are eliminated in the extent of the Group's participation in the related company. Any losses in transactions indicate impairment of the transferred asset, in which case a related impairment provision is recorded.

2.4 Business Combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate IFRS 3.16 classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognized in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed. IAS 36.80 If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

2.5 Operating Segments

IFRS 8 "Operating Segments" sets criteria for the determination of the segment reporting format of the entity. Segments are determined based on the Group's structure. The Group's financial decision makers review financial information separately as reported by the parent company and each of the Group's consolidated subsidiaries. The reportable segments are determined using the quantitative thresholds set by the Standard.

A business segment is defined as a group of assets or operations with different risks and returns from other business segments. A geographical segment is defined as a geographical area where goods are sold or services offered that is subject to different risk and returns than do other geographical areas.

2.6 Foreign currency translation

The Group's functional currency is the Euro. Transactions involving other currencies are translated into Euro using the exchange rates which are in effect at the time of the transactions. At the balance sheet dates, monetary assets and liabilities which are denominated in other currencies are adjusted using the official exchange rates. Gains or losses resulting from period end foreign currency remeasurement are reflected in the statements of income.

2.7 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Cost includes all directly related costs for the acquisition of the asset.

Expenses in subsequent periods are capitalized in the cost amount of the related assets if they increase the useful life of the asset and / or its production potential or reduce its operating cost.

Repairs and maintenance are charged to the income statement as incurred.

The cost and related accumulated depreciation of assets retired or sold are removed from the accounts at the time of sale or retirement, and any gain or loss is included in the consolidated statements of income.

Depreciation: Depreciation of property, plant and equipment is computed based on the straight-line method at rates, which approximate average economic useful lives reviewed on an annual basis. The useful lives and depreciation rates assumed per asset category are set out below:

	Years of useful life	Depreciation rate
• Leasehold improvements	7 – 25	4% - 14%
• Plant and equipment	4 – 20	5% - 24%
• Furniture and fixture	3 – 10	10% - 30%
• Vehicles	6 – 10	10% - 16%
• Intangible assets	4 – 10	10% - 25%
• Energy production licenses	35 - 45	1,5% - 2,5%
• Licenses	10 - 15	6% - 10%

Leasehold improvements are amortized over the term of the lease.

Investments in real estate property

Investments in real estate are recognized initially at acquisition cost, which is increased with all those costs associated with the transaction of the acquisition. Also during the subsequent measurement method followed them cost less accumulated depreciation and any damage compensation

Depreciation: Depreciation of Investments in real estate property, is computed based on the straight-line method at rates, which approximate average economic useful lives reviewed on an annual basis. The useful lives and depreciation rates assumed per asset category are set out below:

	Years of useful life	Depreciation rate
• Buildings	50	2%

2.8 Borrowing Costs

Underwriting, legal and other direct costs incurred in connection with the issuance of long-term debt adjust the carrying amount of the liability and are amortized using the effective interest rate method over the life of the debt. All borrowing costs are recognized as an expense when incurred. Cost of borrowing is added to the cost to the extent that relates to the construction period of the fixed assets.

2.9 Intangible assets

Trademarks and licenses

Trademarks and licenses are valued at cost less any accumulated depreciation. Depreciation is calculated using the straight line method during the useful life of the asset that is up to 10 years. Energy production licenses are valued at cost less any accumulated depreciation. Depreciation is calculated using the straight line method during the useful life of the asset that is between 40 – 50 years.

2.10 Impairment of assets except Goodwill

The intangible assets that have an infinite useful life and are not amortized are reviewed at least annually to determine whether there is an indication of impairment and the carrying amount.

Assets that are depreciated are tested of impairment each time there is an indication that the carrying amount is not recoverable.

The recoverable amount is the maximum between the net selling price representing the possible proceeds from the sale of an asset in an arms' length transaction, after deduction of any additional direct cost for the sale of the asset, and the value in use representing the discounted future net cash flows from the continuing use and ultimate disposal of an asset using an appropriate discount rate.

If the recoverable amount is less than the carrying amount the carrying amount is written down to the level of the recoverable amount.

An impairment loss is recognized in the income statement of the related period occurred except if the asset was adjusted in value when the loss reduces the special value adjustment reserve.

When in subsequent periods the loss must be reversed the carrying amount of the asset is increased to of the reviewed estimated recoverable amount in the extent that the new carrying amount is not greater than the carrying amount that would result as if the impairment was never recorded in prior periods.

The reversal of an impairment loss is recognized as income in the income statement except for the case that the asset was value adjusted case in which the reversal of the impairment loss increases the related special value adjustment reserve.

In order to evaluate impairment losses, assets are integrated into the smallest units creating cash flows.

2.11 Financial instruments

Financial assets

Initial and subsequent measurement

Purchases and sales of financial assets are recognized at the date of transaction at which the entity is obliged to buy or sell the asset. The initial measurement is at fair value model plus any direct commission that derives from the transaction, except the instruments that are recognized at fair value with changes in net profit.

The subsequent measurement of the below financial instruments depends on the classification.

a) financial assets or liabilities measured at fair value through the statement of income

A financial asset or financial liability that meets either of the following conditions:

- Is classified as held for trading (including derivatives but excluding instruments designated for hedging purposes, acquired or designed for the purchase or repurchase purposes and finally those who are part of a portfolio including recognized financial instruments).
- Upon initial recognition it is designated by the entity as at fair value through the statement of income.
- On the balance sheet the transactions and the valuation at fair value are presented separately as derivative financial instruments. Changes in fair value of these derivatives are charged to the statement of income.

b) Held for trade financial assets

Available-for-sale financial assets include those non derivative financial assets that are designated in this category and cannot be classified in one of the above categories. Upon initial recognition the available-for-sale financial assets are valued at fair value and the related gains or losses are directly charged to reserves of equity until these assets are sold or characterized as impaired.

When sold or characterized as impaired the gains or losses are transferred to income. Impairment losses recognized in the statement of income are not reversed through the statement of income.

c) Receivables from customers

Accounts receivables are recognized and carried at originally invoiced amounts and subsequently are valued at amortized cost with the use of the effective interest rate less any impairment losses. Impairment losses (losses from doubtful accounts) are recognized when objective indication exists that the Group will be unable to collect all amounts due. The amount of impairment loss is the difference between the carrying amount of the receivables and the net present value of the discounted with the effective interest rate future cash flows. The amount of impairment loss is charged to the income statement. At each reporting period/date, all accounts receivables are assessed based on historical trends and statistical information and a provision is recorded for the probable and reasonably estimated loss for these accounts. The balance of such allowance for doubtful accounts is adjusted by recording a charge to the consolidated statement of income of the reporting period. All accounts receivable for which collection is not considered probable are written-off.

Derecognition of Financial asset:

Financial assets shall be derecognized when:

- The contractual rights for cash flows have ended.
- The Group and the Company keeps the right for inflows although has taken over an obligation to a third party to pay its total amount, without significant delay, in the form of contractual transaction. The Group and the Company has transferred the rights for inflows arising from the financial asset and at the same time has transfer all the risks and the benefits or has transferred the control of the abovementioned asset. Where the Group and the company has transferred the rights for inflows arising from the financial asset but has not transferred the risks and the benefits of this, then the financial asset is recognized as asset of Company's continuing engagement. The continuing engagement which has form of guarantee, is measured at its lowest of residual value and fair value less cost to sell.

When the continuing engagement is in the form of purchase or sale rights upon the financial assets, the continuing engagement rate of the company and the Group is the value of the transferred asset which the company and the Group can rebuy. With the exception of the right to sale, the instrument is measured at fair value and the continuing engagement of the Group, and the Company are limited to the lower between the fair value and the call option.

Impairment of financial assets:

The Company and the Group has the right for impairment review at any time when there is significant evidence that the value of the asset is being reduced. For the financial assets that have been classified for trade, such evidence is the significant reduction of its fair value compared to acquisition cost in stable economic environment. If an impairment take place, is transferred to the statement of profit or loss.

Impairment loss arising from doubtful debts are recognized when evidence exists that the Group or the Company will not receive the above receivables. Receivables that are not expected to be received, are deleted.

Financial Liabilities

Initial recognition and measurement

The financial liabilities are financial liabilities in fair value from of the use results, borrowings and liabilities or derivative financial means, which have been characterized as effective hedging.

The financial liabilities recognized at the fair value, and in case of borrowings, with the transaction cost which given at the acquisition or the issue of the liability. The financial liabilities of Group and company include commercial liabilities, other long term and short-term liabilities, short term and long term borrowings.

The later of the initial recognition and measurement of the financial liabilities depends on the categories that have been classified.

Lending and Commercial Liabilities

The bank borrowings provide financing at the group and the company's operations. The short term and the long-term borrowings separated as with the applicable contracts, if the borrowings provided to be paid into the next twelve months or later.

After the first recognition, the borrowings measured at the depreciated cost by using the method of the real interest rate. Gain or loss recognized at the using results when the liabilities derecognized and during the depreciation by the method of the real interest rate. The depreciated cost calculated after taking into consideration the discount or the bonus at the acquisition and if there is any cost that may be part of the real interest rate. The depreciation included in the financial costs of the using results.

A) Financial Liabilities at the fair value

The financial liabilities at fair value contain the financial liabilities that separated about commercial purposes and have been recognized and characterized as financial liabilities at start. The financial liabilities classified as held for trading if acquired for the purpose of the short sale. This category includes derivative financial means that have not been characterized as effective mean of hedge accounting. The gain or loss of liabilities that held for commercial purposes recognized at the results using.

Derecognition

A financial liability stops to be recognized as liability when is paid, or when the contract obligation stops to exist. Also, a financial liability stops to be recognized when is exchanged with another liability to the same lender, and the new one has different terms. Then recognized the new liability and their difference recognized at the results.

2.12 Offsetting of financial means

The financial assets and financial liabilities are offset and the net amount illustrated in the balance sheet if only the group or the company has this legal right and want to offset them in net base between each other, or to require the asset and to settle the liability at the same time.

