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ANNUAL FINANCIAL REPORT

For the year January 1st 2020 – December 31st 2020

«SPACE HELLAS S.A. »
Company's Reg. No: 13966/06/B/95
Mesogion Av. 312 Ag. Paraskevi

The Annual Financial Report of 2020 has been prepared in accordance with art. 4, Law 3556/2007, has been approved by the Board of Directors on April 23rd 2021 and has been uploaded at the URL address <http://www.space.gr>

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1 STATEMENTS OF MEMBERS OF THE BOARD (In accordance with article 4 par.2 of Law 3556/2007)

The Members of the Board of Directors

- Spyridon D. Manolopoulos, Chairman of the Board, executive member
- Mertzanis A. Ioannis, Chief Executive Officer, executive member
- Ioannis Doulaveris Chief Financial Officer, executive member.

acting by virtue of the aforementioned membership and specially designated, we declare and certify that, to the best of our knowledge:

1. The annual financial statements of the Group and of company SPACE HELLAS SA for the financial year from January 1st, 2020 to December 31st, 2020, which were prepared according to International Financial Reporting Standards, present truly and fairly the assets and liabilities, the equity and the financial results of the Company, as well as of the consolidated companies as a whole, according to par. 3 to 5 of article 4 of L. 3556/2007 and

2. The enclosed report of the Board of Directors reflects in a true manner the development, performance and financial position of the Company and of the businesses included in Group consolidation, taken as a whole, including the description of the principal risks and uncertainties.

Agia Paraskevi, April 23rd 2021

The Designated members of the Board of Directors

The Chairman of the Board

Chief Executive Officer

Member and
Chief Financial Officer

S. Manolopoulos

I. Mertzanis

I. Doulaveris

2 ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL PERIOD 1.1.2020 – 31.12.2020

To the Shareholders,

The present Report of the Board of Directors of SPACE HELLAS refers to the financial year from January 1st, 2020, to December 31st, 2020, and is compliant with the provisions of the Greek Companies' Act, L. 4548/2018 (art. 150 to 154) as well as art. 4 § 7 L.3556/2007 and related HCMC circulars.

This report is divided into subsections to present in a fair, summarised, yet substantial manner all the information in accordance with the above-mentioned legal framework to provide factual and well-documented information regarding the company's activities and the Group for the related period.

The sections of the report aim to provide to the Shareholders information regarding:

- o The Group and the Company's financial position and additional related information for the financial year 2020.
- o The important issues that took place during the financial year 2020 and their impact on the financial statements.
- o The perspectives and strategic aims of the Group and the Company,
- o The risk and uncertainties of the Group and the Company,
- o The Group's Corporate Governance practices,
- o The transactions with related parties during 2020,
- o The important issues that took place after the end of the financial year 2020.

The key information reference of this report is the consolidated financial data of the Company and its affiliated companies and the individual (non-consolidated) financial data of the Company, only where it is deemed appropriate or necessary for a better understanding of its content.

The present report is included in its entirety in the Annual Financial Report of the year 2020, along with the financial statements and the other necessary information, the relevant declarations and the explanatory notes.

The amounts in this report are presented in Euro thousands unless expressly stated otherwise.

The Annual Report is available in the URL address, <http://www.space.gr>, together with the financial statements and the auditor's report.

2.1 OVERVIEW OF THE YEAR 2020 - FINANCIAL POSITION – PERFORMANCE

For more than 35 years, Space Hellas has consistently confirmed its leading role in the I.C.T. market (Information and Communication Technologies), whether in the design, installation, and configuration of complex Informatics and Security infrastructures or in implementing and completing demanding System Integration projects.

2.1.1 FINANCIAL DATA

The Covid-19 pandemic found Greece in a critical transition period, coming out of a deep and prolonged economic crisis and managing the severe problems that the latter created. The first signs of recovery of the Greek economy from the deep crisis of recent years appeared in the first quarter of 2020, with the economic climate index climbing to the highest levels of the last twelve years. This climate has been reversed by the advent of COVID-19, the spread of which has been assessed by the World Health Organization as a pandemic. The intense concern for world health from this dangerous disease, its rapid spread, and the ever-increasing number of cases and deaths forced the countries to take drastic measures to enact social distancing, which means a corresponding reduction of economic activity on a global scale.

Governments worldwide have reacted rapidly to prevent the worst of the effects of the pandemic and, in particular, the economic impact of the lockdown by taking unprecedented fiscal measures to support households, businesses and the liquidity of the economic system.

In addition, central banks and oversight bodies have globally streamlined banking capital requirements, as well as taking unprecedented measures to support the liquidity of government, banks and corporations, while the European Commission and the European Council have initially approved a package of 540. Billion support and set up a Recovery Fund entitled "Next Generation E.U. (N.G.E.U.)" to cover the increased healthcare costs and support workers and businesses.

In 2020, the global recession was 4.3%, while the Greek economy performed better than the estimates of both the government and the institutions, according to E.L.S.T.A.T. data, where the recession was 8.2% and 7.9% in the fourth quarter.

The economic climate index strengthened significantly in both the Eurozone and the E.U., with the index standing at 90.4 points in the Eurozone and 89.5 points in the E.U. Even with partial or

total closure of key sectors of the economy and travel restrictions, most countries manage to reverse marginal reductions in Services and Retail.

In Greece, the economic climate index strengthened marginally in December and stood at 91.5 points, compared to 91.0 points in November. The performance of the index is mainly a result of the improvement of expectations in the industry, a sector that, on the one hand, was not forced to suspend its operation, on the other hand, is more connected with the international economic environment, which was less unfavourable at the end of 2020 than domestically. At the same time, there is a slight recovery in consumer confidence after five months of continuous decline.

Greece reacted in time with the outbreak of the pandemic in both health and economic fields, resulting in one of the best performances in Europe in terms of reducing the spread of the virus in the population, while, in order to limit the effects of the pandemic on the Greek economy and despite the budget constraints, the Government managed to lift the fiscal commitments for 2020 and 2021. Undertook and implemented programs to support household incomes, businesses and the liquidity of the economy. In parallel with its successful presence in the negotiations at the European Council, Greece secured an aid package of approximately € 70 billion, € 32 billion from the N.G.E.U. and € 38 billion from the M.F.F.

The Information and Communication Technologies sector is one of the most important sectors for the Greek economy due to the growing demand for automation and digitisation in both the private and public sectors.

The Group's position as a leading System Integrator and Value Added Solutions Provider in the field of telecommunications, information technology, and security enable it to respond immediately to these difficult times and implement, as far as possible, its plan for smooth operation of its activities.

The Group's effort to be competitive is continuous and is based essentially on the know-how, skills and dedication of its people, as well as the continuous investments that are taking place throughout the economic crisis.

Space Hellas group implements strict measures to reduce the potential threat from Covid-19, setting as an absolute priority the safety of employees and its uninterrupted operation.

To date, the Group remains fully operational in all areas of its activity, taking all necessary measures to maintain high liquidity and profitability, remaining committed to the optimal

utilisation of its funds, with the aim of further operational development and ensuring its business continuity.

As mentioned above, 2020 was a special year worldwide, as the impact of Covid-19 was reflected in the Group functions to varying degrees in the different time periods of the year. Specifically, the first quarter of 2020 started with good signs as the “speed acquired” of the previous year continued satisfactorily. In combination with the appearance of the Covid-19, this fact interrupted this speed but was not reflected in the turnover of the semester, which was increased.

The impact of Covid-19 on trade and services was mainly negatively affecting the third quarter of the year through delays and postponements of already planned projects and investments of our customers.

During summer, the overall country improvement was reflected in the last quarter and especially in the last two months of 2020. More specifically in the last quarter of 2020, 40% of the company's turnover was achieved and consequently a significant part of the costs coming from our suppliers was also recorded.

It is obvious that the above affected the increase of both current assets, with a peak in receivables from customers, as well as in the short-term liabilities, with a significant increase in suppliers. The high creditworthiness of the Group, which reflects the relations with both the banks and the main suppliers, gave us the opportunity to balance the backward placement of the turnover during the year by expanding the credit enjoyed by our company.

The activities of the company were in accordance with the current legislation and its corporate goals as defined by its articles of association.

More detailed data of the financial statements compared to those of the previous period are provided in the following pages.

2.1.1.1 Year's total income

	Group			Company		
	01.01- 31.12.2020	01.01- 31.12.2019	Change %	01.01- 31.12.2020	01.01- 31.12.2019	Change %
Amounts in € thousand						
Revenue	80.732	72.250	11,74%	78.170	69.602	12,31%
Gross profit/loss	16.423	15.884	3,39%	15.568	14.932	4,26%
Gross profit margin	20%	22%		20%	21%	
EBITDA	6.818	6.283	8,52%	5.930	5.289	12,12%
EBIT	4.826	4.471	7,94%	3.959	3.498	13,18%
Earnings before taxes	2.188	2.151	1,72%	2.079	1.609	29,21%
Earnings after taxes	1.760	1.516	16,09%	1.705	1.233	38,28%

The Group's turnover amounted to € 80.732 thousand compared to € 72.250 thousand of the year 2019. The significant increase of 11.74% marks the continuous increase of the Group's market share and its penetration into new markets.

The Group's Gross profit amounted to € 16.423 thousand compared to € 15.884 thousand of the previous year, showing an increase of 3,39% attributable to a decrease of the gross profit margin. The smaller percentage increase in gross profits compared to the increase in turnover is attributable to the increase in the operating costs of the Technical Department, which reflects the continued penetration in new technological sectors aiming at a larger market share.

The Group's EBITDA amounted to € 6.818 thousand compared to € 6.283 thousand of the previous period showing an increasing pattern of 8,52%.

The Group's EBIT amounted to € 4.826 thousand compared to € 4.471 thousand of the previous year, showing an increase of 7,94%.

The Group's earnings before taxes amounted to € 2.188 thousand compared to € 2.151 thousand of the previous period, showing a slight increase of 1,72%.

The Group's earnings after taxes amounted to € 1.760 thousand compared to € 1.516 thousand of the previous period showing an increase of 16,09%.

Statement of comprehensive income

The other comprehensive income after taxes for the current year comprises the amount of € 359 thousand of the revaluation reserve after the valuation of buildings at their fair value performed by an independent valuator, the net amount of € -13 thousand from actuarial results (I.A.S. 19) and the amount of € 2 thousand, of currency differences from the consolidation of foreign subsidiaries.

The other comprehensive income after taxes of the previous year comprises the amount of € 153 thousand from the recalculation of deferred tax of the revaluation reserve, due to the change of the income tax rate, the net amount of € -24 thousand from actuarial results (I.A.S. 19) and the amount of € -6 thousand, of currency differences from the consolidation of subsidiaries.

2.1.1.2 Assets

Amounts in € thousand	Group			Company		
	01.01- 31.12.2020	01.01- 31.12.2019	CHANGE %	01.01- 31.12.2020	01.01- 31.12.2019	CHANGE %
Total Assets	99.696	69.140	44,19%	98.486	67.906	45,03%
Total noncurrent receivables	26.290	22.709	15,77%	26.165	22.628	15,63%
Inventories	7.579	6.625	14,40%	7.579	6.625	14,40%
Trade receivables	27.183	14.722	84,64%	27.272	14.639	86,30%
Other receivables	38.644	25.084	54,06%	37.470	24.014	56,03%

The Group's Total Assets amounts to € 99.696 thousand compared to € 69.140 thousand of the year 2019.

The Group's non-current receivables' net value amount to € 26.290 thousand compared to € 22.709 thousand of the year 2019 attributable mainly to continued effort for investments.

The Groups' inventories of goods, raw and auxiliary materials and consumables amount to € 7.579 thousand compared to 6.625 thousand of the year 2019 in order to meet the needs of product complexity projects.

The Group's Trade receivables amount to € 27.183 thousand compared to € 14.722 thousand of the year 2019, showing an increase of 84,64%, attributable to the continuously increasing turnover over the last four years. The amount of € 27,183 thousand includes the item € 2,115 thousand "Receivables from contracts" and concerns outstanding project receivables from projects executed near the end of 2020 and are expected to be invoiced in 2021.

The Group's other receivables amount to € 38.644 thousand compared to € 25.084 thousand of the year 2019, mainly due to increased working capital needs.

2.1.1.3 Liabilities

Amounts in € thousand	Group			Company		
	01.01- 31.12.2020	01.01- 31.12.2019	CHANGE %	01.01- 31.12.2020	01.01- 31.12.2019	CHANGE %
Total Liabilities	99.696	69.140	44,19%	98.486	67.906	45,03%
Shareholders' Equity	18.078	16.390	10,30%	17.022	15.391	10,60%
Long term loans	30.322	15.307	98,09%	30.322	15.307	98,09%
Long term leases	760	1.183	-35,76%	760	1.181	-35,65%
Other long term liabilities	1.968	1.592	23,62%	1.968	1.592	23,62%
Short term loans	9.777	9.682	0,98%	9.777	9.682	0,98%
Short term leases	497	192	158,85%	495	182	171,98%
Other short term liabilities	38.294	24.794	54,45%	38.142	24.571	55,23%

The Shareholders' equity amounts to € 18.078 thousand compared to € 16.390 thousand.