Derivatives

Derivatives are called the forward purchase contracts and the interest rate swaps, which are used to manage the financial risk arising from Group's business.

All these derivatives are initially measured at fair value on the date of settlement and subsequently also at fair value. Derivatives are reported as financial assets when their fair value is positive or as financial liabilities when their fair value is negative.

The fair value is designated from the value in active market or with the usage of evaluation in case no active market exists. Profit or loss arising from the change of derivative's fair value is reported on the statement of Profit or Loss in exception of the part of hedge accounting that has been recognized as compensation of cash flows and are reported in "Other total income."

2.13 Inventories

Inventories are stated at the lower of cost or net realizable value. The cost is determined using the annual weighted average cost method. Cost of inventories includes all cost and expenses to bring them to their current location. Borrowing costs are not included in the carrying amount of inventories. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.14 Cash and cash equivalents

Cash, time deposits and other highly liquid, low risk investments with original maturities of three months or less are considered to be cash equivalents.

2.15 Share Capital

The common shares are classified in Equity.

Stock issuance costs, net of related deferred tax, are reflected as a deduction of Paid-in-Surplus. Stock issuance costs related to business combinations are included in the cost carrying amount.

The purchase cost of treasury shares less any income tax (if applicable) is presented as a deduction of equity unless the treasury shares are sold or cancelled. Gains or losses from the sale of treasury shares net of any direct transaction costs or income tax, if applicable, are presented as reserve in equity.

2.16 Income tax

Income Tax expense for the period consists of current and deferred taxes, i.e. the tax (or the tax discount) associated with income (or loss) that are reported, for accounting purposes, in the current period but will generate a tax liability or asset in future accounting periods. Income taxes are recognized in the statement of income, except for the tax that is related to transactions charged directly to equity. In the latter case, the tax is also charged directly to equity.

Current income taxes are recognized based on taxable income of the period, in accordance with the Greek tax laws for each of the consolidated subsidiaries. The current income tax is based on taxable profits of the Group companies adjusted according to the requirements of tax legislation and is calculated with the current tax rate in force. Deferred income taxes have been provided using the liability method on all temporary differences arising between financial reporting and tax bases of assets and liabilities, using enacted tax rates in effect in the years in which the differences are expected to reverse.

Deferred taxes are calculated using the liability method for all temporary tax differences as of the balance sheet date between taxable base and accounting base of the assets and liabilities.

Expected impacts from temporary tax differences are recognized and recorded either as future (deferred) tax liabilities or as deferred tax assets.

Deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against the above and can be utilized. The

carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

The Group writes off deferred tax assets against deferred tax liabilities only if:

- The Company has a legal right to write off current tax assets against current tax obligations and
- The deferred tax assets and the deferred tax liabilities relate to income tax and are imposed by the same tax authority either:
 - To the same taxable entity or
 - To different taxable entities, that intends to write off the current tax obligations and assets or to settle the assets with the liabilities simultaneously in every future period in which significant amounts of deferred tax obligations or assets are expected to be settled.

2.17 Employee Benefits

a) Short term benefits

Short term employee benefits are recorded on an accrual basis.

b) Provisions for defined benefit plans

The programs for employee benefits concerning their service termination are included in defined benefit plans according to IAS 19 – “Employee benefits”. The obligations resulting from the defined benefit plans are calculated as the discounted fair value of the future benefits to employees accrued as of the balance sheet date. These obligations are calculated based on financial and actuarial assumptions. The net cost for the period / year is charged to the income statement and is comprised from the present value of accrued benefits during the period / year, the discounting of the future obligation, the cost of experience of service and actuarial gains or losses. Unrecorded cost of experience is recognized on a straight basis on the average remaining service time of the employees expected to receive benefits. For discounting purposes, the interest rate of long-term high quality corporate bonds is used.

According to the provisions of Law 2112/20 the Group pays compensation to employees dismissed or resigning depending on the length of service, their current remuneration and the reason for leaving (dismissal or retirement). The termination benefit in case of retirement amounts to 40% of the termination benefit in case of dismissal.

Termination benefits

Termination benefits are paid at the date of employees’ retirement. The Group recognizes these benefits when is obliged to pay or at the date of the service termination according with detailed plan which cannot be recalled. Termination benefits which are unpaid 12 months after the reporting period, are measured at the discounted value.

When the number of employees who are going to vest the service termination is unknown, a disclosure of contingent liability is being reported.

2.18 Provisions

Provisions are recognized when the Group has a present obligation (legal or accrued) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be calculated. If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase of the provision due to the passage of time is recognized as a borrowing cost. Provisions are reviewed at each balance sheet date and if it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provisions are reversed. Provisions are used only for expenditures for which they were originally recognized. Contingent assets and contingent liabilities are not recognized.

2.19 Revenue Recognition

Revenues consist of the fair value of the sale of goods and services, net of value-added tax, rebates and discounts. Revenue is recognized as follows:

- **Sale of goods:** Sales of goods are recognized when a Group entity has delivered products to the customer, net of rebates and discounts, the customer has accepted the products and collectability of the related receivables is reasonably assured.
- **Services:** Revenues from services are recognized in the accounting period in which the services are rendered, by reference to completion of the specific transaction, assessed based on the actual service provided as a proportion of the total cost.
- **Interest income:** Interest income is recognized on a time-proportion basis using the effective interest method.
- **Dividend income:** Dividend income is recognized at the period approved by each entity's General Assembly Meeting.

2.20 Leases

Leases which transfer to the Company substantially all benefits and risks incidental to ownership of the item property are considered financial leases and are accounted for by the lessee as the acquisition of an asset and the incurrence of a liability. Financial charges are recognized directly to income. Finance leases, that transfer to the Group substantially all risk and benefits following the ownership of the leased asset are recorded as assets with amount equal to the initial lease amount, the fair value of the leased asset or if lower the present value of the minimum future lease payments. Lease payments are included in finance costs and deducted from the remaining liability, in such way that a constant interest rate applies to the remaining liability amount.

Leased assets are depreciated in the shorter time between useful life of the asset and the lease period.

Criterion for the classification of a lease as finance or operating is the type or transaction itself and not the type of agreement.

If from a lease agreement arises that the lessor substantially holds all benefits and risks incidental to ownership of the asset, it is classified as an operating lease by the lessee and the rental payments are recognized as an expense as incurred.

2.21 Dividend Distribution

Dividends payable to the shareholders are recognized and presented as liability in the period in which the General Assembly Meeting approves them.

2.22 Government Grants

Government grants are initially recognized as deferred income on the balance sheet, when the reimbursement of the grant is fairly secure, and the Group has met its required obligations. Grants related to the Groups expenses are recognized as other operating income on a systematic base in the period the related expenses are recognized. Grants related to the purchase cost of the Group's assets are recognized as other operating income on a systematic base according to the useful estimated life of the asset.

2.23 Earnings per share

Basic earnings per share are computed by dividing net income that correspond to the minority shareholders by the weighted average number of shares outstanding during each period.

2.24 Long term Receivables / Payables

Long-term receivables and payables, which are interest free or bear interest significantly lower than the prevailing market rates, are recognized in their net present value. Differences between the present value and the face amounts are created as discount or premium and amortized as interest expense or income over the life of the receivable/payable.

2.25 Related parties

Related party transactions and balances are disclosed separately in the consolidated financial statements. Such related parties mainly refer to major shareholders management, companies with common ownership and/or management with the company and its consolidated subsidiaries, or other affiliates of these companies.

2.26 Capital Management

The Group's policy is the maintenance of a solid capital structure to have confidence of investors and creditors and to support its future growth. Management monitors Equity in its total excluding minority interests so that the ratio to liabilities subtracting the Company's deposits is approximately 3 to 1.

Based on the data of the balance sheets the ratio of liabilities to equity for the years 2015 and 2014 was 6,86 and 7,05 respectively for the Group and 2,54 and 2,48 for the parent Company.

The provisions of L. 2190/1920 impose the following restrictions concerning equity:

The purchase of treasury shares, except for the case of purchase for distribution to employees, cannot exceed 10% of the paid in share capital and cannot have as result the reduction of equity to a lower amount than the paid in share capital plus any reserves that are non distributable by law.

In case the share capital is below the 1/2 of the paid in share capital the Board of Directors has to invite the General Assembly of shareholders within 6 months from the end of the fiscal year to decide about the dissolution of the company or any other measure.

If the total equity is below 1/10 of the paid in share capital and the general assembly does not apply appropriate measures the company can be dissolved by court decision after the request of any party that has legal interest.

Yearly at least the 1/20 of net earnings is distributed to legal reserves that are used to compensate before any dividend distribution the debit balance of retained earnings. The distribution to reserves is not mandatory if its level is 1/3 of the paid in share capital.

The distribution of the yearly cash dividend is mandatory for 35% of the net earnings after the deduction of the legal reserve and the distribution to special valuation reserves from the fair value valuation of assets and liabilities at fair value. This is not applied if the general assembly of shareholders decides at least with 65% majority. In this case the not distributed dividend is presented in a special reserves account for capitalization and new shares are distributed without any charge to the beneficiaries' shareholders within four years. Finally, with 70% majority the general assembly can decide the non distribution of dividends.

The company is fully compliant with the related provisions imposed by law concerning equity.

3. Financial Risk Management

3.1 Financial Risk Factors

The Group's activities expose it to a variety of financial risks (including currency risk, fair value interest rate risk, cash flow risk and price risk), credit risk and liquidity risk. The Group's risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses in certain instances derivative financial instruments to hedge certain risk exposures but does not apply hedge accounting.

Risk management is carried out by the treasury department under policies approved by the Board of Directors. The treasury department identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board of Directors provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity.

The following sensitivity analysis of the results for the Group and the Company is based tax rate 24% for 2020 and 2019.

3.1.1 Market Risks

3.1.1.1 Foreign Exchange Risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD and JPY. Foreign exchange risk arises from commercial transactions, recognized assets and liabilities in currencies other than the functional currency of the Group the Euro.

On 31/12/2020, Profit after Tax and the equity for the Group and the Company would have been € 10 (€ 1 in 2019) (lower) / higher, if € was weaker / stronger than USD by 7% (3% for 2020), with the other variables held constant mainly as a result of losses / gains from foreign exchange differences on the settlement of trade liabilities hedged by credit / debit exchange differences on the conversion of cash and cash equivalents.

On 31/12/2020, Profit after Tax and the equity for the Group and the Company would have been € 61 and € 13 respectively (€151 and € 7 in 2019 respectively) (lower) / higher, if € was weaker / stronger than JPY by 5% (5% for 2019) , with the other variables held constant mainly as a result of gains / losses from foreign exchange differences on the collection of trade receivables and the conversion of cash and cash equivalents hedged by losses / gains on the settlement of trade liabilities.

On 31/12/2020, Profit after Tax and the equity for the Group and the Company would have been € 233 and €1 respectively (€ 151 and € 7 in 2019 respectively) (lower) / higher, if € was weaker / stronger than GBP by 7% (6% for 2019) with the other variables held constant mainly as a result of gains / losses as result of gains / losses from foreign exchange differences on the collection of trade receivables and the conversion of cash and cash equivalents hedged by losses / gains on the settlement of trade liabilities.

On 31/12/2020, Profit after Tax and the equity for the Group and the Company would have been € 670 and € 0 respectively (€ 278 and € 0 in 2019 respectively) (lower) / higher, if € was weaker / stronger than TRY by 7% (6% for 2019) with the other variables held constant mainly as a result of gains / losses as result of gains / losses from foreign exchange differences on the collection of trade receivables and the conversion of cash and cash equivalents hedged by losses / gains on the settlement of trade liabilities.

3.1.1.2. Price Risk

The Group is exposed to price volatility risks resulting from investment in shares of listed companies, which for the purposes of preparing the Financial Statements are recognized as available for sales assets. In order to hedge this risk the Group diversifies its stock portfolio. Such diversification in the Group's portfolio is authorized by the Company's Board of Directors.

Shares of the portfolio are included in the General Index of the ASE. The following table shows the effect that an increase/decrease in the General Index of the ASE would have on equity of the Group for the fiscal year. The analysis is based on the assumption of increase/decrease of the General Index of the ASE by 34% (21% for 2019), with all other variables held constant and the shares held by the Group and the Company following exactly this change.

Equity would have changed by € 1 (€ 1 in 2019) as a result of gains /(losses) resulting from the evaluation of the held for trade financial instruments.

3.1.1.3 Cash Flow and Fair Value Interest Rate Risk

The Group has no significant interest-bearing assets, and its income and operating cash flow are substantially independent of changes in market interest rates. The Group's interest rate risk arises from long term and short-term borrowing from banks in Euro with variable interest rates.

The Group analyses its interest rate exposure on a continuous basis taking into consideration the possibility of restructuring debt with alternative terms and types as well as the renewal of existing positions. Based on these alternatives the Group calculates the impact on significant medium- and long-term debt positions a shift in interest rates would have.

If on 31/12/20 its interest rates in EURO were higher than (70) units both for the Group and company, (the comparable year 2019 was increased by 20 units for Group and the Company) with the remaining variables remaining constant, after-tax profits and net worth would have been lower for the group by € 173 (€50 in 2019). This would be due to the higher financial cost of bank lending with a floating interest rate in €.

If on 31/12/20 its interest rates in TRY were higher than (300) units both for the Group and company, (the comparable year 2019 was increased by 20 units for Group and the Company) with the remaining variables remaining constant, after-tax profits and net worth would have been lower for the group by € 6 (€ 0 in 2019). This would be due to the higher financial cost of bank lending with a floating interest rate in €.

3.2 Credit Risk

Credit risk is managed on Group basis. Credit risk arises mainly from credit exposures to customers including accounts receivables. The commercial departments assess the credit quality of the customer taking into consideration its financial position, past experience and other factors and sets predefined credit limits that are monitored regularly, and each customer cannot exceed. Sales to retail customers are settled in cash. No credit limits were exceeded during the reporting period and management does not expect any material losses from non-performance of accounts receivables. Moreover, Company's receivables are distributed at a wide number of customers, and as a consequence, credit risk is significantly restricted.

The maximum exposure of both the Group and the Company to credit risk arising from commercial receivables on December 31, 2020, is analyzed at note 13.

3.3 Liquidity Risk

Liquidity risk management ensures sufficient cash and cash equivalents and secured credit ability through existing financing for working capital and issuance of letters of guarantee to suppliers, which amounted to € 98.070 and € 97.825 for the Group and the Company respectively on 31/12/2020 (€ 87.337 and € 87.262 for the Group and the Company respectively on 31/12/2019).

The Group monitors and controls cash daily, taking into consideration expected cash flows.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows including interests and therefore may not reconcile to the amounts disclosed on the balance sheet.

Notes to the Financial Statements (Company and Consolidated)
For the Year ended December 31, 2020
(All amounts in Euro thousands unless otherwise stated)



Consolidated December 31, 202	< 1 year	Between 1 year and 2 years	Between 2 year and 5 years	> 5 years
Borrowings	4.061	4.350	15.562	8.577
Leasings	1.580	1.688	4.116	7.937
Trade and other payables	19.110	-	-	-
Total	24.751	6.038	19.678	16.514

Consolidated December 31, 201	< 1 year	Between 1 year and 2 years	Between 2 year and 5 years	> 5 years
Borrowings	15.722	2.000	5.500	8.915
Leasings	1.326	1.381	3.830	9.604
Trade and other payables	27.818	-	-	-
Total	44.866	3.381	9.330	18.519

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows and therefore may not reconcile to the amounts disclosed on the balance sheet.

Company December 31, 2020	< 1 year	Between 1 year and 2 years	Between 2 year and 5 years	> 5 years
Borrowings	3.816	4.350	15.562	8.577
Leasings	1.567	1.657	4.116	7.937
Trade and other payables	13.811	-	-	-
Total	19.194	6.007	19.678	16.514

Company December 31, 2019	< 1 year	Between 1 year and 2 years	Between 2 year and 5 years	> 5 years
Borrowings	15.647	2.000	5.500	8.915
Leasings	1.306	1.360	3.758	9.213
Trade and other payables	27.160	-	-	-
Total	44.113	3.360	9.258	18.128

4. Significant accounting estimates and assumptions

The preparation of consolidated financial statements in compliance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Using the available information and the implementation of subjective evaluation are necessary to conduct forecasts. Actual results may differ from estimates and deviations can have serious impacts on the Financial Statements.

The Company / Group makes estimates and assumptions related to the outcome of future events. There are no estimates and assumptions that include significant risk able to require material adjustments to the carrying values of the assets and liabilities within the next 12 months. The estimates and assumptions of the management are under continuous review based on historical data and expectations of future events, that are believed to be appropriate based on the existing.

Recovery value of license for wind energy stations is calculated according to the estimated use of value of these stations.

Fair value of the investments in real estate property is calculated according to the current commercial value of this property.

The receivables from the customers are assumed that approximate their fair value due to the sort term nature of them. In cases of overdue receivables is recognized the financial gain or the impairment loss, which is included in these receivables. The impairment losses are calculated from the commercial departments of the Company according to the customer solvency, taking in mind and his financial position.

a) Useful life of depreciable assets

The Company's management reviews the useful life of depreciable assets annually. On 31/12/2020, the management estimates that each asset's useful life represents its expected use.

b) Impairment of assets

The Group applies IAS 39 for the review of impairment in investments. For the determination of whether an investment has been impaired, the Group estimates, among others, whether the fair value of an investment is lower than its cost, which is an indication for impairment. Furthermore, the Group estimates the financial viability and short-term outlook, as long as the business policy and the potential of the investment.

c) Impairment of inventory

The Management conducts estimates to determine the appropriate impairment for inventory based on detailed breakdown of slow moving and obsolete items.

d) Provision for income taxes

The provision for income taxes according to IAS 12 is computed by estimating the tax amount which will be paid to the tax authorities, which includes the current income tax for each fiscal year and a provision for taxes that may arise in a tax audit. The total tax liability presented in the Statement of Financial Position requires significant estimations. The computation of income tax for particular transactions and calculations is uncertain. The Group recognizes liabilities for tax issues, based in calculations for whether or not there will be an additional tax expense. If the final tax result of this issues differs from the conducted provision, these differences affect the provision for income and deferred tax of the fiscal year they were made.

e) Provision for doubtful debt

The fair value of receivables from customers is considered to be the same with their book value, due to their short-term nature. If a receivable turn to overdue, probable losses are recognized. These losses on receivables are calculated by the Company's Commercial Department, based on assumptions for each customer's reliability and financial situation. The Company's Management periodically reviews the adequacy of these calculations regarding doubtful debt, in addition to the Company's credit policy and the relevant reports of the Legal Department, with regard to the processing of historical data and the progress of certain cases assigned.

f) Provision for employee benefits

Each year's provision for employee benefits is based in an actuarial study. This actuarial study requires assumptions on the discount rate, the annual wages' increase percentage, the raise in the consumers' price index and the remaining working life of the employees. These assumptions are significantly uncertain and, thus, the Management annually reassesses them.

g) Contingent Assets and Liabilities

The Group is involved in litigation and indemnification cases within its nature of business. The Management judges that these litigations would not significantly affect the Group's financial position on 31/12/2020. Despite that, the determination of contingent liabilities is a complex procedure which includes judgements regarding the consequences and interpretations of the Law and regulations. A different view in these judgements embraces the possibility of increase or decrease of the Group's contingent liabilities in the future.

i) Deferred tax assets on tax losses

Deferred tax asset is recognized for all tax losses carried forward to the extent that taxable profits will be available in the future to set the losses against. For the determination of the asset that could be recognized, very important assumptions and

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estimations are required by the Management, the most important of which is the expectation of taxable profits in the future, combined with the tax strategy that will be followed.