The Group's long term loans amount to € 30.322 thousand compared to € 15.307 thousand compared to the year 2019. The loans comprise:

- Mortgage loan ending at 2022, of initial amount € 1.500 thousand, and after interest and principal payments amounting to € 188 thousand.
- Mortgage loan ending at 2022, of initial amount € 1.500 thousand, and after interest and principal payments amounting to € 375 thousand.
- Mortgage loan ending at 2022, of initial amount € 2.000 thousand, and after interest and principal payments amounting to € 2.000 thousand.
- Mortgage loan ending at 2022, of initial amount € 1.000 thousand, and after interest and principal payments amounting to € 71 thousand.
- Mortgage loan ending at 2022, of initial amount € 2.000 thousand, and after interest and principal payments amounting to € 1.700 thousand.
- Mortgage loan ending at 2023, of initial amount € 2.000 thousand, and after interest and principal payments amounting to € 1.200 thousand.
- Mortgage loan ending at 2023, of initial amount € 500 thousand, and after interest and principal payments amounting to € 219 thousand.
- Mortgage loan ending at 2024, of initial amount € 2.000 thousand, and after interest and principal payments amounting to € 1.700 thousand.
- Mortgage loan ending at 2024, of initial amount € 2.700 thousand, and after interest and principal payments amounting to € 1.157 thousand.
- Mortgage loan ending at 2025, of initial amount € 6.500 thousand, and after interest and principal payments amounting to € 5.900 thousand.
- Mortgage loan ending at 2025, of initial amount € 4.000 thousand, and after interest and principal payments amounting to € 4.036 thousand.
- Mortgage loan ending at 2025, of initial amount € 2.000 thousand, and after interest and principal payments amounting to € 2.030 thousand.
- Mortgage loan ending at 2025, of initial amount € 400 thousand, and after interest and principal payments amounting to € 400 thousand.
- Mortgage loan ending at 2025, of initial amount € 800 thousand, and after interest and principal payments amounting to € 800 thousand.
- Mortgage loan ending at 2025, of initial amount € 2.000 thousand, and after interest and principal payments amounting to € 2.000 thousand.
- The mortgage loan ending at 2026, of initial amount € 4.000 thousand, and after interest and principal payments amounting to € 4.001 thousand
- Mortgage loan ending at 2026, of initial amount € 5.976 thousand, and after interest and principal payments amounting to € 2.525 thousand.

The fair value of the short and long term borrowings approximates the book value. The rate used in the company's and the Group's borrowings is floating and renegotiable within a six-month period. The average interest rate applied is 4,01 %.

The Group's other long term liabilities amount to € 1.968 thousand compared to € 1.592 thousand of the year 2019.

The Group's short term loans amount to € 9.777 thousand compared to € 9.682 thousand of the year 2019.

The Group's other short term liabilities amount to € 38.294 thousand compared to € 24.794 thousand of the year 2019.

2.1.1.4 Cash Flow

	Group		Company	
	01.01- 31.12.2020	01.01- 31.12.2019	01.01- 31.12.2020	01.01- 31.12.2019
Amount ins € thousand				
Total cash inflow/(outflow) from operating activities	4.960	4.855	4.322	4.219
Total cash inflow/(outflow) from investing activities	-5.075	-3.784	-4.255	-3.197
Total cash inflow/(outflow) from financing activities	14.091	2.853	14.103	2.865

Cash flow from operating activities is positive amounting to € 4.960 thousand. Despite the continuous increase in the turnover, the cash flows from operating activities remain strongly positive.

Cash flow from investing activities is negative amounting to € -5.075 thousand attributable to the execution of the investment plans.

The cash flow from financing activities is positive amounting to € 14.091 thousand. This result confirms the Group's ease of access to financial institutions for the financing of both investments and working capital.

2.1.1.5 Performance ratios

The Group measures its performance using widely accepted ratios:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
A. LIQUIDITY RATIOS				
A1. CURRENT RATIO	151,14%	133,93%	149,38%	131,49%
A2. QUICK RATIO	135,54%	114,82%	133,73%	112,25%
A3. ACID TAST RATIO	63,95%	49,28%	62,90%	47,28%
A4. WORKING CAPITAL TO CURRENT ASSETS	0,34	0,25	0,33	0,24
B. CAPITAL STRUCTURE RATIOS				
B1. DEPT TO EQUITY	451,50%	321,83%	478,59%	341,20%
B2. CURRENT LIABILITIES TO NET WORTH	268,67%	211,51%	284,43%	223,73%
B3. FIXED ASSETS TO NET WORTH	135,53%	133,36%	143,33%	141,63%
B4. OWNER'S EQUITY TO TOTAL LIABILITIES	22,15%	31,07%	20,89%	29,31%
B.5 CURRENT ASSETS TO TOTAL ASSETS RATIO	73,63%	67,15%	73,43%	66,68%
C. ACTIVITY RATIOS				
C1. INVENTORIES TURNOVER RATIO	9,06 times	10,21 times	8,82 times	9,9 times
C2. FIXED ASSETS TURNOVER RATIO	3,30 times	3,31 times	3,2 times	3,19 times
C3. DAYS OF SALES OUTSTANDING (D.S.O)	77,92 days	65,11 days	80,03 days	66,49 days
C4. ASSET TURNOVER RATIO	0,81 times	1,04 times	0,79 times	1,02 times
C5. OWNER'S EQUITY TURNOVER RATIO	4,47 times	4,41 times	4,59 times	4,52 times
D. PROFITABILITY RATIOS				
D1. Return on equity (ROE)	10,21%	9,61%	10,52%	8,27%
D2. Return on Assets (ROA)	2,08%	2,36%	2,05%	1,95%
D3. GROSS PROFIT MARGIN	20,34%	21,98%	19,92%	21,45%
D4. NET PROFIT MARGIN	2,71%	2,98%	2,66%	2,31%
D5. RETURN OF INVESTMENT	23,12%	24,18%	23,79%	22,10%
D6. EFFICIENCY OF TOTAL ASSETS	12,10%	13,12%	12,21%	10,46%
D7. RETURN ON TOTAL CAPITAL EMPLOYED	5,02%	6,50%	4,97%	5,82%
D8. FINANCIAL LEVERAGE RATIO	0,52 times	0,62 times	0,42 times	0,41 times

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
E. OPERATING EXPENSES RATIOS				
E1. OPERATING RATIO	94,45%	94,76%	95,13%	95,73%
E2. INTEREST RATIO	1,78 times	1,92 times	1,74 times	1,69 times
E3. OPERATING EXPENSES TO NET SALES	14,79%	16,75%	15,04%	17,18%
E4. LOANS TO TOTAL ASSETS	40,22%	36,14%	40,72%	36,80%

2.1.1.6 Share Capital

The company's shares are ordinary registered shares and have been listed in A.S.E. since 29.09.2000.

There are no changes during the period.

Number of shares and nominal value	31.12.2020	31.12.2019
Paid up capital	6.973.052,40	6.973.052,40
Number of ordinary shares	6.456.530	6.456.530
Nominal value each share	1,08 €	1,08 €

The earnings per share have been calculated taking into account the weighted average number of ordinary shares in issue, which, for the period, was 6.456.530.

2.1.1.7 Own Shares

The company does not possess any own shares as of 31-12-2020.

On November 26th, 2020, SPACE HELLAS announced its intention to start implementing the Own Share Acquisition Program following the decision of the Ordinary General Meeting of 18.06.2020 (Item 10) and the relevant decision of the Board of Directors dated 26.11.2020.

The purchases of the own shares will be made through authorised members of the Athens Stock Exchange, and the acquisition of a maximum number of shares of 322,827 (up to 5% of the total share capital) is planned, with a minimum purchase price of € 1.08 per share and a maximum purchase price of € 10,00 per share, while the program will last until 17.06.2022.

The purpose of the program is the disposal of the own shares that will be acquired for future cooperation strategies and/or for the establishment of an incentive program for its executives

and other personnel and/or the reduction of its share capital and/or for other legal purposes, in accordance with the relevant decision of the Board of Directors.

The own shares' purchases will be made to the extent that they are considered advantageous for the company. The available liquidity of the company and the respective market conditions will allow it.

2.1.1.8 Dividend policy

According to the current legislation, the company is legally obliged to form the legal reserve and distribute to its shareholders at least 35% of the distributable earnings according to IFRS, after the calculation of taxes and legal reserve.

The dividends are proposed by the company's management at the end of each fiscal year, subject to the approval of the Annual Ordinary General Meeting of shareholders.

The Board of Directors of the company will propose to the General Assembly the statutory withholding for creating a regular reserve and the distribution of the mandatory dividend, which amounts to 35% of the profits that can be distributed after the deduction of tax and the regular reserve.

Note that according to law 4646/2019, the profits distributed by legal entities from the year 2019 onwards are subject to withholding tax at a rate of 5%.

The Ordinary General Meeting of Shareholders of 18-06-2020 decided the distribution of a dividend of € 419,674.45, i.e. € 0.065 s per share to shareholders, with Date of Identification of Beneficiaries: Friday July 10th 2020, Cut-off Date: Thursday July 9th 2020, Dividend payment start date: Wednesday July 15th 2020 and Paying bank Alpha Bank.

2.1.1.9 Participating interests and investments

Corporate name	Country	Sector	Ownership percentage		Consolidation method
			Direct	Indirect	
Subsidiaries					
SPACE HELLAS (CYPRUS) LTD	Cyprus	ICT	100%	-	Full Consolidation
SPACE HELLAS SYSTEM INTEGRATOR S.R.L.	Romania	ICT- Investment Properties	-	99,45%	Full Consolidation
SPACE HELLAS Doo Beograd-Stari Grad	Serbia	ICT	-	100%	Full Consolidation
SPACE HELLAS (MALTA) LTD	Malta	ICT	-	99,98%	Full Consolidation
SPACE ARAB LEVANT TECHNOLOGIES COMPANY	Jordan	ICT	-	100%	Full Consolidation
Associates & Joint Ventures					
Web-IQ B.V.	Netherlands	Specialised applications	32,28%	-	Equity method
AgroApps Private Company.	Greece	Specialised applications in the agricultural sector	35%	-	Equity method
Other investments					
MOBICS S.A.	Greece	Software Development	18,10%	-	-

On 26-05-2020, Space Hellas announces the conclusion of an agreement for the investment in "Agricultural Applications PC." with the company name "Agro Apps P.C.", which is based in Thessaloniki. AgroApps was founded in 2015 with the aim to offer digital solutions for the agricultural sector. Since its inception, AgroApps has invested in developing solutions based on Artificial Intelligence technologies, satellite and meteorological data, advanced mathematical models, and crop development models. AgroApps solutions meet both the needs of a small producer and the most demanding needs of companies, and public bodies, as they include surveillance, and farms' management systems, high-resolution weather forecast, water resources monitoring and control services, services for the agricultural sector as well as personalised solutions for companies and public bodies.

The agreement includes three stages of investment, wherein the first stage on 25-5-2020 Space Hellas acquired 19% of the existing shares of AgroApps, in the second stage on 25-8-2020 exercised the option for the acquisition of an additional 16% of the existing shares of AgroApps,

and the investment amounted to € 825 thousand. In the third stage, Space Hellas will have the right to acquire an additional 10% of AgroApps through an increase of its share capital, while in case of transformation of AgroApps into a public limited company, Space Hellas will be entitled to appoint one member to its three-member board. If the third stage will be implemented, the total amount of Space Hellas' investment will rise to 45% in AgroApps and will amount to € 1,275,000.

2.1.1.10 Commitments -Guarantees

The contingent liabilities for letters of guarantee granted both for the Company and the Group are the following:

Amounts in € thousand	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Guarantee letters to secure good performance of contract terms	7.960	5.886	7.960	5.886
Total contingent liabilities	7.960	5.886	7.960	5.886

On 31.12.2020 and 31.12.2019 as well, there weren't any outstanding guarantee letters to secure good performance in favour of associates of joint ventures.

2.1.1.11 Excess clause provisions and Disputed claims

There are no cases that might have a significant impact on the financial position both of the Group and the Company.

2.1.1.12 Other contingent liabilities

For the unaudited tax years of the Group companies, as mentioned in note 4.6.30, there is the possibility of imposing additional taxes and surcharges at the time of their examination and finalisation by the competent tax authorities. The company has formed a cumulative provision of € 61 thousand in order to cover the possibility of imposing additional taxes in the event of an audit by the tax authorities. For the other Group companies, no provision has been made for unaudited tax years as it is estimated that the charge for the imposition of additional taxes will be insignificant.

It is noted that, for the companies that are under the Greek tax jurisdiction, the tax years 2014 and previous are considered permanently finalised.

For the years 2011 to 2015, the parent has been audited by the Certified Public Accountants as provided by para. 5, art. 82, N2238 / 1994, the provisions of the Circular 1159 / 26-7-2011, and Article 65A of N4174 / 2013 to obtain the tax certificate from the statutory auditors.

From the year 2016 onwards, the tax certificate is optional. Upon completion of the tax audit, the statutory auditor or audit firm issues to the company a "Tax Compliance Report" to be submitted electronically to the Ministry of Finance, according to Circular (P.O.L.) 1124/2015, as amended by Circular (P.O.L.) 1108/2017 no later than the tenth day of the tenth month from the date of termination of the fiscal year.

For the Company, for the years 2011 to 2019, this audit has been completed with the relevant Tax Compliance Reports issuance of the relevant Tax Compliance Reports without qualification. There is an ongoing tax audit of the company for the year 2020 by statutory auditors, from which no significant additional charges are expected to arise.

When deemed necessary, the Group forms a provision on a case by case basis and by group member company against possible additional taxes that the tax authorities may impose.

Except for the above mentioned, there are no other contingent liabilities.

2.1.2 OTHER INFORMATION

2.1.2.1 Personnel figures

Group Management is based on a team of experienced and competent executives who are fully aware of their subject matter and market conditions, contributing to the smooth operation and further development of the Group.

A table showing the average number of employees of the company and the Group employed during the current and previous years, as well as the salary, wages and salaries and insurance charges, are broken down into categories as follows:

Amounts in € thousand	Group					
	Persons (average)		Total salary		Social security charges	
	2020	2019	2020	2019	2020	2019
	400	360	10.757	10.039	2.579	2.459

Amounts in € thousand	Company					
	Persons (average)		Total salary		Social security charges	
	2020	2019	2020	2019	2020	2019
	398	358	10.746	10.030	2.578	2.459

2.1.2.2 Branches

The operating branches (except the company's headquarters on Mesogion Ave 312) as of 31.12.2020 are the following:

No	Establishment	Address
1.	Cholargos	302 Ave. Mesogion Cholargos
2.	Cholargos	6 Loch. Dedousi Str, Cholargos
3.	Thessaloniki	G.-I. Kar. & P. Kyrillou, Thessaloniki
4.	Athens	Em. Mpenaki 59, Athens
5.	Patra	Gkotsi 26-28, Patra
6.	Crete	G. Gennimata 62, Crete
7.	Ioannina	D. Hatzi 45, Ioannina
8.	Larissa	14 str Canada & N. Plastris, Farsala
9.	Cyprus	Griva Digeni 81-83 Nicosia
10	Agia Paraskevi	Kondylaki 3, Agia Paraskevi

The company periodically monitors and evaluates the effectiveness of its geographic expansion through its branches.