5. Operating Segments

The operating segments of Group are strategic units that sell different goods. They are monitored and managed separately by the Board of Directors, because these goods are of completely different nature, demand in the market and mixed profit margin.

Long Living Consumer Goods

The sector of durable consumer goods includes import and marketing air conditioners of all types, for domestic and professional use as well as white and black household appliances. It also includes the marketing of products mobile telephony as well as activities exclusively for services storage and repair of durable consumer goods.

The geographic results of the Groups sales are analyzed as follows:

1/1-31/12/2020	Long Living Consumer Goods	Energy	Total of continuing operations	Discontinued operations	Total
Parent company (sales on internal market)	36.736	-	36.736	-	36.736
Subsidiaries (sales on internal market)	-	83	83	-	83
Parent company (sales on external market)	28.862	-	28.862	-	28.862
Subsidiaries (sales on external market)	9.446	-	9.446	-	9.446
Sales within the Group	(6.485)	-	(6.485)	-	(6.485)
Total	68.558	83	68.641	-	68.641

1/1-31/12/2019	Long Living Consumer Goods	Energy	Total of continuing operations	Discontinued operations	Total
Parent company (sales on internal market)	44.034	-	44.034	-	44.034
Subsidiaries (sales on internal market)	-	80	80	5.886	5.966
Parent company (sales on external market)	50.078	-	50.078	-	50.078
Subsidiaries (sales on external market)	9.517	-	9.517	-	9.517
Sales within the Group	(6.029)	-	(6.029)	-	(6.029)
Total	97.600	80	97.680	5.886	103.566

This table refers to internal and external sales revenue from Greece. The company is doing business abroad via subsidiaries.

In the field of consumer durables for the year 2020, two customers from abroad with sales amounting to € 5.167 and € 3.329 (€7.781 and €3.729 in 2019) and two domestic customers with sales amounting to €4.250 and € 3.401 (€3.655 and €3.582 in 2019).

6. Income

Analysis of the Groups' income:

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	Group		Company	
	1/1 - 31/12/2020	1/1 - 31/12/2019	1/1 - 31/12/2020	1/1 - 31/12/2019
Sales of goods	68.514	97.507	65.472	93.924
Sales of services	127	173	127	173
Total Sales	68.641	97.680	65.599	94.097
Other income	488	5	99	5
Total of continuing operations	69.129	97.685	65.698	94.102
Discontinued operations	4	5.888	-	-
Total	69.133	103.573	65.698	94.102

Total sales of the Group arising from continuing operations at amounted to € 68.641 against sales of €97.680 in the comparative period of 2019, decreased by 30%

The decrease in sales, is mainly attributed to the cease of sales at the associate FUJITSU GENETAL COMERCIAL AIR CONTITIONING ITALIA SPA after selling the 51%(the company buys inventories from FUJITSU GENERAL LTD directly) as well as to the affect of the pandemic COVID – 19 on the normal operation of the company in 2020. The increase by 13% in sales of the White appliances HITACHI, the increase by 36% in sales in Great Britain and the 141% increase in sales in other customers coming from abroad couldn't level the losses.

7. Expenses

Finance income and expenses are analyzed as follows:

Consolidated

Table of allocation of expenses for the year ended December 31, 2020					
Account:	Cost of Sales	Administrative expenses	Distribution expenses	Other expenses	Total
Personnel expenses	(93)	(1.608)	(3.331)	-	(5.032)
Third party expenses	-	(625)	(618)	-	(1.243)
Supplies	-	(307)	(1.496)	-	(1.803)
Taxes and duties	-	(702)	(177)	-	(879)
Various expenses	-	(363)	(4.274)	(293)	(4.930)
Depreciation of fixed assets	-	(192)	(1.865)	-	(2.057)
Provisions	(15)	-	(152)	(1.043)	(1.210)
Inventories	(50.485)	-	-	-	(50.485)
Total of continuing operations	(50.593)	(3.797)	(11.913)	(1.336)	(67.639)
Discontinued operations	-	(22)	-	-	(22)
Total	(50.593)	(3.819)	(11.913)	(1.336)	(67.661)

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Consolidated

Table of allocation of expenses for the year ended December 31, 2019

Account:	Cost of Sales	Administrative expenses	Distribution expenses	Other expenses	Total
Personnel expenses	(105)	(1.873)	(3.402)	-	(5.420)
Third party expenses	-	(458)	(725)	-	(1.197)
Supplies	-	(419)	(2.369)	-	(2.790)
Taxes and duties	-	(137)	(275)	-	(418)
Various expenses	(3)	(402)	(4.610)	(229)	(5.251)
Depreciation of fixed assets	-	(183)	(1.729)	-	(1.945)
Provisions	(107)	-	(535)	-	(642)
Inventories	(75.668)	-	-	-	(75.668)
Total of continuing operations	(75.883)	(3.472)	(13.645)	(229)	(93.331)
Discontinued operations	(2.921)	(225)	-	(8)	(3.154)
Total	(78.804)	(3.697)	(13.645)	(237)	(96.485)

Company

Table of allocation of expenses for the year ended December 31, 2020

Account:	Cost of Sales	Administrative expenses	Distribution expenses	Other expenses	Total
Personnel expenses	(93)	(977)	(2.671)	-	(3.741)
Third party expenses	-	(61)	(489)	-	(550)
Supplies	-	(203)	(1.358)	-	(1.561)
Taxes and duties	-	(38)	(177)	-	(215)
Various expenses	-	(225)	(3.970)	(53)	(4.248)
Depreciation of fixed assets	-	(158)	(1.826)	-	(1.984)
Provisions	(21)	-	(180)	-	(201)
Inventories	(49.990)	-	-	-	(49.990)
Total	(50.104)	(1.662)	(10.671)	(53)	(62.490)

Company

Table of allocation of expenses for the year ended December 31, 2019

Financial costs:	Cost of Sales	Administrative expenses	Distribution expenses	Other expenses	Total
Personnel expenses	(106)	(1.262)	(2.828)	-	(4.196)
Third party expenses	-	(66)	(506)	-	(572)
Supplies	-	(285)	(2.300)	-	(2.585)
Taxes and duties	-	(59)	(275)	-	(334)
Various expenses	-	(272)	(4.319)	(2)	(4.593)
Depreciation of fixed assets	-	(155)	(1.704)	-	(1.859)
Provisions	(103)	-	(354)	-	(457)
Inventories	(74.722)	-	-	-	(74.722)
Total	(74.931)	(2.099)	(12.286)	(2)	(89.318)

The various costs relate mainly to transport costs and advertising costs.

The decrease in the cost of sales both group and company level attributed to the decrease in sales (Note 6).

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7.1 Personnel expenses

The personnel expenses are analyzed as follows:

	Group		Company	
	1/1 - 31/12/2020	1/1 - 31/12/2019	1/1 - 31/12/2020	1/1 - 31/12/2019
Salaries and wages	(3.964)	(4.141)	(3.016)	(3.272)
Employers' social security contributions	(1.005)	(1.013)	(672)	(707)
Retirement benefits	(63)	(226)	(53)	(217)
Total of continuing operations	(5.032)	(5.380)	(3.741)	(4.196)
Discontinued operations	-	(180)	-	-
Total	(5.032)	(5.560)	(3.741)	(4.196)

On 31/12/2020, The personnel of the group and company was 134 and 104 respectively. On 31/12/2019 the number was 127 and 98.

7.2 Finance income and expenses

Finance income and expenses are analyzed as follows:

	Group		Company	
	1/1 - 31/12/2020	1/1 - 31/12/2019	1/1 - 31/12/2020	1/1 - 31/12/2019
Financial costs:				
Interest and similar expenses	(1.883)	(2.430)	(1.786)	(2.365)
Related interest expenses	(71)	(116)	(58)	(105)
Bank charges and commissions	(107)	(75)	(107)	(81)
Exchange differences	(1.618)	(848)	(114)	(142)
Leasing Interests	(1.276)	(1.336)	(1.276)	(142)
Devaluation of investments and securities	(1)	-	(4.058)	(2.565)
Results from associates	-	-	-	-
Prepaid interest of the actuarial research	(3)	(9)	(3)	(9)
Total Financial costs of continuing operations	(4.959)	(4.814)	(7.402)	(5.409)
Total Financial costs of discontinued operations	(6)	(148)	-	-
Total Financial costs	(4.965)	(4.962)	(7.402)	(5.409)
Financial income:				
Interest and similar income	43	77	4	8
Gains from sale of securities	-	2	-	-
Foreign exchange differences	567	588	126	195
Valuation of Derivatives to cover the exchange risks	372	-	372	-
Total Financial income of continuing operations	982	667	502	203
Total Financial income of discontinued operations	2	46.382	-	-
Total Financial income	984	47.049	502	203
Total Financial costs of continuing operations	(3.978)	(4.147)	(6.901)	(6.399)
Total Financial costs of discontinued operations	(4)	46.234	-	-
Total	(3.982)	42.087	(6.901)	(6.399)

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The Group's subsidiaries, FG EUROPE klima Teknolojileri (Turkey) and FG UK, operates transactions in foreign currency therefore they report exchange differences. The Turkish subsidiary reported loss from exchange differences amounting to € 976 while in the comparative period 2019 had reported € 306. At the same time the English subsidiary reported loss from exchange differences amounting to € 88 against € 6 in the comparative period 2019.