2.2 SIGNIFICANT FACTS DURING THE YEAR 2020 AND THEIR IMPACT ON THE FINANCIAL STATEMENT

Significant facts that took place during the period from January 1st to December 31st 2020 are the following:

- Within February 2020, SPACE HELLAS completed the upgrade of the Information Technology Services Management System to meet the requirements of the new 2018 version of the ISO 20000-1 Standard. On 6-3-2020, the revised System was successfully inspected - in the presence of E.S.Y.D. inspectors, and the ISO 20000-1: 2018 certificate was issued.
- At the same time, on 6-3-2020, the Business Continuity Management System was successfully inspected - in the presence of the E.S.Y.D. inspectors - which is developed in accordance with the requirements of the international Standard ISO 22301: 2019, and the relevant certificate was issued
- Space Hellas was pleased to announce the scholarships, based on the announced honorary scholarship "Dimitris Manolopoulos" for the academic year 2019-2020, presence of the company's Board of Director.
- On 26-10-2020, Space Hellas announced the start of the 2nd annual program of honorary scholarships, "Dimitris Manolopoulos".
- In early March, measures to limit the spreading of COVID-19 and protect against pandemic began to be imposed in the country. In this context and in view of the publication of the financial statements, E.S.M.A., on March 12th, issued a Recommendation calling on all participants in the financial markets to have contingency plans in place to ensure operational continuity, to publish all possible information on the impact of COVID-19 on its underlying figures and prospects, and include relevant disclosures in the financial statements. Given the spread of the coronavirus, it is difficult to predict the range of potential effects on the global economy at this point. The results can range from successful virus control and minor short-term effects to a prolonged impact that can lead to recession. In addition, governments are implementing policies and fiscal actions aimed at mitigating potential negative economic consequences. However, the future impact must be assessed in the light of the accounting basis used to prepare these Financial Statements. Regarding the Group's activities, the Management closely monitors the developments since the outbreak of the pandemic, follows the guidance of the local health authorities and observes the requirements and actions implemented by the

authorities. The Group has implemented emergency plans to limit the potential adverse effects on the Group's employees and businesses.

- On 26-5-2020, Space Hellas announced the conclusion of an agreement for the investment of the "Agricultural Applications PC." with the company name "Agro Apps P.C.", which is based in Thessaloniki. AgroApps was founded in 2015 with the aim of offering digital solutions for the agricultural sector. The agreement includes three stages of investment, wherein the first stage on 25-5-2020, Space Hellas acquired 19% of the existing shares of AgroApps, in the second stage on 25-8-2020 exercised the option for the acquisition of an additional 16% of the existing shares of AgroApps, and the investment amounted to € 825 thousand. In the third stage, Space Hellas will have the right to acquire an additional 10% of AgroApps through an increase in its share capital, while in case of transformation of AgroApps into a public limited company, Space Hellas will be entitled to appoint a member to its three-member board. If the third stage is implemented, the total amount of Space Hellas' investment for 45% in AgroApps, will amount to € 1.275.000.

- 34th Ordinary General Meeting of shareholders of 18-06-2020: The decisions on the issues of the agenda were discussed and decided as follows::
 - ❑ Item 1: Submission and Approval of the Annual Financial Report (Group and Company), in accordance with International Financial Reporting Standards, for the fiscal year 01/01/2019 - 31/12/2019, which includes the Annual Financial Statements after the relevant Reports and Statements of the Board of Directors and the statutory auditor.
 - ❑ Issue 2: Approval of management's total performance that took place during the year 1/1/2019 - 31/12/2019 according to article 108 Law 4548/2018, and discharge of auditors responsibilities for the year 1/1/2019 - 31 / 12/2019 according to article 117 para. 1 per. C) Law 4548/2018.
 - ❑ Item 3: Approval of the distribution of results of the corporate year 01/01/2019 - 31/12/2019, including (a) distribution of dividend for the said year and (b) distribution of profits to the company's staff. Provision of authorisations to the board of directors of the company.
 - ❑ Issue 4: Election of an auditing firm for the statutory audit and review of the annual and interim financial statements (corporate and consolidated) for the corporate year 2020, in accordance with international financial reporting standards and determination of their remuneration.
 - ❑ Issue 5: Submission for discussion and voting of the salary report for the corporate year 01/01/2019 - 31/12/2019.

- Issue 6: Submission for approval of the updated remuneration policy.
 - Item 7: Approval of paid remuneration and compensations of the members of the board of directors for the corporate year from 1/1/2019 to 31/12/2019 and pre-approval of remuneration and compensations for the corporate year from 1/1/2020 to 31/12 / 2020.
 - Issue 8: Election of a new board of directors of the company and appointment of its independent non-executive members.
 - Issue 9: Election of the members of the company's audit committee.
 - Issue 10: Provision of approval for the acquisition of own shares according to article 49 of law 4548/2018.
 - Issue 11: Granting permission to the members of the board of directors and the directors of the company according to article 98 para. 1 of law 4548/2018.
 - Issue 12: .Various announcements.
- The Ordinary General Meeting of Shareholders of 18-06-2020 decided to distribute a dividend of € 419,674.45, i.e. € 0.065 per share to shareholders, with Date of Identification of Beneficiaries: Friday July 10th 2020, Cut-off Date: Thursday July 9th 2020, Dividend payment start date: Wednesday July 15th 2020 and Paying bank Alpha Bank.
- On July 28th and October 13th, SPACE HELLAS purchases building facilities at 3 Kondylaki Street, Agia Paraskevi, 470sq.m. And at 302 Mesogeion Street, on the 1st floor, 273sq.m., to cover operational needs within the framework of strategic moves which are part of a broader development plan implemented by the company with the goal to strengthen its product mix, expand its customer base and expand into new markets.
- On November 26th, 2020, SPACE HELLAS announced its intention to start implementing the Own Share Acquisition Program following the decision of the Ordinary General Meeting of 18.06.2020 (Item 10) and the relevant decision of the Board of Directors dated 26.11.2020. The purchases of the own shares will be made through authorised members of the Athens Stock Exchange, and the acquisition of a maximum number of shares of 322,827 (up to 5% of the total share capital) is planned, with a minimum purchase price of € 1.08 per share and a maximum purchase price of € 10,00 per share, while the program will last until 17.06.2022. The purpose of the program is the disposal of the own shares that will be acquired for future cooperation strategies and/or for the establishment of an incentive program for its executives and other personnel and/or the reduction of its share capital and/or for other legal purposes, in accordance with the relevant decision of the Board of Directors. The purchases of the own shares will be made to the extent that they are considered advantageous for the company, and the available liquidity of the company, as well as the

respective market conditions, will allow it. The company does not possess any own shares as of 31-12-2020.

- On November 27th, 2020, SPACE HELLAS signs an agreement (S.P.A.) for the acquisition, by the investment scheme consisting of SPACE HELLAS and EPSILON NET SA (participation of 50% for each company) (the "Buyers"), of the total shareholding of 99.67% held by the company "MARFIN INVESTMENT GROUP SA. HOLDINGS ", directly and indirectly (through its 100% subsidiary" TOWER TECHNOLOGY HOLDINGS (OVERSEAS) LIMITED " in SINGULARLOGIC SA INFORMATION SYSTEMS AND INFORMATION APPLICATIONS (" SINGULARLOGIC "). The total consideration of the transaction, including the shares' transfer price, and the price for the transfer of SINGULARLOGIC loan obligations to PIRAEUS BANK, will amount to € 18,050,000. From the agreed price, the amount of € 1,805,000 was prepaid to M.I.G. equally by the buyers, i.e. € 902,500 paid each.

2.3 BUSINESS PERSPECTIVES FOR THE GROUP AND THE COMPANY

2.3.1 INTRODUCTION

The rapid spread of the COVID-19 pandemic in 2020 affected the momentum of the Greek economy until then and the emerging optimism for growth perspectives. Implementing the necessary preventive measures in the whole range of productive activities of the country has brought back the uncertainty in some sectors. However, there are sectors that have shown significant resilience, while other companies show growth expectations arising from the new digital age and the opportunities it offers. The prompt reaction of the state to promote the use of digital media and public services and the strategic choice for significant interventions in accelerating the digital transformation of the state and companies create important prospects for the I.C.T. sector where the SPACE HELLAS group operates.

2.3.2 PRIVATE SECTOR

In the private sector, technical support projects and contracts developed without much delay in 2020, and many of them will continue in 2021. The most important are the following:

- Long-term technical support contracts for Piraeus Bank, Alpha Bank EDA THESSALONIKI.
- OTE – National Bank of Greece: Contract for the support of M.P.L.S. network of NBG.
- OTE-LENOVO: Framework agreement for the supply of I.T. equipment and services
- WIND: Support Contract for all Cisco Network infrastructures at a national level.
- O.P.A.P.: Central IT-Infrastructure and Digital Signage projects for all agencies nationwide.
- Intrakat-Fraport for the 14 regional airports in the country

- Framework Agreement for the Provision of Access Control System and Surveillance System. The project comes to cover the critical subject of plant safety and protection and is part of the overall infrastructure upgrade
- Central Aerodrome Data Network. It will be the main communication body to transfer data to the major aerodrome operating systems.
- Honeywell Process Solutions: Natural Gas Transit Pipeline (TAP AG) - SCADA-Telecom Security System.
- H.E.D.N.O.: Provision of Services for the Operation and Maintenance of the Communications Network at a contract price (joint fee) of 14.9 million euros.
- EDA THESSALONIKI: Integrated Information System ERP, CRM, E.P.M., H.C.M., Oracle Cloud and P.A.A.S. solutions

New private sector projects::

- National Bank: Expansion of Dell / E.M.C. Storage & Back up systems
- O.T.E.: I.P. Core supply of Cisco systems for its central telecommunications infrastructure
- T.I.- Sparkle: Construction of a New Data Center
- Forthnet: Supply of Cisco systems for its central telecommunications infrastructure
- Ionian University: Supply of Network and Telephony systems
- National Bank: Cisco Server Array Extension

Also, significant bids of approximately 30 million euros are in the process of evaluation in organisations such as O.T.E., WIND, O.P.A.P., National Bank, Piraeus Bank, Alpha Bank, Municipality of Thessaloniki, Forthnet, NN Insurance, Viochalko Group, Mytilineos Group, E.L.P.E., Lamda Development, Intralot, I.P.T.O., H.E.D.N.O., P.P.C., E.L.T.A., P.P.A., UNIVERSITY OF PATRAS, ZENITH, Democritus University of Ioannina Ionian University, International University of Greece etc.

2.3.3 PUBLIC SECTOR

The activity of the Group in important projects and contracts of support services for the public sector is the following:

Public Works - under implementation

- Information Society: SYZEFXIS II, Signing of execution contracts in a company association for the Subproject: 3: "Security, Telephony, Teleconferencing, Cabling" framework agreement of total budget 132.6 million euros including extension option plus V.A.T., and withholding amounts.
- Information Society: SYZEFXIS II, Subaction 5 (association of companies): "Central Services I.S.P. & S.L.A." with a contract price of 16.2 million euros plus V.A.T. and withholdings.
- EETT: "Spectrum Management OPS", budget 2,106 million euros .
- Ministry of Civil Protection: "Passenger Data Management System (PNR)", 2.9 million euros.
- Ministry of Foreign Affairs: Three-year contract for support and upgrade of N-VIS system that concerns the automation of the issuance of VISA license in 135 greek embassies and consulates worldwide, of 2.1 million euros.
- Ministry of Public Order and Citizen Protection (association of companies): Expansion of an automated border surveillance system in the riparian section of the Greek-Turkish border in the area of river Evros and interconnection of the Regional Centers for Integrated Border Management and Immigration), budget 12 million euros.
- Coast Guard: "Supply of Communications System for search, rescue and navigation safety" 2,044 million euros plus V.A.T. and withholdings.
- Ministry of Education: "Supply, installation and configuration of hardware and software, for the implementation of a system for safe transmission of exams and certifications", contract price "1.04 million euros plus V.A.T. and withholdings.
- Supply of Communications and Voice Recording System" with a contract price of 3.79 million euros plus V.A.T. and withholding amounts.
- Municipality of Patras: "Smart I.C.T. applications for promoting thematic tourism B.A.A.", 160 thousand euros.
- E.D.Y.T.E. (former G.R.N.E.T.): "Maintenance services of optical network equipment", 600 thousand euros.
- Ministry of Public Order and Citizen Protection: "Establishment of a Business Center, as a single point of contact (Single Point of Contact - S.P.O.C.)". The implementation of the contract has been completed, and the 2-year warranty period is in progress.
- Ministry of Public Order and Citizen Protection: Maintenance contract of the project "Electronic Citizen Identification and Identification Services (e-TAP).
- Ministry of Public Order and Citizen Protection: Maintenance contract of the project "Cybercrime prosecution services for the protection of citizens' safety and healthy entrepreneurship (e-Crime).
- Ministry of Public Order and Citizen Protection: Maintenance contract of the project "Remote Access for Greek Police Users (PoL 8)"

- Hellenic Atomic Energy Committee: The warranty period of the project "National Observatory of Electromagnetic Fields" has ended, and the two-year contract for maintenance and support services has started.
- Ministry of Education: "Supply and installation of I.C.T. equipment for school units of Primary and Secondary Education of the Region of Western Macedonia", 3.2 million euros plus V.A.T. and withholding amounts. The 2-year warranty period is in progress.
- E.D.Y.T.E. (former G.R.N.E.T.): Completion of contract and start of maintenance services of the project "D.W.D.M. infrastructure upgrade".
- Civil Aviation Service: Implementation of the project "Supply of aeronautical message transfer system AFTN / CIDIN / AMHS". The two-year warranty period is in progress.
- Civil Aviation Service: "Supply of Air Traffic Control Display monitors of Athens International Airport". The two-year warranty period is in progress.
- EUMETSAT: Provision of technical services (framework agreement).