7.3 Other Financial Income

	Group		Company	
	1/1 - 31/12/2020	1/1 - 31/12/2019	1/1 - 31/12/2020	1/1 - 31/12/2019
Other financial Income:				
Gain on a sale of associate	-	-	8.201	9.285
Total financial Income from continuing operations	-	-	8.201	9.285
Total financial Income from discontinued operations	25.100	46.380	-	-
Total	25.100	46.380	8.201	9.285
Net financial expenses from continuing operations	-	-	8.201	9.285
Net financial expenses from discontinued operations	25.100	46.380	-	-
Total	25.100	46.380	8.201	9.285

The Share Purchase Agreement (SPA) for the 51% sale of FG EUROPE ITALIA's shares was signed on 4/1/2019. The original agreement took place on 7/9/2018. The consideration was €10mil. versus investment in Subsidiaries (51%) €715 thousands. On the 21/2/2019, after the completion of the sale, the company was renamed FUJITSU GENERAL COMERCIAL AIR CONTITIONGI ITALIA SPA. The consideration amounted to € 10.000 against investment in subsidiaries (51%) amounted to € 715 therefore gain € 9.285.

On 5/11/20 the Share Purchase Agreement was signed by FUJITSU GENERAL LIMITED for the transfer of the remaining 49% capital stake of the associate FUJITSU GENERAL COMERCIAL AIR CONTITIONING ITALIA SPA. The consideration that was received amounted to € 9.800 mil. against investment in associate € 1.038 mil. and total liabilities amounted to € 561. The total gain was € 8.201 and € 5.898 respectively.

On 14/02/2020, Group's subsidiary called RF ENERGY, the 100% shareholder of the subsidiary ENERGY OMALIES SINGLE MEMBER SA, proceeded the signing of MoU with TERNA ENERGY SA for the transfer and the purchase of the 100% participation stake of the above subsidiary. The SPA was signed on 23/4/2020 in which date the transfer of the shares took place. The consideration was € 26.028 and the gain for the group was € 19.202.

7.4 Dividend received from Subsidiaries

On 25/06/2020, The General shareholders meeting of RF ENERGY SA, subsidiary of the group FG EUROPE SA, decided the distribution of dividend amounting to € 29.000 to the shareholders F.G EUROPE SA(50%) and FIRST ENERGY HOLDING (50%) for the fiscal period 2019. The abovementioned dividend has been offset with € 8.000 and € 7.600 liquidity facility which FG EUROPE and FIRST ENERGY HOLDING has received on 01/08/2019 and 25/02/20 respectively. Furthermore, General Shareholders Meeting authorized the BoD to proceed with the decision to distribute temporary dividend for 2020 amounting to € 3.000.

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7.5 Provisions

The provision expenses are analyzed as follows:

Consolidated		
Provisions	1/1 - 31/12/2020	1/1 - 31/12/2019
Bad debts.	(152)	(513)
Impairment of inventories	(15)	(107)
Other	(1.043)	(22)
Total	(1.210)	(642)

Consolidated		
Provisions	1/1 - 31/12/2020	1/1 - 31/12/2019
Bad debts.	(180)	(354)
Impairment of inventories	(21)	(103)
Total	(201)	(457)

8. Income taxes

The parent company and its subsidiaries have not been audited by the tax authorities for the following fiscal years:

Company	Unaudited fiscal years
• F.G. Europe S.A.	2015 to 2020
• R.F. Energy S.A.	2015 to 2020
• City Elektrik S.A	2015 to 2020
• F.G. Europe Klima Teknolojileri Sanayive Ticaret A.S.	Unaudited from inception (2014)
• F.G. EUROPE U.K. L.T.D.	Unaudited from inception (2017)

According to par 5, article 82 of law 2238/1994 and POL 1159/2011, statutory auditors and audit firms carry out statutory audits on public limited companies and limited liability companies which are obliged to issue annual certificate. This certificate is issued after audit, regarding the implementation of tax provisions for specific tax issues. Tax infringements, as well as non-performance and incorrect performance of taxes recorded in the books during audit, are referred in detail in the certificate. Public limited companies and limited liability companies are subject to tax audit by statutory auditors for the annual financial statements from 30/06/2011 onwards.

For the years 2011, 2012 and 2013, the companies of the Group operating in Greece and are subject to tax audit by statutory auditors, according to par 5, article 82, law 2238/1994, received Tax Compliance Report, without any substantial differences to arise.

On the 31/12/20, the reporting periods until 31/12/14 have been deleted according with par.1 of article 36 of law 4174/2013, with the exceptions provided by the Hellenic legislation for the extension of the tax authority for issuing estimated and remedial actions for such cases.

For the tax audit of fiscal year 2015,2016,2017,2018 the companies of the Group operating in Greece and meet the relevant criteria for falling under the tax audit of Certified Auditors provided by the provisions of par. 65A, par.1, law 4174/2013, received Tax Compliance Report, without any substantial differences to arise.

CITY ELECTRIC SA received Tax Compliance Report for the periods 2011.-2013 main while the fiscal period 2014 and after, based on the changes of the law 4174/2013 article.65a par.1 does not comply the criteria.

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For the reporting period 2020, special audit is in progress and is not to be expected, at the time of its completion, to result in differences with differentiation in tax liabilities in the financial statements. According to the recent legislation, the control and issuance of tax certificates is valid for uses 2016 and onwards, on a voluntary basis.

The Company's administration estimates that in case of potential future audit from the tax authorities no additional tax differences will arise.

Income taxes as presented in the financial statements are analyzed as follows:

	Group		Company	
	1/1 - 31/12/2020	1/1 - 31/12/2019	1/1 - 31/12/2020	1/1 - 31/12/2019
Income tax (current period)	(274)	(1.942)	(269)	(1.942)
Deferred tax	240	1.645	127	(1.459)
Adjustment of deferred taxes, because of the tax's rate change	-	(513)	-	(432)
Income taxes at the results of the continuing operations	(34)	(810)	(142)	(3.833)
Income taxes at the results of the Discontinued operations	(3.322)	(13.632)	-	-
Income taxes	(3.356)	(14.442)	(142)	(3.833)

The income tax related to the Group's and Company's earnings is different from the net amount that would have resulted if the tax rate was only applied.

The calculation is as follows:

	Group		Company	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Profit before taxes	22.367	49.086	19.009	7.670
Tax rate	24%	24%	24%	24%
Tax at the corporate income tax rate	(5.368)	(11.781)	(4.562)	(1.841)
Tax effects from:				
Non tax deductible income	2.252	-	5.583	-
Non tax deductible expenses	(151)	(57)	(163)	(29)
Non-recognized fiscal losses	(52)	(135)	(974)	(708)
De-recognition of deferred requirement	-	(792)	-	(824)
fiscal losses offset	-	834	-	-
permanent differences	(26)	(1.998)	(26)	-
effect of the tax's rate change	-	(448)	-	(431)
Effective income tax for the year	(3.345)	(14.377)	(142)	(3.833)
Adjustment of deferred taxes, because of the tax's rate change	(11)	(65)	-	-
Tax charge	(3.356)	(14.442)	(142)	(3.833)

The corporate income tax rate in Greece was set at 24% for 2020 and 2019. The relevant tax rate in UK and Turkey where the subsidiaries operate are 22% and 20% respectively.

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9. Property, plant and equipment and intangible assets

Property, plant and equipment are analyzed as follows:

January 1, 2019							
Value at cost	1.087	10.346	70.660	360	1.359	2.900	86.712
Accumulated depreciations	-	(5.198)	(38.144)	(302)	(1.102)	-	(44.746)
Net book value	1.087	5.148	32.516	58	257	2.900	41.966
January 1 to December 31, 2019							
Additions	-	24	8	12	105	1.209	1.358
Exchange differences	-	-	-	-	-	-	-
Value at cost from discontinued operations	(10)	(10.003)	(70.398)	(2)	(51)	(14)	(80.478)
Assets Deletion WIP	-	(33)	-	-	-	-	(33)
Assets Deletion	-	-	-	(93)	-	-	(93)
Disposals	-	(12)	(41)	(22)	(90)	-	(165)
Depreciations	-	(278)	(2.191)	-	(5)	-	(2.474)
Accumulated depreciations from discontinued operations	-	5.233	40.250	2	48	-	45.533
Depreciations of disposals	-	-	-	94	-	-	94
December 31, 2019							
Value at cost	1.077	334	270	277	1.413	4.095	7.466
Accumulated depreciations	-	(255)	(126)	(228)	(1.149)	-	(1.758)
Net book value	1.077	79	144	49	264	4.095	5.708
January 1 to December 31, 2020							
Additions	29	120	-	163	71	120	503
Value at cost from discontinued operations	(1.071)	-	-	(9)	-	(3.974)	(5.054)
Disposals	-	-	(168)	(19)	-	-	(187)
Depreciations	-	(12)	(26)	(25)	(91)	-	(154)
Accumulated depreciations from discontinued operations	-	-	-	(1)	-	-	(1)
Depreciations of disposals	-	-	95	13	-	-	108
December 31, 2020							
Value at cost	35	454	102	412	1.484	241	2.728
Accumulated depreciations.	-	(267)	(57)	(241)	(1.240)	-	(1.805)
Net book value	35	187	45	171	244	241	923

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Fixed Assets			Investments in real estate			Intangible assets		
Group	Land	Buildings	Total	License for wind energy	Licenses	Total		
January 1, 2019								
Value at cost	48	241	289	7.113	1.300	8.413		
Accumulated depreciations	-	(57)	(57)	(1.564)	(690)	(2.254)		
Net book value	48	184	232	5.549	610	6.159		
January 1 to December 31, 2019								
Value at cost from Discontinued operations	-	-	-	(7.113)	(1.291)	(8.404)		
Depreciations	-	(4)	(4)	(33)	-	(33)		
Depreciations from Discontinued operations	-	-	-	(156)	(6)			
Accumulated depreciations from Discontinued operations	-	-	-	1.753	690			
December 31, 2019								
Value at cost	48	241	289	-	9	9		
Accumulated depreciations.	-	(61)	(61)	-	(6)	(6)		
Net book value	48	180	228	-	3	3		
January 1 to December 31, 2020								
Additions	18	85	103	4	-	4		
Depreciations	-	(6)	(6)	(2)	-	(2)		
December 31, 2020								
Value at cost	66	326	392	4	9	13		
Accumulated depreciations.	-	(67)	(67)	(2)	(6)	(8)		
Net book value	66	259	325	2	3	5		