Public works - in the contracting stage::

- Ministry of Foreign Affairs: "Nomination of Support Service Provider of Consular Authorities or Consular Offices of Diplomatic Missions in the Visa Issuance Process" the company is the only company from the bidders that continues in Group 3 which includes Turkey, Egypt, Israel, Lebanon, Saudi Arabia, Kuwait, Bahrain, Qatar, Iran, Algeria, Tunisia, Morocco, Oman, Yemen
- Ministry of Education: "Supply and installation of I.C.T. equipment in School Units of Preschool and Primary Education of the Attica Region", 6.9 million euros.
- Municipality of Syros-Ermoupolis: "Development of digital applications for the contact with the world of Markos Vamvakaris", 161 thousand euros.
- Byzantine Museum of Thessaloniki: "Digital Museum of Byzantine Culture", 410 thousand euros.
- Region of Western Greece: "Digital system of multilevel promotion of the history and cultural stock of the Region of Western Greece", 1.8 million euros.

Public works under evaluation:

- Ministry of Public Order and Citizen Protection: "New system for issuing I.D.s and other secure documents", budget 400 million euros
- Civil Aviation Service: "Supply of air navigation systems for the relocation of the Athens approach from K.E.P.A.T.H.M. to A.I.A.", budget 3 million euros.
- Ministry of Economy and Development: "Framework Agreement for the Supply of Desktop Computers and Flat Screens for the Needs of 19 Operators", budget 6.8 million euros.

- Ministry of Economy and Development: "Framework Agreement for the Supply of Desktop Computers, to cover the needs of the Contracting Authorities / Bodies G.E.S., G.E.E.T.H.A., G.E.A. and A.P.S.", budget 1,295 million euros.
- Coast Guard: "Installation of a system for surveillance and monitoring of maritime traffic in the North Aegean", budget 2.85 million euros, participation as subcontractors.
- Ministry of Shipping and Island Policy: "Development of the National Integrated Maritime Surveillance System", 50 million euros. Participation as subcontractors.
- Ministry of Economy and Development: "Framework Agreement for the Supply of Scanners / Printers and Multifunction Machines", 29 million euros.
- Municipality of Eastern Samos: "Management and Promotion of the Folklore Museums of Samos, using modern Information and Communication Technologies", 269 thousand euros.
- Lesvos Geopark: "Museum of Natural History of the Petrified Park of Lesvos", 234 thousand euros.
- E.D.Y.T.E. (former G.R.N.E.T.): "Supply of optical equipment for the upgrade of the interconnection of the points of presence of GR-IX", 160 thousand euros
- Municipality of Lemnos: "Utilisation of modern digital applications and virtual reality for the promotion of Lemnos Land and the promotion of religious tourism in Lemnos", 320 thousand euros.
- E.E.T.T.: "Architectural Study and Design of Specifications of Spectrum Surveillance System in 3D Space - S.E.F.T.X.", 330 thousand euros.
- Municipality of Oichalia: "Creation of a Digital Culture Park", 210 thousand euros.
- Hellenic Army General Staff: "Supply of Two (2) Radiogonometry Systems", 920 thousand euros.
- Ministry of Justice: "Upgrading the digital services of the Court of Auditors", as a subcontractor, 3.2 million euros.
- Ministry of Foreign Affairs: "Creation of central infrastructure of the National Entry / Exit System (E.C.A.)", 2.7 million euros
- Ministry of Civil Protection: "Development of Information Technology and Telecommunications systems to strengthen the national capacity of external border control and surveillance", 26 million euros.
- Ministry of Shipping and Island Policy: "Network of secure access of operational means of the Coast Guard-Greek Coast Guard (LS-EL.AKT.) to the network of Y.N.A.N.P. and upgrade of the network infrastructure of the Headquarters of LS-EL.AKT", 6 million.
- Independent Authority for Public Revenue: "Supply and Maintenance of 1000 Laptops and 502 Tablets", 600 thousand euros.

2.3.4 RESEARCH AND DEVELOPMENT

With regard to co-financed R&D projects, eleven projects (European and National) are underway, with a total budget of 6.1m euros and funding for the company of about 5m euros.

E.U. Research funded projects:

- Has a key role in implementing the **HEIMDALL** project (Multi-Hazard cooperative management tool for data exchange, response planning and scenario building) in the area of security and crisis management.
- Has a key role in the **5GENESIS** project (5th Generation End-to-end Network, Experimentation, System Integration, and Showcasing) to develop pan-European 5G pilot infrastructures. In conjunction with its subsidiary Space Hellas (Cyprus) Ltd, Space Hellas is coordinating the development of a complex 5G pilot platform in Limassol, Cyprus.
- Actively contributes to the **TRESSPASS** project (robust Risk based Screening and Alert System for PASsengers and luggage), where is responsible for developing and integrating Web intelligence technologies for passenger control and risk assessment the Border Checkpoints, based on the Voyager platform of Web-IQ.
- Participates in a key role in the **EVOLVE** project (HPC and Cloud-enhanced Testbed for Extracting Value from Diverse Data at Large Scale), where she coordinates the development of integrated applications on innovative High-Performance Computing platforms.
- Participates in the **PREVISION** (Prediction and Visual Intelligence for Security Information) project, in which Space Hellas contributes to the development of complex information extraction and management system for security applications, based, inter alia, on Voyager's Web-IQ platform.
- Participates in the **Be Secure Feel Secure** project funded by E.U. regional programs through the European Innovative Actions for Urban Development (U.I.A.) program. The project involves implementing a series of innovative actions to enhance the sense of security in the city of Piraeus, utilising the results of the H2020 City Risks project coordinated by Space Hellas.
- Participates in the **PALANTIR** (Practical Autonomous Cyberhealth for resilient S.M.E.s & Microenterprises) project, launched as the continuation of the SHIELD project and focuses on innovative financial cybersecurity services in small and medium enterprises. Space Hellas contributes to the development of the Central Platform (S.I.E.M.) to detect and categorise cyber threats.

- Participates in the **ASSURED** (Future Proofing of I.C.T. Trust Chains: Sustainable Operational Assurance and Verification Remote Guards for Systems-of-Systems Security and Privacy) project which develops innovative methods for protecting the integrity of software units in complex information systems. Space Hellas coordinates the application cases (use cases) of ASSURED technologies in specific categories of I.C.T. infrastructures.
- Coordinates the **PANDORA** project entitled "Cyber Defense Platform for Real-time Threat Hunting, Incident Response and Information Sharing (PANDORA) implemented under the European Industrial Development Program in the field of defence (E.D.I.D.P.). Space Hellas leads the project consortium with the participation of 16 organisations from 8 Member States of the European Union. The purpose of PANDORA is to design and implement a complete software solution for detecting and dealing with cyber threats, with emphasis on endpoint security and network security as well as for threat intelligence exchange. The project is fully in line with the objectives and operational requirements of the transnational P.E.S.C.O. project entitled "Cyber Threats and Incident Response Information Sharing Platform (C.T.I.S.P.)", which is coordinated by the Hellenic Ministry of Defense (G.E.E.T.H.A. / Directorate of Cyber Defense). The total funding for Space Hellas amounts to approximately 1 million euros, while the total budget of the project is 7.632 million euros.
- Coordinates the QGov project (QKD for Secure Key Distribution between Governmental Agencies), which is implemented in the framework of the wider European project OpenQKD. Space Hellas, in collaboration with the University of Athens, is studying the application of new quantum key distribution technologies (Quantum Key Distribution) for the exchange of keys and the encryption of messages between Greek government services.

Nationally Funded Research Projects:

- Coordinates the **EMISSION** project, which involves developing an integrated air pollution monitoring platform using IoT networks. Space Hellas is responsible for developing the Central Platform for the collection, processing and presentation information system.
- Coordinates the **e-Polymorphisms** project, co-funded by the region of Epirus. The project is an e-health platform for the care of patients with chronic kidney disease, while Space Hellas focuses on developing the central software and database platform.
- Coordinates the **OCTANT** project to develop an integrated solution for the supervision of a merchant fleet in the field of shipping.

- Actively participates in the **A.V.I.N.T.** project, which involves the integration of automobiles into the urban transport web. The object of Space Hellas is the Network Infrastructure and Control Center that will support the operation of the vehicles

2.3.5 INTERNATIONAL PRESENCE

The Group's activity in the international markets is still a steady course without being particularly affected by the impact of the pandemic, ensuring the smooth continuation of operations in the subsidiaries in Cyprus, Malta, Serbia and Jordan, but also doing international business with an emphasis on telecommunications services.

The updated list of projects abroad is as follows:

- **Cyprus:**
 - The signing of a contract for the Access control System of the City of Dreams Mediterranean International Casino Resort Limassol, 1 million euros.
 - Continuation of 13 years of service to the Department of Meteorology for the project "Provision of Meteorological Radar Services" for the Government of the Republic of Cyprus, Ministry of Agriculture, Rural Development and Environment.
 - The signing of a contract for Cyprus Trading Corporation, Azure Stack Appliance of € 200 thousand.
 - Continue to provide online crime prevention services through the WEB-IQ Voyager platform for the Cyprus Police.
 - Support for the ticketing and access control system at the G.S.P. Stadium in Nicosia.
 - Evaluation of an offer to the Cyprus Police for space surveillance systems.
 - Evaluation of tenders for H.E.R.M.E.S. (Larnaca and Pafos Airport Administrator) for the supply of:
 - Supplying an NMS platform
 - Upgrading network infrastructure.
 - Bid evaluation (as subcontractor) in the Integrated Municipality System tender 5.7 million euros.
 - Bid evaluation in the G.E.E.F. tender for Data Diodes, 200 thousand euros.
 - Participation in CyTA RFI for access control system.

- **Malta:**
 - Continue the 7-year hybrid cloud service contract with the Maltese Government (M.I.T.A.: Malta IT Agency).
 - Evaluation of offers for I.T. security system to a customer of the hotel market.
 - Preparing to participate in the competition for the new AFIS system of the Malta Police.
 - Participation in RFI for M.I.T.A.'s new AIOps system.
 - Participation in RFI for email security solution of M.I.T.A.

- **Jordan:**
 - Provision of telecommunication services through the subsidiary company Space Arab Levant Technologies.

- **Germany:**
 - Provision of telecommunications services and interconnection with international data networks and cloud providers.

2.3.6 PERSPECTIVES

The COVID-19 pandemic continues to affect citizens' daily lives and several sectors of the Greek economy in 2021. According to existing forecasts, the vaccination of a large part of the population, when completed, will significantly slow down the effects of the pandemic on the economy and will create the conditions for a return to normality. Despite the difficulties and significant constraints, the positive Group's development course, which continued in 2020 with important projects from both the private and the public sectors, is expected to continue steadily in 2021, expanding its areas of activity and market position.

Significant funds from the recovery fund and extraordinary European resources to support the economy are expected to be channelled soon to the Greek market, where part of them will be channelled to the development and promotion of services in the new digital age. SPACE HELLAS having a significant market share in the field of medium and large enterprises and in projects of key public importance (such as that of Synexis II, I.S.P. & S.L.A. Central Services and Security Infrastructure, Telephony, Teleconferencing, J.T.P. Cable, Automated Automated System of the Ministry of Civil Protection, of the Communication and Voice Recording System of the Civil Aviation Service, the contract of support and upgrade of the N-VIS system of the Ministry of Foreign Affairs, the implementation of a secure transmission system of exams and certifications of the Ministry of Education etc.) is one of the most important and more reliable Systems Integrators in the Greek market with a significant international presence. At the same time, it invests in human resources, know-how and collaborations to move into the era of Digital Integration, taking advantage of the investment opportunities that contribute to this goal. With 32.28% of the Dutch company Web-IQ active in the market of big data & cybersecurity, 35% in the Greek company Agroapps active in the market of intelligent agriculture, SPACE HELLAS

proceeded with the acquisition of Singular Logic, in a joint scheme with Epsilon Net and continues to invest dynamically in the software industry where it marks a new era for the Group in the new digital age.

2.4 RISK MANAGEMENT AND HEDGING POLICY

The Group and the Company in the day to day business are exposed to a series of financial and business risks and uncertainties associated with both the general economic situation as well as the specific circumstances typical of the industry.

The Group's expertise, highly trained and skilled staff and its power state of equipment, together with the development of new products, will allow the Group to maintain its competitive advantage and penetrate new markets.

Furthermore, continuously adaptive to the new business environment, our structures, and the significant amount of ongoing projects allow the Group to meet the critical needs of the coming year and help minimize uncertainties.

The Group is exposed to the following:

□ Financial Risk Factors

The Group is exposed to various financial risks, including unpredictable fluctuations in exchange rates and interest rates, market risks, credit risks and liquidity risks. The overall risk management program of the Group seeks to minimize the possible adverse effects of these fluctuations on the financial performance of the Group.

The Group's management applies risk management policy by assessing the risks associated with the Group's activities and functions and carrying out the design of the methodology by selecting the appropriate financial products to achieve risk reduction.

The financial instruments used by the Group consist mainly of bank deposits, transactions in foreign currency at current prices or short term currency futures, bank overdrafts, accounts receivable and payables.

□ Foreign Exchange Risk

The Group's exposure to foreign exchange risk arises from actual or anticipated cash flows in foreign currency (imports - exports). The Group's management constantly monitors the fluctuations and the tendency of foreign currencies and evaluates each case individually,

taking appropriate action where necessary through agreements against interest rate risks. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities disclosed in a currency different from the entity's functional currency. The company uses currency futures as required for the foreign exchange risk that arises from future commercial transactions and recognised assets and liabilities.

The main trading currencies of the Group are the Euro and USD.