Fixed Assets with right to use				
Group	Buildings	License for wind energy	Vehicles	Total
January 1, 2019				
Value at cost	-	-	-	-
Accumulated depreciations.	-	-	-	-
Net book value	-	-	-	-
January 1 to December 31, 2019				
Additions	16.420	524	435	17.379
Depreciations	(1.611)	(32)	(142)	(1.785)
Net book value	14.809	492	293	15.594
January 1 to December 31, 2020				
Additions	947	-	177	1.124
Value at cost from discontinued operations	-	(524)	-	(524)
Depreciations	(1.748)	-	(136)	(1.884)
Depreciations from discontinued operations	-	32	-	32
December 31, 2020				
Value at cost	17.367	-	612	17.979
Accumulated depreciations.	(3.359)	-	(278)	(3.637)
Net book value	14.008	-	334	14.342

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Tagible assets							
Company	Land	Buildings	Plant & machinery	Vehicles	Furniture & fixture	Work in progress	Total
January 1, 2019							
Value at cost	5	320	262	358	1.009	-	1.954
Accumulated depreciations	-	(220)	(101)	(298)	(862)	-	(1.481)
Net book value	5	100	161	60	147	-	473
January 1 to December 31, 2019							
Additions	-	24	3	3	75	-	105
Disposals	-	-	-	(93)	-	-	(93)
Depreciations	-	(14)	(25)	(20)	(58)	-	(117)
Depreciations of disposals	-	-	-	91	-	-	91
December 31, 2019							
Value at cost	5	344	265	268	1.084	-	1.966
Accumulated depreciations.	-	(234)	(126)	(227)	(920)	-	(1.507)
Net book value	5	110	139	41	164	-	459
January 1 to December 31, 2020							
Additions	-	73	-	163	83	120	439
Disposals	-	-	(168)	(19)	-	-	(187)
Depreciations	-	(14)	(26)	(25)	(65)	-	(130)
Depreciations of disposals	-	-	95	12	-	-	107
December 31, 2020							
Value at cost	5	417	97	412	1.167	120	2.218
Accumulated depreciations.	-	(248)	(57)	(240)	(985)	-	(1.530)
Net book value	5	169	40	172	182	120	688

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Fixed Assets	Fixed Assets with right to use			Investments in real estate			Intangible assets	
Company	Buildings	Vehicles	Total	Land	Buildings	Total	Licenses	Total
January 1, 2019								
Value at cost	-	-	-	48	241	289	5	5
Accumulated depreciations	-	-	-	-	(57)	(57)	(2)	(2)
Net book value	-	-	-	48	184	232	3	3
			-					
January 1 to December 31, 2019			-					
Additions	16.420	435	16.855	-	-	-	1	1
Depreciations	(1.611)	(142)	(1.753)	-	(4)	(4)	-	-
December 31, 2019			-					
Value at cost	16.420	435	16.855	48	241	289	6	6
Accumulated depreciations.	(1.611)	(142)	(1.753)	-	(61)	(61)	(2)	(2)
Net book value	14.809	293	15.102	48	180	228	4	4
			-					
January 1 to December 31, 2020			-					
Disposals	856	177	1.033	18	85	103	-	-
Depreciations	(1.713)	(135)	(1.848)	-	(6)	(6)	(1)	(1)
December 31, 2020			-					
Value at cost	16.420	435	16.855	48	241	289	6	6
Accumulated depreciations.	(2.468)	(100)	(2.568)	18	18	36	(3)	(3)
Net book value	13.952	335	14.287	66	259	325	3	3

There are no charges on the Company's fixed assets.

The "assets under Construction" are related to expenses amounting to € 120 are referred to expenses for improvement of warehouse and expenses for Wind Farm's construction for company and group level retrospectively.

Intangible assets and Goodwill

The intangible assets are referred to production license of RF ENERGY SA subsidiaries and software licenses.

10. Long term receivable

Long term receivables are analyzed as follows:

	Group		Company	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Receivable on given guarantees on financial assets	8.130	6.730	8.130	6.730
Given guarantees for rentals	635	649	556	556
Other given guarantees	5	8	5	5
Total	8.770	7.387	8.691	7.291

The receivable on given guarantees on financial assets concerns a signed agreement for the coverage of any contingent losses from the valuation of financial assets with a nominal value of €8.130

11. Available for Sale Financial Instruments

The available for sale financial assets contain shares listed in the Athens Stock Exchange that were valued with closing prices of December 31, 2020 (1st level) as well as companies, not listed, that were valued at cost and tested for impairment annually via financial results, due to the fact that fair value cannot be measured reliably. During 2019, there has not been any change in the classification of available for sale financial assets.

Fair value of financial assets

The Group uses the following hierarchy for determining and disclosing the fair value of financial assets through valuation techniques.

Level 1: Investments at fair value based on quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Investments at fair value by using valuation techniques in which all inputs that affect significantly the fair value are based (either directly or indirectly) on observable market data.

Level 3: Investments at fair value by using valuation techniques in which all inputs that affect significantly the fair value are not based on observable market data.

The following table reflects the financial assets and liabilities presented at fair value on 31/12/2018 for the Group and the Company:

Financial assets	Level 1	Total
Available for Sale Financial Instruments – ASE Listed Companies	2.037	2.037
Total	2.037	2.037

Within the fiscal year 2020 there were not transfers between level 1 and 2.

	Group		Company	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
ASE Listed companies	2.037	3.439	2.037	3.439
ASE non-listed internal companies	32	32	32	32
Total	2.069	3.471	2.069	3.471
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Balance at 01/01	3.471	1.004	3.471	1.004
Additions	-	-	-	-
Change of fair value through the results	(1.402)	2.467	(1.402)	2.467
Balance at 31/12	2.069	3.471	2.069	3.471

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12. Inventories

The Company's and group's inventory is analyzed as follow:

	Group		Company	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Merchandise	27.039	28.729	25.426	26.983
Provision	(1.373)	(1.358)	(1.334)	(1.313)
Total	25.666	27.371	24.092	25.670

The provision of the depreciated stocks is as follows:

	Group	Company
Remaining stocks depreciated preview 01.01.2019	(1.251)	(1.210)
Expense chargeable period 01.01.-31/12/2019	(107)	(103)
Remaining stocks depreciated preview 31.12.2019	(1.358)	(1.313)
Expense chargeable period 01.01.-31/12/2020	(15)	(21)
Remaining stocks depreciated preview 31.12.2020	(1.373)	(1.334)

The impairment of inventories from book value to net realisable value affects the "Cost of Sales".

13. Receivables and prepayments

The account of receivables and prepayments is as follows:

	Group		Company	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Customers	17.367	30.040	20.889	33.746
Postdated customers' cheques	3.196	5.094	3.196	5.094
Customers' bills	1.029	1.432	25	25
Provisions of doubtful Customers	(6.602)	(8.124)	(6.369)	(7.863)
	14.990	28.442	17.741	31.002
Other debtors	26.071	10.491	17.294	9.373
Total	41.061	38.933	35.035	40.375

The balance of the Group's and the Company's Trade Receivables on 31/12/2020 are reported decreased by 47% and 43% in comparison with 31/12/2019. The above-mentioned reduction is a result of the decrease in sales.

The provision of bad debts is as follows:

	Group	Company
Balance of provision for insecure clients 01.01.2019	(8.060)	(7.958)
Deletion of the insecure clients' provision	449	449
Expense chargeable period 01.01.-31/12/2019	(513)	(354)
Balance of provision for insecure clients 31.12.2019	(8.124)	(7.863)
Deletion of the insecure clients' prediction	1.674	1.674
Expense chargeable period 01.01.-31/12/2020	(152)	(180)
Balance of provision for insecure clients 31/12/2020	(6.602)	(6.369)

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The trade receivables are broken down based on due date:

	Group		Company	
Aging of trade receivables	31/12/2020	31/12/2019	31/12/2020	31/12/2019
0 - 30 days	6.201	5.447	4.645	3.993
31 - 60 days	3.190	7.331	3.157	6.691
61 - 90 days	1.597	2.078	1.851	3.616
91 - 120 days	705	3.153	719	2.804
121 - 150 days	458	893	622	647
151 - 180 days	4.962	4.251	5.258	4.833
181 - 360 days	1.232	5.723	3.348	7.748
Non – overdues trade receivables	18.345	28.876	19.600	30.332
361 + days	3.200	7.754	4.510	8.533
Impairment provision	(6.555)	(8.187)	(6.369)	(7.863)
Overdues trade receivables	(3.355)	(433)	(1.859)	670
Total receivables	14.990	28.443	17.741	31.002

Other receivables are as follows:

	Group		Company	
	31/12/2019	31/12/2019	31/12/2019	31/12/2019
Greek state - requirement of taxes	5.773	1.122	1.261	837
Blocked deposits	842	515	-	-
Short term receivables from related parties	12.538	3.020	9.538	3.020
Prepaid expenses	3.561	573	3.343	239
Downpayments for stock purchases	337	1.608	337	1.608
Receivables from assigned securities	2.788	3.629	2.788	3.629
Other	232	24	27	40
Total	26.071	10.491	17.294	9.373

Customer accounting and other receivables do not differ materially from their values.

Impairment of financial assets

The Group applies the simplified approach of IFRS 9 for the calculation of expected credit losses according to which the provision for each loss is always measured at the amount of the expected lifetime loss for commercial and other receivables.

In order to measure expected future credit losses, the group divides the bonuses on the basis of their maturity, as shown in the above table. The loss rate for each category was estimated based on historical data and current conditions. It is noted that the expected credit loss rate for the above requirements over the year was estimated at 100%.

14. Cash and cash equivalents

	Group		Company	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Cash in hand	823	5	802	2
Bank deposits	23.186	24.382	14.301	3.463
Total	24.009	24.387	15.103	3.465

Cash and cash equivalents comprise petty cash of the group and the company and short-term bank deposits.