In the table below, there is a sensitivity analysis of the earnings before taxes due to currency exchange rate changes:

Currency	31.12.2020		31.12.2019	
	Exchange rate variation	Effect on profit before tax	Exchange rate variation	Effect on profit
USD	8%	-500	10%	-510
	-8%	500	-10%	510

□ Price Risk

The Group is not exposed to securities price risk. The Group is exposed to risk due to the variations in the value of the goods used for trade and the raw materials used. In order to face the risk of impairment of inventories, rationalised warehouse management aims to minimize the stock according to the progress of the production needs. Our aim is to reduce the warehouse retention time in order to minimize the risk of impairment of inventories.

□ Interest Rate Risk

The fluctuations in the interest rate markets can have a modest impact on the Group's income and the Group's operating cash flows.

The Group's policy is to continuously review interest rate trends and the tenor of financing needs. In this respect, decisions are made on a case by case basis as to the tenor and the fixed versus floating cost of a new loan. Thus, the amount of short term borrowings is variable. All short term borrowings are based on floating rates. Consequently, the impact of the interest rate (E.U.R.I.B.O.R.) fluctuations is directly related to the number of loans.

The period we are going through is characterised as a period of zero and negative interest rates. Recently, the U.S.A. was drawn up in this policy with continuous interest rate cuts. However, careful monitoring and management of interest rate risk reduce the risk of a significant impact of earnings on possible short-term interest rate fluctuations.

Sensitivity analysis of Group's borrowings due to interest rate changes:

Currency	31.12.2020		31.12.2019	
	Interest rate variation	Effect on profit before tax	Interest rate variation	Effect on profit before tax
euro	1%	-335	1%	-230
	-1%	335	-1%	230

□ Credit Risk

Credit risk arises from cash and cash equivalents, bank deposits, derivative financial instruments, and credit risk exposures from customers.

Trade receivables come mainly from large organisations in the private and public sector. The financial position of the customers is closely monitored and redefined according to the new conditions. The Group evaluates the creditworthiness of each customer, either through an independent rating body or internally, taking into account its financial position, previous transactions and other parameters, monitoring the amount of credit provided. Customer credit limits are set based on internal or external ratings in accordance with limits set by the Management. As the unfavourable economic situation of the domestic market, since the beginning of the economic crisis, creates risks for any doubtful debts, the Group's management has put mechanisms capable of such response, taking into account the structure of the client base of the Group.

Regarding the company's exposure to the risk of non-recovery of debts by the Public sector, this risk is significantly reduced as the receivable from the Public sector entities has been decreased. In addition, the current legislation favours the offsetting of the companies between their obligations towards the Greek State with overdue receivables. For specific credit risks, provisions for losses from impairment. The backdating of collections is an issue to be managed but is not linked to our debtors' good standing.

To minimize the credit risk on cash and cash equivalents, the Group, under policies approved by the Board of Directors, sets limits on the amount to be exposed. Also, concerning money market instruments, the Group only does business with recognised financial rating institutions. Regarding the coronavirus's effect, the Group's estimates are reported below in a special paragraph of the present section.

□ Liquidity Risk

Liquidity risk is addressed both by the steady flow of receipts and by securing sufficient cash from bank financing (focusing on on-the-project basis funding), which is based on the excellent

relationship the company has with the largest credit institutions in the country and provides sufficient credit lines to finance our business plans.

In addition, excellent relationships with our suppliers, based on long-lasting, reliable and stable relationships, provide us with significant help in smooth cash flow. Capital controls did not materially affect the relationships mentioned above.

The table below summarises the maturity profile of financial liabilities for 31.12.2020 and 31.12.2019, respectively.

Amounts in € thousand	Group							
	Total		Less than 1 Year		1 to 5 years		>5years	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Borrowings	40.099	24.989	9.777	9.682	23.796	12.277	6.526	3.030
Lease liabilities	1.257	1.375	497	192	760	1.183	0	0
Trade and other payables	38.300	24.800	38.294	24.794	-	-	6	6

Amounts in € thousand	Company							
	Total		Less than 1 Year		1 to 5 years		>5years	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Borrowings	40.099	24.989	9.777	9.682	23.796	12.277	6.526	3.030
Lease liabilities	1.255	1.363	495	182	760	1.181	0	0
Trade and other payables	38.148	24.577	38.142	24.571	0	0	6	6

Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a strong investment-grade credit rating and healthy capital ratios in order to support its operations and expand the Group's activities.

The Group's policy is to maintain leverage targets in line with an investment-grade profile. The gearing ratio is calculated by dividing the net borrowing by the total capital employed.

Amounts in € thousand	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Short term Borrowings	9.777	9.682	9.777	9.682
Long term Borrowings	30.322	15.307	30.322	15.307
Less: cash and cash equivalents	-31.058	-17.082	-30.451	-16.281
Net Debt	9.041	7.907	9.648	8.708
Equity	18.078	16.390	17.022	15.391
Total capital employed	27.119	24.297	26.670	24.099
Gearing ratio	33,34%	32,54%	36,18%	36,13%

The leverage ratio shows a marginal increase despite the Company's continuous growth course, leading to an increase in long-term loans.

□ Risk of COVID-19 spread

The third wave of the pandemic in February 2021, accompanied by adopting new emergency restrictive measures to protect public health. The stifling pressure on the health system and the uncertainty over the timing of the effective availability of vaccines and drugs create new negative, social and economic conditions for the immediate future and its prospects and significant risks and uncertainties, at least in the short run. However, the prospects of the market's opening, albeit under strict restrictions and in progress in vaccinations, is expected to gradually have a positive effect on expectations.

Governments worldwide have reacted swiftly to prevent the effects of the pandemic and the economic impact of the lockdown crisis by taking fiscal measures to support household and corporate incomes and create liquidity in the economy.

In addition, central banks and regulators have globally streamlined banks' capital requirements and adopted unprecedented measures to support the liquidity of the State banks and businesses.

Thus, the global recession recorded in 2020 was 4.3%, while the Greek economy moved better than the estimates of both the government and the institutions. According to E.L.S.T.A.T. data, the recession was 8.2%, and in Q4 2020, 7.9%.

The relatively better Greek economy's performance compared to other European countries, the effective management of the pandemic and the progress achieved in particularly adverse conditions strengthens confidence in the country's prospects and strengthens its image internationally. The particularly swift reflexes shown by Greece in the management of the health crisis, the acceleration of the digitisation of critical functions of the public administration pushed the modernisation of the State and created the background for the next day. At the same time, a significant part of Greek companies, despite the digital deficit that characterised them in

general, showed strong capabilities to adapt to the needs of the pandemic by adopting the practice of teleworking and other digital solutions to continue their operation such as e-commerce.

The government, despite its budget constraints, managed to lift the budget commitments for 2020 and 2021. It undertook and implemented programs to support household and businesses incomes and the liquidity of the economy. In parallel with its successful presence in the negotiations at the European Council, Greece secured an aid package of approximately € 70 billion, € 32 billion from the N.G.E.U. and € 38 billion from the M.F.F. The return to the markets with the issuance of a 30-year bond and the possibility for Greece to proceed with a gradual debt restructuring, replacing part of what is short-term with longer-term securities (prepaying € 3.3 billion owed to the I.M.F.) demonstrate in the best way the reversal of the climate in its favour and the global recognition of the effective management of the coronavirus crisis.

The interventions to strengthen the economy are intensifying at the European level, and in this context, on February 11th 2021, the European Council approved the regulation establishing the Recovery and Sustainability Mechanism. The € 672.5 billion mechanisms is the main tool in the E.U.'s unprecedented recovery effort through the "Next Generation E.U.": the € 750 billion plan agreed by E.U. leaders in July 2020 to emerge stronger from the COVID-19 pandemic. The Recovery and Resilience Mechanism in the coming years will play a key role in helping the Member States tackle the economic and social impact of the pandemic, while at the same time their economies will go green and digital to become more sustainable and resilient.

Space Hellas Group estimates that there is no significant impact on its fundamentals at this stage as well as on its financial situation. Uncertainty, however, persists, and we will therefore continually review the data and provide further information whenever necessary.

In particular, most Group's activity is carried out with large and medium-sized customers operating in various industries with the different potential impact from Covid-19 in demand for I.T. products and network equipment, but in any case, due to the current situation, needs for communication and interoperability have increased. The Group and the company equally evaluate the ability to respond to both potentially increased demand and reduced lead time to meet increased maintenance and/or infrastructure improvement needs in response to the collective effort to address the pandemic, given that in many cases, telecommunications are the only means of operation and communication, and as such are given priority.

Following the above, the Group closely monitors the developments regarding the spread of COVID-19 coronavirus. Its position as a leading System Integrator and Value-Added Solutions

Provider in the field of logistics software and information technology enables it to respond in these difficult times and to implement, as far as possible, the plan at its disposal for the smooth operation of its activities, always in accordance with the applicable legislation and obligations as imposed by the official instructions of the competent authorities at a national or local level.

In this context, it takes precautionary measures for the safety of employees, which is an absolute priority, has established and maintained clear internal and external protocols for regular and urgent communication with employees and other key stakeholders, has already prepared and implemented in full a plan to ensure business continuity.

Business travel is kept to a minimum, and systems for remote work (teleworking) are implemented where possible. Additional human resource planning has also been put in place for staff performing operations critical to business continuity to minimize the risk of downtime.

The following additional actions have also been taken:

- ▣ Back-up arrangements in case employees who are responsible for health and safety are unable to perform their roles.
- ▣ Special arrangements for employees belonging to vulnerable groups.
- ▣ Establish procedures for self-isolation of staff in the event of a symptom compatible with COVID-19 infection at work.
- ▣ Establishing procedures for staff to report any symptom compatible with COVID-19 infection that they or someone in their environment has while at the same time away from work. A negative molecular test result is required for staff to return to work.
- ▣ Regular disinfections in all workplaces as well as in the company's cars.
- ▣ Providing staff with appropriate personal protective equipment (gloves, masks, antiseptics).
- ▣ Continuous information - training of staff for the management of health and safety at work by the occupational physician as well as by the manager of "COVID19" appointed by the company.
- ▣ For their return to work after a long vacation (summer, Christmas, Easter), the staff undergoes molecular test COVID-19.

In all cases, the cost of the molecular test is borne by the company.

Finally, the company is actively involved in actions that are part of the national effort to address the pandemic.

It is worth noting that the Company not only did not make salary cuts but with the decision of the General Meeting on 18-6-2020 it was decided to distribute profits for the year 2019 to the company's staff amounting to € 360,000.

In addition to the ongoing management of operational risk due to the Covid-19 epidemic, an the increased supervisory system was put in place to protect the Group's financial position.

- The investment plan was carefully re-evaluated and will be re-assessed according to the current situation.
- A new cost reduction program was designed and implemented, where the company's functionality is not significantly affected.

The Group acts with caution regarding the timing of the execution of the projects it has already undertaken or will undertake during the year, as in addition to any other unforeseen factors, the spread of the coronavirus in Greece may affect the domestic I.T. market due to possible delays in the acquisition of equipment from abroad, as well as because some business groups may delay the launch of their investment projects on the technology front for some time and may affect the speed of government mechanisms in promoting public works.

Despite the problems that the coronavirus can cause in the I.T. market, individual activities in the industry may be positively affected as the current conditions will change the way companies, organisations, and working groups operate and create a wider culture of fewer personal contacts and more remote communications.

This is likely to create a culture of more sustainable technology solutions, especially for cloud services which Space Hellas is ready to offer.

The above are important mitigating factors of the risk involved in the uncertainty for the development of the situation but also maintaining the competitive position of the Group in each of its areas of activity.

The above planning reduced the potential financial impact on the results so far.

Any further implications will depend, to a large extent, on future developments.

The specific circumstances we are experiencing affect, at least in the short term, the economic environment and assess whether we have a significant increase in credit risk (S.I.C.R.). The nature of the effects of the economic shock is considered temporary and, combined with the impact of the support and relief measures taken by the government, leads us to conclude that these countervailing forces are being offset.

Using past information and, more specifically, the crisis of 2015 in our country, we can say that the increase in credit risk did not affect our company significantly as credit risk management policies worked satisfactorily. The company's management estimates that there is no need to change the data that affect IFRS 9 and consequently increase the credit risk.

However, since the phenomenon continues to be fully evolving, and although we do not see today a significant impact on the fundamental size of the group, its quantitative and qualitative consequences on the operation of the group and the company cannot fully be estimated at present.

□ **Risk related to United Kingdom's exit from the European Union**

The United Kingdom left the European Union on 31 January 2020, and the withdrawal agreement entered into force on 1 February 2020, with a transitional period until 31 December 2020. Negotiations on the future EU-UK partnership began on 2 March 2020 and reached an agreement on trade, cooperation, and information security on 24 December 2020. On 29 December 2020, the Council adopted the decision to sign the EU-UK Trade and Cooperation Agreement and the Information Security Agreement their provisional application from 1 January 2021 until the end of February, unless the parties have agreed to an extension. Both parties then signed the agreements on December 30, 2020.

On 23 February 2021, the EU-UK Partnership Council decided, at the request of the EU, to extend the provisional application of the agreements until 30 April 2021 to give sufficient time to complete the revision of the 24 language texts by the linguists.

The Trade and Cooperation Agreement covers not only trade in goods and services but also a wide range of other areas of interest to the EU, such as investment, competition, state aid, tax transparency, air and road transport, energy and sustainability, fisheries, data protection and coordination of social security systems.

The agreement also provides zero duties and zero quotas for all goods that meet the appropriate rules of origin.

The EU-UK information security agreement will allow the two parties to exchange classified information, enforcing solid guarantees regarding the handling and protecting of the information exchanged. As the exchange of classified information between partners remains an important tool of cooperation to address common security threats. Greece's trade and economic ties with Britain have a long history and are of great importance.

Greece, aiming to strengthen cooperation with the United Kingdom in areas of mutual interest and in the post-Brexit era, continues its bilateral consultations with the British side. In this context, initiatives have already been taken, such as the Immigration Action Plan and the Defense Action Plan, while the possibility of revising (a) the Greece-UK Education and Culture

Agreement of 1953, (b) the Greece-UK Agreement is being assessed. For the shipping sector and (c) the double taxation agreement.