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15. Share Capital

The company's share capital amounts to € 15,840 and is divided into 52,800,154 ordinary registered shares with a nominal value of €0,30 each (amount in Euro).

It is noted that the weighted average number of shares outstanding during the year 2020 is 52,800,154 shares.

16. Share premium

The share premium from issuing shares above par, according to L.4548/2020 is formed when shareholders acquired shares at a price higher than their nominal value. This difference does not represent a reserve since it is not created from undistributed profits, but from payments of shareholders. On December 31 the difference from share premium amounted for the Group and the Company to €6,731.

17. Reserves

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

Group					
Reserve	1/1/2019	Additions / (reductions)	31/12/2019	Additions / (reductions)	31/12/2020
Legal reserve	4.514	(391)	4.123	626	4.749
Actuarial gains / (losses)	(50)	149	99	6	105
Tax-exempt reserves	-	-	-	23.262	23.262
Exchange differences	(693)	(5)	(698)	(106)	(804)
Other	(4)	120	116	(4)	112
Total Reserves	3.767	(127)	3.640	23.784	27.424

Company					
Reserve	1/1/2019	Additions / (reductions)	31/12/2019	Additions / (reductions)	31/12/2020
Legal reserve	4.004	37	4.041	291	4.332
Tax-exempt reserves	-	-	-	23.262	23.262
Actuarial gains / (losses)	(36)	138	102	6	108
Other	(5)	-	(5)	-	(5)
Total Reserves	3.963	175	4.138	23.559	27.697

17.1 Legal Reserve

According to the provisions of the Greek company legislation the transfer of 5% of the net annual profits to form the legal reserve is mandatory until this reserve amounts to 1/3 of the share capital. The legal reserve is only distributable in case of dissolution of the company but can be offset with accumulated losses.

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18. Trade and other payables

Trade and other payables are analyzed as follows:

	Group		Company	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Suppliers	7.880	13.702	7.256	13.536
Cheques payables postdated	793	1.373	793	1.373
Accrued expenses	140	162	106	120
Accrued Interest	296	83	296	83
Prepayments	1.748	1.830	1.580	1.830
Tax provision for unaudited fiscal years	6	23	-	-
Payable dividends	769	27	-	27
Payables to related parties	-	1.500	3.000	9.500
Taxes	253	237	149	170
Other short term obligations	352	305	240	207
Total	12.237	19.242	13.420	26.846

The decrease in payables on Group level in 2020 compared to 2019, is a result of the decrease in payables to the main vendors. The payable amount to FUJITSU GENERAL LTD was decreased by € 1.630, MIDEA ELECTRIC TRADING(SINGAPORE)CO PTE LTD decreased by €3.133 and HITACHI EUROPE SA decreased by € 567. In addition to those, the reduction arises from the payment of the liquidity facility amounted to €8.000 to the subsidiary RF ENERGY SA.

19. Loans

The company's borrowings at 31/12/20 analyzed as follows:

	Group		Company	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Long term borrowings				
Bonded loan	31.289	31.294	31.289	31.294
Long term debt payable within the next 12 months	(2.800)	(14.879)	(2.800)	(14.879)
	28.489	16.415	28.489	16.415
Short term borrowings				
Short term of long term borrowings	2.800	14.879	2.800	14.879
Short term borrowings	1.261	843	1.016	768
	4.061	15.722	3.816	15.647

A. Long term borrowings

According to the Decision of the BoD on 8/3/2018 the company issued a Common Bond Loan of € 40.980. On March 9, 2018 the program and the loan cover agreement with the banks EURO BANK, PIRAEUS, ALPHA BANK and NBG were signed with participation rates of 34,69%, 31,04%, 24,81% and 9,46% respectively. The purpose of the loan is to refinance the existing long-term and short-term bank lending and to cover the company's needs in terms of capital. The balance of the loan was € 11.379 on 31/12/2019. During 10/01-30/06/2020, an installment has been paid amounted to € 750 and during September 2020 the above-mentioned bond loan was refinanced by PIRAEUS BANK with an amount of € 10.500. The residual amount of € 129 plus accrued interest was paid by the company consequently the bond loan was completely paid.

Within 2016, the Company issued a common Bond Loan of €20,000 and signed the relevant Bond Purchase

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Agreement and Program with ATTICA BANK, which undertook 100% of the Bonds being the sole Bondholder and Agent. The purpose of the Bond Loan is the repayment of other short-term loans, raised by the Company as working capital. The duration of the Loan is ten years, with the possibility of a three-year extension provided by the contract. On 31/12/2020 the first 4 installments plus interest of the bond loan have been paid as it was scheduled. Also, an amount of €1.500 plus interest was prepaid in order to reduce the last instalment of the bond. The applicable interest is set at EURIBOR plus margin 3.6%. The loan is secured with the personal guarantee of Mr Georgios Fidakis. Until 31/12/20, the remaining amount of the bond was € 16. 400. In the 1st Quarter of 2021 the scheduled installment of €1.000 was paid.

On 26/3/2018, the company issued a medium term loan amounting to € 3.000 PIREAUS BANK with 3 years duration. The collaterals were inventories amounted to € 3.000. The bond are scheduled to be fully paid after three Six-month installments (€ 750 on 30/7/2019, € 750 on 30/10/2019 and €1.500 on 30/4/2020) with Euribor interest plus interest margin 4,5%. During 2019 the initial two installments were paid. Because of the circumstances caused by pandemic COVID-19 the last installment wasn't paid. During September 2020 the above-mentioned load was paid off by issuing new bond loan.

During July 2020, new Bond Loan was signed amounting € 12.000. The issuer and responsible for the 100% coverage of it is the PIREAUS Bank. The purpose of the bond is the refinance of the current liabilities. The duration of the bond is 5 years with extension option 1 year and the capital will be paid in 10 six-month settlements. The start of the payments has been scheduled 6 months after the release. The initial 9 settlements will amount to € 800 and the last one €4.800. The interest rate established as Euribor 6m + interest margin 3,1%. The bond loan are covered by inventories collaterals amounting to € 15.000 and mr.Fidakis personal guarantees.

During September 2020, new Bond Loan was signed amounting € 3.000. The issuer and responsible for the 100% coverage of it is the ATTICA Bank. The purpose of the bond is the granting of working capital due to the increasing need for cash inflows because of the pandemic COVID-19. The duration of the bond is 5 years, and the payment has been arranged in eight same amounted settlements of € 375 and the payment will start 18 months after the release. The interest established as Euribor 6M + interest margin 3%. The bond is covered by the Guarantee Business Fund COVID -19 of the Greek Investment Bank and the Greek Public and also mr.Fidakis personal guarantees.

The fair value of the above loans is very close to their nominal value and the effective rates is around 3,37%.

B. Short-term borrowing

During the period 01/01-31/12/2020 both Group and Company has concluded in agreement for overdraft accounts with estimated interest rate around 3,37% and has received short term financing from banks with assignments of receivables amount to € 2.931.

In addition to these short term liabilities are also included short term credits amounting to €1.261 and €1.016 respectively which are related to working capital.

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20. Deferred Taxes

Deferred tax assets are offset with deferred tax liabilities when a legal right for offsetting exists and are due to the same tax authority.

Group							
Deferred tax assets/ (liabilities)							
	1/1/2019	01/01- 31/12/2019	Adjustments from discontinued operations	31/12/2019	01/01- 31/12/2020	Adjustments from discontinued operations	31/12/2020
Intangible assets	(27)	310	-	283	-	(282)	1
Property, plant and equipment	(3.041)	(415)	3.562	106	(1)	-	105
PPE with right of use	-	130	-	130	109	-	239
Inventories	525	(106)	-	419	(37)	-	382
Interests	-	(756)	-	(756)	756	-	-
Receivables and prepayments	1.470	(1.394)	-	76	4	-	80
Long term borrowings	(133)	(6)	144	5	(1)	-	4
Employee benefits	153	(106)	-	47	28	-	75
Deferred state subsidies	(2.553)	196	2.357	-	-	-	-
Trade and other payables	3	-	-	3	2	-	5
Tax credits on recognized losses	3.418	(3.086)	(272)	60	40	-	100
Provision of equipment removal	410	(26)	(384)	-	-	-	-
Extraordinary contribution.	44	(44)	-	-	-	-	-
Other	(149)	(16)	-	(165)	(20)	-	(185)
Total	120	(5.318)	5.407	209	880	(282)	807

Company					
Deferred tax assets/ (liabilities)					
	1/1/2019	01/01- 31/12/2019	31/12/2019	01/01- 31/12/2020	31/12/2020
Property, plant and equipment	(23)	10	(13)	(1)	(14)
PPE with right of use	-	128	128	109	237
Inventories	341	(5)	336	5	341
Receivables and prepayments	1.394	(1.399)	(5)	4	(1)
Long term borrowings	1	4	5	(1)	4
Employee benefits	125	(100)	25	48	73
Suppliers and other payables	-	-	-	2	2
Tax credits on recognized losses	2.195	(2.195)	-	-	-
Other	4	(6)	(2)	(41)	(43)
Total	4.037	(3.563)	474	125	599

21. Employee benefits: pension obligations

According to the Greek labor Law, employees are entitled to termination benefits in case of dismissal or retirement dependent on their current remuneration, the length of service and the reason for leaving (dismissal or retirement). Employees who leave or are dismissed with cause are not entitled to termination benefits.

1) Contract termination due to retirement

Employees covered by any pension sector of any social insurance organizations, as long as they meet the requirements for full retirement, if they are craftsmen, they are able to retire and if they are employees, they can retire or be dismissed by the employer. In these cases, they are entitled to 50% of the statutory compensation if they do not have supplementary insurance or 40% if they do. Employees, with-fixed term contract, who are made redundant or leave before its end to retire, are also entitled to this reduced compensation. It is noted that the employer cannot fire a craftsman who meets the requirements of full retirement age, with a reduced payment of compensation. He has this option only in case of employees.