However, the bureaucracy and the increased indirect and direct costs related to the new procedures regarding tax, customs, and/or healthy controls do not affect the Group's transactions.

2.5 IMPORTANT TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

Each affiliated company follows the rules regarding transparency, independent financial management, accuracy and correctness of its transactions, as required by law. Transactions between the Company and its affiliated companies are made at a price or exchange, which is proportional to whether the transaction was made with any third party, natural or legal person, under the conditions prevailing in the market at transaction time.

The transactions below relate to transactions with related parties as defined in IAS 24, cumulatively from the beginning of the financial year to the end of the period, as well as the balances of the receivables and liabilities of the company and the group at the end of the current fiscal year, have arisen from the specific transactions of the related parties.

The transactions between related parties follow regular market prices.

There are no unusual nature or content transactions with significant impact on the Group or the subsidiaries or related parties. All of the transactions with related parties are free of any special condition or clause.

The tables below summarize the transactions and the account balances with related parties carried out during the year 2020 and 2019, respectively.

Amounts in € thousand	Revenue from dividends		Sales		Income from investment property		Total income-Parent company		Total income-Group	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
SPACE HELLAS (CYPRUS) LTD	819	449	146	146	-	-	965	595	-	-
SPACE HELLAS (MALTA) LTD	-	-	3	2	-	-	3	2	-	-
SPACE HELLAS D.o.o. BEORGRAD	-	-	3	3	-	-	3	3	-	-
SPACE ARAB LEVANT TECHNOLOGIES LLC	-	-	-	-	-	-	0	0	-	-
Total Subsidiaries	819	449	152	151	0	0	971	600	0	0
Web-IQ B.V.	-	-	167	131	-	-	167	131	167	131
AgroApps P.C.	-	-	-	-	-	-	0	0	0	0
Total Associates	0	0	167	131	0	0	167	131	167	131
MOBICS S.A.	-	-	-	0	-	-	0	0	0	0
Total other related parties	0	0	0	0	0	0	0	0	0	0
	819	449	319	282	0	0	1.138	731	167	131

Amounts in € thousand	Total Company expenses		Total Group expenses	
	2020	2019	2020	2019
SPACE HELLAS (CYPRUS) LTD	12	-	-	-
SPACE HELLAS (MALTA) LTD	-	-	-	-
SPACE HELLAS D.o.o. BEORGRAD	7	-	-	-
SPACE ARAB LEVANT TECHNOLOGIES LLC	5	-	-	-
Total Subsidiaries	24	0	0	0
Web-IQ B.V.	-	54	-	5
AgroApps P.C.	-	-	-	-
Total Associates	0	54	0	5
MOBICS S.A.	-	11	-	11
Total other related parties	0	11	0	11
	24	65	0	16

Amounts in € thousand	Total Receivables - Company		Total Receivables - Group	
	2020	2019	2020	2019
SPACE HELLAS (CYPRUS) LTD	146	146	-	-
SPACE HELLAS (MALTA) LTD	3	2	-	-
SPACE HELLAS D.o.o. BEORGRAD	3	3	-	-
SPACE ARAB LEVANT TECHNOLOGIES LLC	-	-	-	-
Total Subsidiaries	152	151	0	0
Web-IQ B.V.	4	22	4	22
AgroApps P.C.	-	-	-	-
Total associates	4	22	4	22
MOBICS S.A.	-	-	-	-
Total other related parties	0	0	0	0
	156	173	4	22

Amounts in € thousand	Total Liabilities - Company		Total Liabilities - Group	
	2020	2019	2020	2019
SPACE HELLAS (CYPRUS) LTD	12	-	-	-
SPACE HELLAS (MALTA) LTD	-	-	-	-
SPACE HELLAS D.o.o. BEORGRAD	7	-	-	-
SPACE ARAB LEVANT TECHNOLOGIES LLC	2	-	-	-
Total Subsidiaries	21	0	0	0
Web-IQ B.V.	20	-	20	-
AgroApps P.C.	-	-	-	-
Total associates	20	0	20	0
MOBICS S.A.	-	-	-	-
Total other related parties	0	0	0	0
	41	0	20	0

- Both the services from and towards the related parties as well as the sales and purchase of goods, are contracted with the same trade terms and conditions as for the non-related parties.
- The transactions between the Company and related parties have been eliminated from the consolidated financial statements.

Table of Key management compensation:

Amounts in € thousand	Group		Company	
	2020	2019	2020	2019
Salaries and other employee benefits	1,245	1,242	1,245	1,242
Receivables from executives and members of the Board	2	2	2	2
Payables to executives and member of the Board	0	33	0	33

- No loans have been given to members of the Board or other executive members nor to their family members.

Tables of Guarantees to third parties:

Amounts in € thousand	Group		Company	
	2020	2019	2020	2019
Guarantees to third parties on behalf of subsidiaries and joint ventures	27	33	27	33
Used guarantees to third parties on behalf of subsidiaries	0	0	0	0

- The company has granted guarantees to banks in favour of the subsidiary SPACE HELLAS (CYPRUS) LTD., amounting to € 27 thousand

2.6 ALTERNATIVE PERFORMANCE MEASURES

The European Securities and Markets Authority (ESMA / 2015 / 1415el) published the final guidelines on Alternative Performance Measures (APMs) applicable from 3 July 2016 to securities companies traded on organized exchanges. APMs are disclosed by publishers when publishing regulated information and are intended to enhance transparency and promote the investing public's usefulness and fair and full information.

The Alternative Performance Measurement Score (EMMA) is an adjusted economic measurement of historical or future economic performance, financial position or cash flow, other than the economic measurement set out in the applicable financial reporting framework. That is to say, APM does not rely exclusively on the standards of financial statements but provides substantial additional information, excluding elements that may differ from operating results or cash flows.

EMMA should always be taken into account in conjunction with the financial results prepared under IFRSs and should be considered replacing them under no circumstances. The Group uses the Custom Indicators (EMMA) to better reflect the financial and operating performance related to the Group's activity in the reference year and the corresponding previous comparable period.

Adjusting elements

Figures influencing the adjustment of the indices used by the Group to extract the ALPs according to the first half financial statements 2020 and the corresponding financial statements of the prior period are the provisions for trade receivables impairment.

The elements affecting the adjustment of the indicators (ALPs) on 31.12.2020 and 31.12.2019 are shown in the table below:

	Group	
	31.12.2020	31.12.2019
Amounts in € thousand		
Comprehensive Income Statement		
Provisions for impairment	19	233
Total	19	233

Based on the above adjustments, the EMMA's used by the Group are formed as follows:

Adjusted EBITDA

The adjusted EBITDA of the current period increased by 0,28% compared to EBITDA, while compared to the previous period, the adjusted EBITDA is increased by 4,93%.

Adjusted EBIT

The adjusted EBIT for the year 2020 is 0,39%, slightly higher than EBIT, while compared to the previous period, results to be increased by 3%.

Adjusted Cash Flows After Investments

The Adjusted Cash Flows after investments for the current and the previous period as well are increased by 25% compared to Cash Flows after investments. While compared to the previous period, results to be decreased by 106,60% due to the increase of investing activities of the Group.

Adjusted Net Borrowing

Both in the current and in the previous period, the adjusted Net borrowing almost equal to the net borrowing.

Regarding the definition and basis of the calculation of EDMA, a more detailed analysis is contained in note 4.7 of this financial report.

2.7 NON-FINANCIAL INFORMATION

As an innovative company, SPACE HELLAS is a pioneer in new technological trends and has a wide range of solutions and services that cover all kinds of needs in ICT (Information and Communication Technologies) and security technologies.

The services provided by the Group also include those of remote access (managed services), consulting, training and transfer of know-how, project management, as well as information security management system development services, personal data protection program development services in order to adapt to the requirements of GDPR and DPO Services.

At the same time, the way the Group operates strengthens its sustainable entrepreneurship, contributing to the economy, society and the environment, following commercial, organizational and operational practices in accordance with the rules, legislation and regulations dictated by national and European supervisory authorities and ensures that it obtains all relevant licenses provided for its products, services and operations.

Sustainable Development is an integral part of the business strategy of the SPACE HELLAS Group, and its principles are integrated with its operation.

2.7.1 BUSINESS MODEL DESCRIPTION

For more than 35 years, Space Hellas has consistently confirmed its leading role in the ICT market (Information and Communication Technologies), whether in the design, installation, and configuration of complex Informatics and Security infrastructures or in implementing and completing demanding System Integration projects.



Space Hellas is a leading System Integrator and Value Added Solutions Provider in Telecommunications, Informatics and Security. It offers complete technological solutions, certified by ISO 9001: 2015 quality assurance standard and ISO / IEC 27001: 2013 information security, which ensures that its procedures include all the necessary audits in terms of confidentiality, integrity and availability of information so that Data and resources involved in any commercial activity are protected.

As an innovative company, it is a pioneer in new technological trends such as Cloud-Based Services, Internet Of Things, Smart Cities, Big Data, Blockchain, AI, etc. Its wide range of solutions and services covers all kinds of needs in ICT (Information and Communication Technologies) and security technologies such as data communications, IT and IT infrastructure, telecommunications, unified communications, information security and physical security, audiovisual systems, etc.

Also, managed services, consulting, training and transfer of know-how, project management, information security system development services, program development services are provided, personal data protection to adapt to the GDPR and DPO Services requirements.



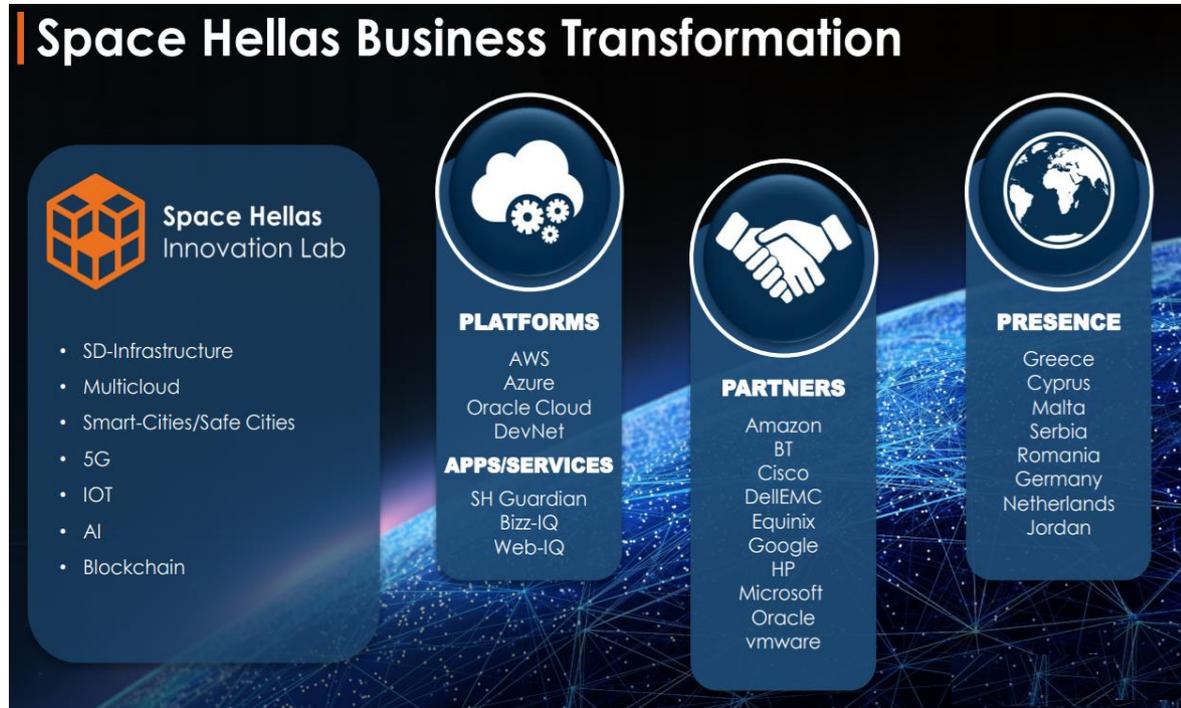
According to the IT management service standard ISO 20000: 2018 and through the award-winning state-of-the-art Network and Security Business Operations Center, Space Hellas offers an unparalleled quality of technical support services to its customers, which operates according to the ITILv3 standard. Serves the largest companies, financial institutions and public organizations on a 24-hour basis, offering the possibility of repairing damage within 2 hours for customers who have strict SLAs. Through this, all technical support services are coordinated at the national level, but also abroad.

Competitive Advantages



Its clientele includes the largest banks and private companies, industries, store chains, telecommunications service providers, ministries and government agencies, as well as the Armed Forces. Space Hellas superiority is recognized by its customers, who trust it in the course of its many years of presence. The company has entered into strategic partnerships with the

most important international high-tech providers, which allows it to successfully carry out large and complex projects for companies of high prestige and organizations in Greece and abroad.



2.7.1.1 RESEARCH AND DEVELOPMENT

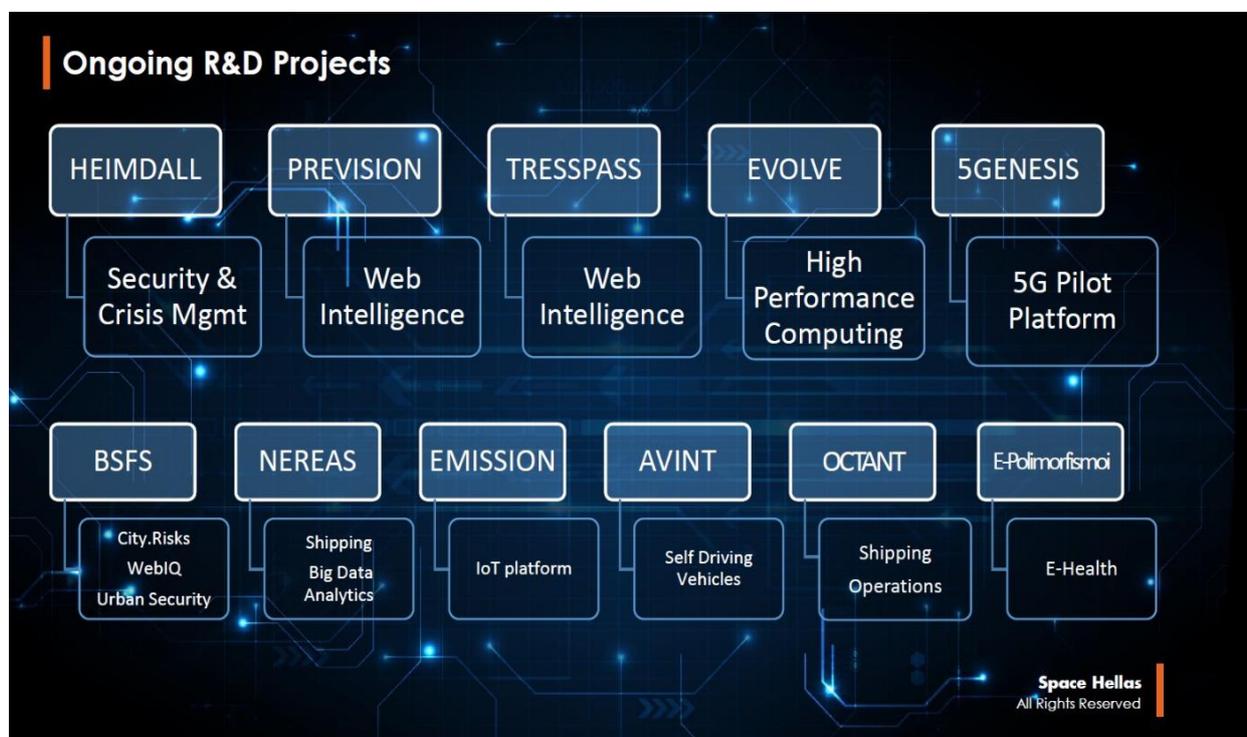
Space Hellas' commitment to Research and Development offers a significant lead in the ICT (Information and Communication Technologies) and information security market

Space Hellas is actively involved in Research & Development (R&D) activities both at the European and National level, recognizing the importance of knowledge on the one hand in specialized areas of science and technology and on the other hand the exploitation of technological achievements and new opportunities. To create innovative solutions and meet new requirements.

The Research & Development department aims to strengthen this position, analyse the current market demands, and anticipate long-term opportunities. With the participation of Space Hellas in pilot and research projects, both national and European and self-financed, the company adopts and develops new technologies, products, and services while expanding the network of its partners.

At the same time, the Research and Development Department has a number of successful projects, which have been recognized at a pan-European level and are increasingly being proposed for cooperation by European companies and high-profile academic institutions. But what Space Hellas seeks to prioritize is to incorporate knowledge and know-how into its projects, solutions, and services to ensure it has a strong competitive advantage.

By participating in pilot and research projects, both National and European and domestic projects, the company adopts and develops new technologies, products, and services while expanding the network of its partners. The acquired know-how from these projects offers, among other things, the possibility of contributing to the Research and Development department both in Integration projects and in commercial and military projects, thus being an important chapter for Space Hellas.



The Research and Development Directorate is active in the following thematic areas, which are in line with the company's commercial activities:

- ▣ Cloud and Big Data technologies and applications
- ▣ Cybersecurity and Open Source Intelligence
- ▣ Monitoring and Analytics
- ▣ Machine Learning and Artificial Intelligence
- ▣ Next-generation networks, 5G and satellite
- ▣ Internet of Things and Smart Cities
- ▣ Surveillance and Security

2.7.2 CERTIFICATIONS – QUALITY POLICY

2.7.2.1 ISO Certifications



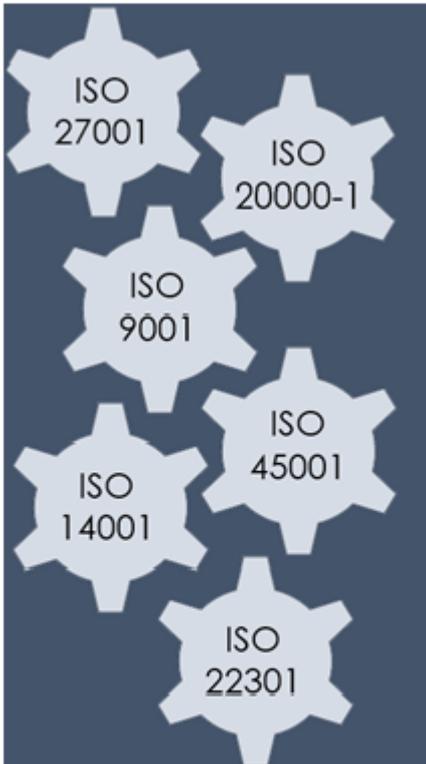
Space Hellas, aiming at a high-quality, consistent service provision to its customers, proceeded to a new certification with ISO 22301: 2019 for the Business Continuity Management System that is in place. This reaffirms the effectiveness of the strategy designed to maintain the operational functionality of Space Hellas in the event of disruption of its proper operation due to an unexpected catastrophic event. In fact, the Business Continuity Management System includes a special Plan for dealing with pandemics, which was activated immediately and with absolute success during the Covid 19 pandemic period that we are now facing.

Space Hellas also proceed to the upgrade of:

- its certification with ISO 20000-1 in the new version 2018 for the Information Technology Management Services System (IT Service Management System) ensures that the necessary methods and procedures are applied to provide effective IT services, even after changes to existing computer systems used.
- its certification with OHSAS 18001 in the new version ISO 45001: 2018 for the Health & Safety Management System at Work, to ensure an environment that minimizes the health and safety risks for employees, partners, visitors and customers of the company

All the above are to be added to the list with the already existing certifications of our company, for all its activities and facilities, which are:

ISO 9001: 2015 certification



We are committed to continuously improve our company's certified Management Systems, providing the required human and material resources, in order to enhance the reliability and protection of all sensitive and valuable data and the provision of quality products, solutions and services, that satisfy the expectations of our customers, offering the market a wide range of integrated solutions and high-tech services.



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In order to fully satisfy its customers, Space Hellas consistently follows a Quality policy whose main objectives are:

- Ensuring high quality of products and services provided, with the technical and quality characteristics resulting from the identified needs of the market
- The continuous improvement of the Quality and the characteristics of the provided services, but also of the Quality in general in all the processes and procedures of the company

The Quality Management System that Space Hellas has been implementing since 1994 effectively contributes to achieving these goals.

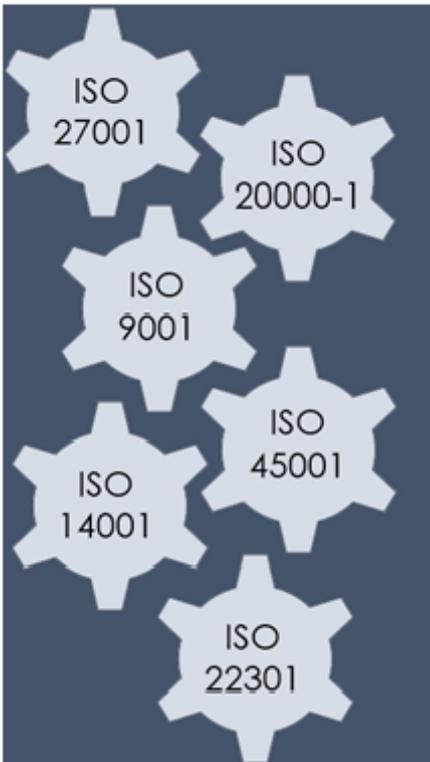
ISO / IEC 27001: 2013 certification

Space Hellas is ISO 27001: 2013 certified for the Information Security Management System that it has designed and maintained since 2009, at the Organization level and for all its activities, in its branches in Greece, its subsidiary in Cyprus and its subsidiaries in Malta, Serbia and Romania. The certification of Space Hellas, according to ISO / IEC 27001 ensures that its procedures include all the necessary checks on issues of confidentiality, integrity and availability of information to protect the data and resources involved in each activity.

This important certification is for the benefit of all those who do business with Space Hellas and especially of its important customers, who manage critical information or personal data.

ISO14001: 2015 certification

Always a pioneer and with increased sensitivity, Space Hellas combines its development with the protection of the environment, making daily efforts to reduce the environmental impact of its activities. Aligning the economic viability and optimal efficiency of infrastructure with the social and moral responsibilities arising from the need to reduce the energy and environmental footprint in the natural environment, Space Hellas applies the principles of Green Information Technology to both information systems and its technological infrastructure. As part of implementing the company's



We are committed to continuously improve our company's certified Management Systems, providing the required human and material resources, in order to enhance the reliability and protection of all sensitive and valuable data and the provision of quality products, solutions and services, that satisfy the expectations of our customers, offering the market a wide range of integrated solutions and high-tech services.



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commitment to an environmentally responsible operation, Space Hellas has developed and implements an Environmental Management System, certified with the international standard ISO14001: 2015.



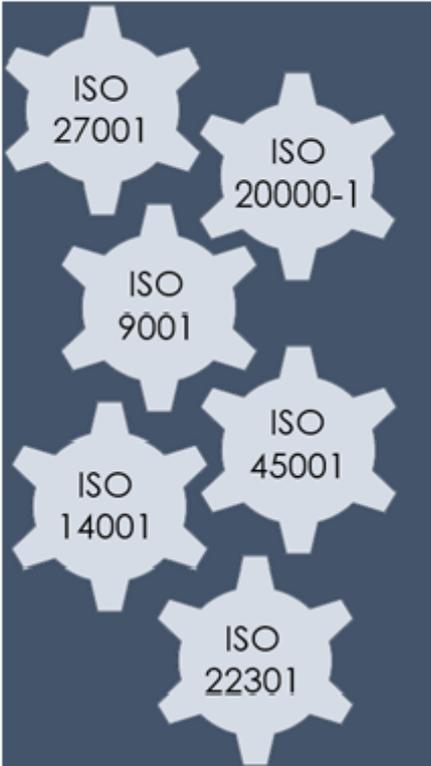
**Certification Number 035
ISO 27001:2013**



**Certification Number 035
ISO 20000-1:2018**



**Certification Number 035
ISO 22301:2019**



We are committed to continuously improve our company's certified Management Systems, providing the required human and material resources, in order to enhance the reliability and protection of all sensitive and valuable data and the provision of quality products, solutions and services, that satisfy the expectations of our customers, offering the market a wide range of integrated solutions and high-tech services.



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Cert No. 7421
ISO 20000-1:2011



Certification Number 035
ISO 9001:2015

2.7.2.2 Other Certifications

The long presence in the ICT, software and security sector and the strategic partnerships of SPACE HELLAS with the major worldwide manufacturers provide the company with the ability to design and implement wide-scale projects.

The company preserves its leadership in the market by investing continuously in human resource and infrastructures.

Within this context, the company has obtained significant awards and accreditations from internationally recognized organisations

Space Hellas certifications are presented (in alphabetical order):



- BT Alliance Partner



- 3-Star Partner
- Value Added Reseller
- Managed Service Provider



- Cisco Gold Certified Partner
- Cisco Advanced Borderless Network
- Architecture Specialized Partner
- Cisco Advanced Collaboration Architecture Specialized Partner
- Cisco Advanced Data Center Architecture Specialized Partner
- Cisco Advanced Security Specialized Partner
- Cisco Routing & Switching Specialized Partner
- Cisco Advanced Unified Communications Specialized Partner
- Cisco WLAN Specialized Partner
- Cisco System Integrator Advanced Unified Fabric Technology Specialization
- Advanced SP Routing Technology Specialization
- ATP - Cisco Application Centric Infrastructure Partner
- Advanced Core and WAN Specialized
- Advanced Unified Computing Technology Specialization
- IoT Specialization Partner

- CSN Silver Partner





- Titanium Partner



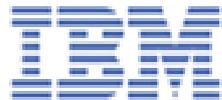
- Gold Partner



- HP Business Partner



- Authorized Partner



- Business Partner



- Gold Partner
- Authorised Warranty Service Provider
- Gold Certified Partner
- Gold Application Development
- Gold Datacenter Partner
- Gold Cloud Platform
- Gold Cloud Productivity



- NetApp Gold Partner



- Novell Silver Partner



Specialized
Oracle Infrastructure
as a Service

- Oracle Gold Partner



- Advanced Partner



- Business Partner



- Symantec Gold Certified Partner



- Vanguard Advanced Certified Partner



- Veeam ProPartner Silver Reseller



- VMware Enterprise Partner

- NATO SECRET

- – EU SECRET

2.7.3 ANTI-CORRUPTION AND ANTI-BRIBERY POLICIES & ANTITRUST ISSUES

The Group fully complies with the Commercial Legislation and the Competition Legislation in all the countries in which it operates.

The policies, regulations and procedures of the Group ensure its operation so that its activities are carried out in accordance with the legal framework. If required or in doubt, each employee should consult the Legal Services Department of the Group on issues related to the implementation of Commercial Law and Competition Law. It must also immediately inform the Legal Services Department of the Group in case it receives any notice from the authority responsible for antitrust matters.

The Group fully complies with the current legislation on corruption. An employee who bribes while performing his duties is subject to civil and criminal sanctions in accordance with applicable law.

2.7.4 EMPLOYEES – SOCIETY – EQUAL OPPORTUNITIES AND RESPECT FOR HUMAN RIGHTS

SPACE HELLAS Group considers its people its most valuable asset. The Group believes that its consistent success is based on attracting, training, and retaining a committed human resource. The Group offers a working environment of equal opportunities and equal treatment to all staff, respecting human rights and labour rights arising from the law, taking timely care of employees' labour issues, thus placing particular emphasis on creating a healthy, safe and supportive work environment.

It consistently implements a long-term strategy, which focuses on fundamental priorities such as finding and retaining talented executives, developing them and at the same time supporting and defending their rights. Its permanent goal is to attract competent and qualified staff, to fulfil their expectations and continuous professional development.