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2) With 15 years of service:

Employees associated with permanent work contracts and have completed 15 years of service with the same employer, or the age limit laid down by the concerned social insurance organization and if the limit of 65 years of their age does not exist, then they can leave their work with their employer's consent and as a result they are entitled to receive 50% of legal compensation.

The provision for employee termination benefits is based on an independent actuarial study calculated as of December 31, 2017, using the Projected Unit Credit method (IAS 19, par. 67).

Furthermore, the possibility of employees leaving deliberately was also taken into account.

The movement of the account from January 1, 2020 to December 31, 2020 was as follows:

	Consolidated		Company	
	2020	2019	2020	2019
Current value of non-financing liabilities	442	420	404	378
Net liability recognized on balance sheet	442	420	404	648
Amounts charged to the Statement of Income for the year				
Current employment cost	42	50	39	39
Interest of liability	3	9	9	9
Cost to the statement of income	45	59	48	48
Settlements cost	-	1	-	1
Total cost to the statement of income	45	60	48	49
Changes in the net current value of liability at 01/01				
Current value	420	644	378	576
Current employment cost	42	50	35	39
Interest of liability	3	9	3	9
Benefits paid by the employer	(24)	(233)	(24)	(233)
Settlements cost	20	168	20	168
Actuarial gain/(loss)	(19)	(218)	(8)	(181)
current value of liability at 31/12	442	420	404	378
Amounts for the current and the previous year				
Current value	(446)	(412)	(404)	(378)
Surplus / (Deficit)	(446)	(412)	(404)	(378)
Trade Adjustments to liabilities	8	189	8	181
Actuarial Assumptions				
Discount interest	0,35%	0,78%	0,35%	0,78%
Future Salaries' Increase 2020 -2021	-	0,00%	-	0,00%
Future Salaries' Increase after 2020	-	1,90%	-	1,90%
Future Salaries' Increase 2021 -2023	0,00%	-	0,00%	-
Future Salaries' Increase 2024 -2026	0,50%	-	0,50%	-
Future Salaries' Increase 2027 -2029	1,00%	-	1,00%	-
Future Salaries' Increase after 2030	1,60%	-	1,60%	-
Inflation	1,60%	1,70%	1,60%	1,70%
Additional payments or expenses	8	189	8	181
Changes in the net liability recognized on the balance sheet				
Net liability at beginning of year	420	644	378	576
Benefits paid by the employer	(24)	(233)	(24)	(233)
Total cost recognized on the statement of income	65	227	58	216
Net liability at end of year	461	638	412	559
Statement of recognized Gains /(losses)	(19)	(218)	(8)	(181)
Net liability at end of year	442	420	404	378

The above results depend on the assumptions (financial and demographic) of the preparation of the actuarial study. Thus, at the valuation date on 31/12/2020:

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- If interest rate was higher by 0.1% (i.e. 0.45%), then the present value of the liability would be lower by approximately 1.33%, whilst if interest rate was lower by 0.1% was used, then the present value of the liability would be higher by approximately 1.36%.
- If a salary growth assumption was higher by 0.1% (i.e. 0.1% for 2021-2023 and 0.6% after 2024-2026, 1.10% for 2027-2029 and 1.70% after 2030), then the present value of the liability would be lower by approximately 0.5%, that would result in lower value of the liability by 0.84%.

22. Dividends

According to Greek Corporate law, the Company is obliged to distribute to its shareholders at least 35% of its net profit after taxes and the distribution to legal reserve, unless the General Assembly, provided that at least 70% of Share Capital is represented, decides differently.

The amount that has been distributed as dividend for the fiscal period 2020 which arising from previous years was 4.900 for the company and € 19.400 for the Group.

The distributed profits include the distribution of an amount of € 14.500 to minority shareholders from the earnings of the subsidiary RF ENERGY.

23. Related party transactions

According to IAS 24, related parties are subsidiaries companies, companies with common shareholding structure and/ or management. Moreover, the members of the Board of Directors and the Directors are also considered related parties. The Company purchases and provides products and services from and to related parties.

Sales of company's products to related parties concern primarily sales of merchandise. The sale prices are at cost plus a low profit margin.

The compensation of the members of the Board of Directors concern paid Board's of Directors compensation to Non-executive and independent members.

The compensation of Directors concern compensation regular payment according to employment contracts

The table below presents the receivables and obligations that arose from transactions with related parties as defined by IAS 24:

	Company	
	31/12/2020	31/12/2019
<u>Subsidiaries</u>		
<u>Receivable from:</u>		
FG EUROPE KLIMA TEKNOLOJILERI	3.323	4.650
SANAYI VE TICATER	3.346	2.241
FG EUROPE UK	-	10
R.F. ENERGY S.A.		
Total	6.669	6.901
<u>Obligation to:</u>		
R.F. ENERGY A.E.	3.000	8.000
Total	3.000	8.000
	Company	
	1/1-31/12/2020	1/1-31/12/2019
Inventories	6.003	5.465
Administrative Support	11	29
Others	3	46
Total	6.017	5.540
<u>Purchases of goods and services:</u>		
Inventories	(482)	(550)
Other	-	(94)
Total	(482)	(644)

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	Group		Company	
	1/1- 31/12/2020	1/1- 31/12/2019	1/1- 31/12/2020	1/1- 31/12/2019
Inventories	-	16.343	-	16.343
Administrative Support	27	28	27	28
Others	-	9	-	9
Total	27	16.380	27	16.380

Purchases of goods and services:

Inventories	(131)	(326)	(131)	(326)
Other	(55)	(3)	(55)	(3)
Total	(186)	(329)	(186)	(329)

Receivable from:

FUJITSU GENERAL COMERCIAL AIR CONDITIONING ITALIA SPA	2.450	8.264	2.450	8.264
Total	2.450	8.264	2.450	8.264

Obligation to:

FUJITSU GENERAL COMERCIAL AIR CONDITIONING ITALIA SPA	-	6	-	6
Total	-	6	-	6

**Companies with common shareholding
structure**

Receivables from:

	Group		Company	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
SILANER LTD	4.700	-	4.700	-
LATONA INVESTEMENTS SA	1.500	-	1.500	-
Cyberonica S.A.	6.264	3.592	6.264	3.575
	12.464	3.592	12.464	3.575

Obligations to:

	Group		Company	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Cyberonica S.A.	14.930	15.335	14.930	15.335
	14.930	15.335	14.930	15.335

Expenses:

	Group		Company	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Rentals	(633)	(878)	(560)	(772)
Depreciations of PPE with right of use	(1.711)	(1.612)	(1.711)	(1.612)
Leasing Interests	(1.252)	(1.306)	(1.252)	(1.306)
Other expenses	(11)	(11)	(11)	(11)
	(3.607)	(3.807)	(3.534)	(3.701)

	Group		Company	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Other	39	-	39	-

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The compensation and the transactions of the members of the Board of Directors and the Directors analyzed as follows:

	Group		Company	
Receivables from:	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Members of the Board and Directors	8.206	6.811	8.206	6.811
Obligations to:				
Members of the Board and Directors	139	116	113	98
	Group		Company	
Employee benefits:	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Personnel expenses	(1.957)	(1.628)	(1.464)	(1.228)
Provision for staff leaving indemnity	(14)	11	(11)	17
Total	(1.971)	(1.617)	(1.475)	(1.211)
Income				
Inventories	6	34	6	34

24. Contingencies

On the 31.12.20 there are no contingent assets or liabilities on behalf of Company and Group.

25. Commitments

25.1 Capital Commitments

Obligations from lease agreements		
	Group	Company
Obligations from lease agreements 1/1/2019 IFRS 16	16.976	16.604
Additions	422	252
Payments of capital	-1.257	-1.219
Short term portiosn of Long term lease agreements	-1.326	-1.306
Balance of Long term lease agreements 31/12/2019	14.815	14.331
Short term lease agreements 31/12/2019	1.326	1.306
Balance of lease agreements 01/01/2020	16.141	15.637
Additions	1.077	1.032
Payments of principal	-1.392	-1.392
Reduction of Liabilities due to the sale of subsidiaries	-505	-
Short term portiosn of Long term lease agreements	-1.580	-1.567
Balance of Long term lease agreements 31/12/2020	13.741	13.710
Short term lease agreements 31/12/2020	1.580	1.567
Balance of lease agreements 31/12/2020	15.321	15.277

The group has no uncompleted purchasing commitments with its suppliers as of December 31, 2020. The future aggregate minimum lease payments arising from building lease agreements until year 2030 are estimated to amount

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to €14.928 for the Group and Company. Furthermore, the future aggregate minimum lease payments arising from car lease agreements until the year 2024 are estimated to amount to €303 and €349, respectively.

Group	< 1 year	Between 1 year and 2 years	Between 2 year and 5 years	> 5 years	Total
Future lease agreements for:					
- Buildings	1.431	1.555	4.005	7.937	14.928
- Cars	149	129	115	-	393
Total	1.580	1.684	4.120	7.937	15.321

Company	< 1 year	Between 1 year and 2 years	Between 2 year and 5 years	> 5 years	Total
Future lease agreements for:					
- Buildings	1.431	1.555	4.005	7.937	14.928
- Cars	136	112	101	-	349
Total	1.567	1.667	4.106	7.937	15.277

25.2 Guarantees

To cover the bond loan of € 12.000 received on 28/7/2020, the Company pledged inventories amounting to € 15.000.

26. Events After the reporting period

There are no significant events subsequent to December 31, 2020 concerning the Group or the Company, that would require adjustment to or additional disclosure in the financial position in accordance with IAS 10 principles.

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These Financial Statements have been approved for issue by the Board of Directors of F.G. EUROPE S.A. on May 12, 2021 and are accessible to the public in electronic form on the company website <http://www.fgeurope.gr>.

Chairman of the Board of
Directors

Managing Director

Finance Manager

Accounting Supervisor

Georgios Fidakis
ΑΔΤ ΑΚ 723945

Joannis Pantousis
ΑΔΤ Ξ 168490

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ΑΜ ΟΕΕ 0002386

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