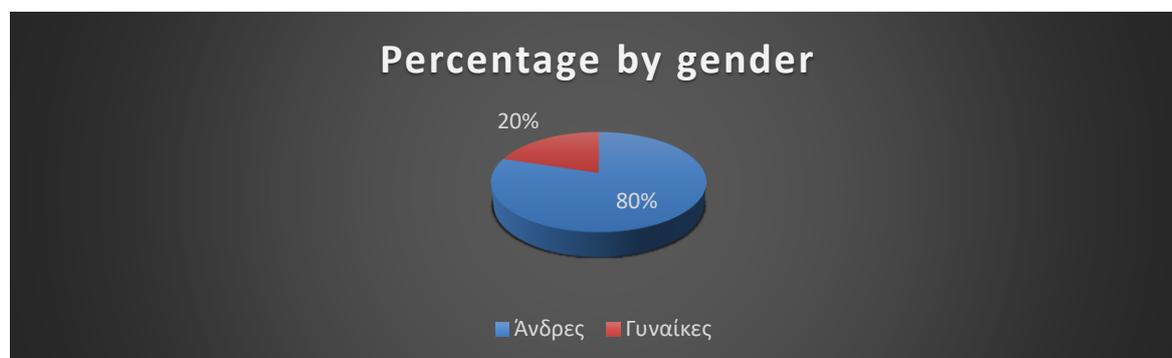
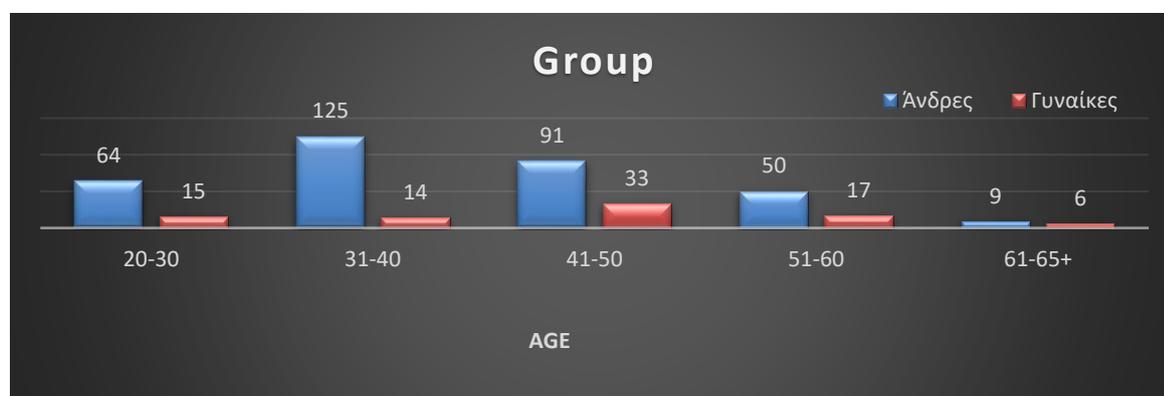
The group always operates following high standards and promotes diversity in its human resources. Its main concern is the satisfaction of its employees by creating a safe working environment without exclusions, which promotes diversity and professional development, providing training programs and encouraging active participation.

The Group encourages exchanging ideas, opinions, and information between employees, protecting their personal and sensitive data while showing zero tolerance, taking the necessary measures to detect and deal with malicious or offensive behaviour of bullying and harassment at work. Environment and conditions, which help optimize the efficiency of employees and, consequently, the Group's viability.

The group strives to offer its people a unique work experience, gain their dedication, and provide incentives that will push them to give their best and fully develop their potential.

ESG Indicative Indicators for the Group	ID	2020	2019
Number of Employees (end of year)		424	372
% of employees with employment contracts	C-S6	100%	100%
Female employees (% of the total)	C-S1	20%	20%
Female employees in managerial positions (% of the total)	C-S2	25%	25%

Below there is a table of distribution with the Group staff employed on 31 December 2020 by age and sex, and a percentage' table of employees by sex is given.



2.7.5 HEALTH AND SAFETY

Space Hellas Group implements an integrated and certified Health and Safety management system which is designed to minimize the risks, to implement continuous measurements for the prevention of accidents and occupational diseases, and the continuous training of employees as well as the strengthening of the work culture.

The Health & Safety Management System at Work (Health & Safety Management System) is certified according to the international standards OHSAS 18001 new version ISO 45001: 2018.

The main routes on which the Health and Safety policy implemented by the Space Hellas Group is based are:

- ❑ Full compliance with current legislation on Health and Safety at Work and other relevant regulations.
- ❑ Identification and evaluation of occupational risks and taking measures to control and limit them.
- ❑ Preparation of preventive action plans to improve working conditions as well as plans of preventive and corrective actions, procedures and instructions, in order to ensure the minimization or elimination of risks.
- ❑ Systematic measurement, evaluation and efforts to reduce exposure levels to harmful factors and continuous monitoring of workers' health.
- ❑ Open and transparent communication on all issues related to Health and Safety.
- ❑ Information, awareness and training of staff on Health and Safety issues in order to eliminate incidents in the workplace.
- ❑ Systematic inspection of processes, organization and procedures, to ensure their continuous information and improvement, compliance with the rules and the achievement of objectives.
- ❑ Continuous effort for harmonization with international standards and the implementation of best Health and Safety practices at work.

The Group has recorded zero accidents.

Employees can take advantage of health benefits through group life and health insurance. They also have access to an occupational therapist by telephone due to pandemic conditions. At the same time, the Group carries out a voluntary blood donation program covering the needs of employees and blood relatives.

SPACE HELLAS response to the Covid-19 Pandemic

Since the beginning of March 2020, when the outbreak of the COVID-19 pandemic took the international community by surprise and became a major issue for public health and the global economy, the Space Hellas group has responsibly and vigilantly implemented a multifaceted action plan. Its position as a leading System Integrator and Value Added Solutions Provider in the field of telecommunications, information technology and security, enables it to respond immediately to these difficult times and to implement, as far as possible, its plan for seamless operation of its activities, always in compliance with applicable law and obligations as required by official instructions of the competent authorities at a national or local level.

In this context, it takes precautionary measures for the safety of employees, which is an absolute priority, has established and maintained clear internal and external protocols for regular and urgent communication with employees and other key stakeholders, has already prepared and implemented in full a plan to ensure business continuity.

Business travel is kept to a minimum, and systems for remote work (teleworking) are implemented where possible. Additional human resource planning has also been put in place for staff performing operations critical to business continuity to minimize the risk of downtime.

The following additional actions have also been taken:

- ▣ Back-up arrangements in case employees who are responsible for health and safety are unable to perform their roles.
- ▣ Special arrangements for employees belonging to vulnerable groups.
- ▣ Establish procedures for self-isolation of staff in the event of a symptom compatible with COVID-19 infection at work.
- ▣ Establishing procedures for staff to report any symptom compatible with COVID-19 infection that they or someone in their environment has while at the same time away from work. A negative molecular test result is required for staff to return to work.
- ▣ Regular disinfections in all workplaces as well as in the company's cars.
- ▣ providing staff with appropriate personal protective equipment (gloves, masks, antiseptics)
- ▣ continuous information - training of staff for the management of health and safety at work by the occupational physician as well as by the manager of "COVID19" appointed by the company.
- ▣ For their return to work after a long vacation (summer, Christmas, Easter), the staff undergoes molecular test COVID-19.

In all cases, the cost of the molecular test is borne by the company.

It is worth noting that the Company not only did not make salary cuts but with the decision of the General Meeting on 18-6-2020 it was decided to distribute profits for the year 2019 to the company's staff amounting to € 360,000.

Finally, the company is actively involved in actions that are part of the national effort to address the pandemic.

2.7.6 CORPORATE SOCIAL RESPONSIBILITY



The Group operates in a constantly changing global environment and faces daily challenges concerning both the profitability and the existence as an integral part of the social and economic mainstream. Sensitive and in the spirit of Corporate Social Responsibility operates responsibly towards people, society and the environment, undertaking voluntary commitments which go beyond common regulatory and contractual requirements are met either way.

Closely connected with the philosophy of the Group is active care for humans on both business and social level. Future-oriented embraces diversity and supports in every way a sense of fairness. At each step of the way of recognizing the contribution of all employees with continuous and determined commitment, provide a safe work environment where solidarity and respect prevails. The high level of technological infrastructure that offers its partners contributes to utilizing every employee the full potential and talents while providing the Group's important work. Education, as an integral part of the Group's philosophy, an ongoing priority.

As part of the social environment, the Group recognizes the vital role in society and contributes to the overall perspective of development. Responding sensitively to the needs through aid charities and voluntary organizations promotes culture and the value of man. Social responsibility is part of the corporate culture of the Group and helps tackle social problems. Our people will contribute to any voluntary action, responding in cases requiring immediate assistance and solidarity.

2.7.7 HONORARY SCHOLARSHIPS



The company's management has established two annual Honorary Scholarships in memory of the visionary and founder Dimitris Manolopoulos to support young people belonging to vulnerable economic and social groups who do not have the financial means to pursue their studies.

In a difficult time, this program aims to provide young scientists with skills and talents, the opportunity to realize their ambitions in the technology field, to continue their studies at the postgraduate level and to evolve through research and innovation.

Scholarships with a total amount of € 6,000 each are awarded to graduates of public higher education institutions in Greece, or respectively higher education institutions abroad, who enrol each academic year in specific postgraduate programs of Greek Universities in Higher Education Institutions (Higher Education Institutions). of information and communication technologies and preferably in areas related to telecommunications, networks, information security (IT Security), cybersecurity (Cyber Security) and artificial intelligence (AI).

On 26-10-2020, Space Hellas announced the start of the 2nd annual program of honorary scholarships, "Dimitris Manolopoulos", and on 02-02-2021, with great pleasure, announced the scholarships, based on the announced honorary scholarship for the academic year 2020-2021.

2.7.8 ENVIRONMENTAL PROTECTION

Always a pioneer and with great sensitivity, the Group combines its development with environmental protection, paying daily efforts to reduce the environmental impact of its activities. Aligning financial sustainability and optimum efficiency of infrastructure, the social and moral responsibilities arising from the need to reduce energy and environmental footprint on the natural environment, the Group applies the principles of Green IT, both in the information systems and in its technological infrastructure as well.

As part of the Group's commitment to an environmentally responsible operation, we have developed and implemented an Environmental Management System in accordance with the ISO14001: 2015 International Standard, for which we have been certified by independent internationally accredited certification bodies in Athens and Thessaloniki. The main goal is to reduce energy consumption, reduce the use of plastic, and reduce the consumption of precious natural resources such as water, wood, paper, metals, and liquid or gaseous fuels. It also promotes the use of more environmentally friendly substances for cleaning and disinfecting.

The Group has also adhered to the Approved Collective Alternative Waste Management System for Electrical and Electronic Equipment by recycling any old electrical or electronic equipment, mobile phones, computers, printers, etc., as well as their accessories. The Group participates in the Collective Alternative Packaging Management System, organized by the Hellenic Recycling Utilization Company (EEE), and deals with alternative packaging waste management to recycle the packaging of the mobile devices. It implements paper recycling programs, PLASTIC WOOD, METAL, portable batteries, ink cartridges and toners. Last but not least, the supply of electronic products is only made by manufacturers certified under the RoHS Directive (Registration of Hazardous Substances) so that their packaging is free from environmentally hazardous substances and heavy metals.

The dynamic business development of the Group is inseparable from the principles of Corporate Social Responsibility and Sustainable Development. Sustainable Development for the Group means pursuing business leadership with the dedication to corporate vision, with respect to society, the environment, people and its shareholders. The Group' sustainability policy is based on the harmonious coexistence of its activities with the societies' needs in which it operates.

The Group develops strategies for monitoring energy consumption, better utilization of renewable energy sources, and reduced emissions that contribute to climate change. Under the Sustainable Development Goals (SDGs), the Paris Climate Agreement (2015) and the European Green Agreement, monitoring international developments, improving the Group's environmental performance and identifying the risks and opportunities arising from Climate change are key areas for strengthening our environmental policy.

ESG Indicative Indicators for the Group		2020	2019
Environment			
Electricity Consumption Energy of buildings	KWh	1.326.074	1.338.417
Gas consumption	KWh	101.767	64.210
Total Energy	KWh	1.427.841	1.402.627
Electricity consumption% of total energy	%	93%	95%
Car fleet consumption	Lt	138.000	168.000
Scope 1 emissions (tonnes of CO2 equivalent)	tn CO ₂	361	426
Scope 2 emissions (tonnes of CO2 equivalent)	tn CO ₂	0	0
Water consumption	m ³	1.434	1.912
Paper recycling	Kg	5.825	18.270
Recycling of portable batteries	Kg	57	19

2.7.9 INFORMATION SECURITY MANAGEMENT

The digital transformation, the adoption of strategies and business models that utilize the use of new technologies (e.g. interconnection, 5G technology, flexible development, collaborative

platforms, etc.), the harmonization with the increased regulatory requirements for security and protection of networks and information systems, as well as the development of a strong and holistic cybersecurity strategy for the effective management of the growing cyber risks, are a priority for the SPACE HELLAS Group.

Technological innovations were used to manage the challenges posed by the COVID-19 pandemic and pushed SPACE HELLAS Group to balance the need to protect itself from cyber threats with the need for digital innovation. Significant breach implications as well as new digital service delivery models enhance existing cybersecurity challenges and create new ones, introducing new levels of complexity and risk.

As SPACE HELLAS Group provides integrated ICT solutions, including services to large clients and public organizations, it applies a holistic approach to risk management related to cybersecurity issues, focusing on practices that support prevention, early detection and detection response

To ensure the high level of network and information security, the SPACE HELLAS Group, through the competent Information Security Department, implements a strict framework of information security and protection, develops and implements security policies, procedures and practices, adopts a structured and holistic approach to information security risk management, develops new security mechanisms, systems and infrastructure, and evaluates their proper implementation and effectiveness.

Also, in the Security Operations Center of the Company, data are collected and analyzed from corporate systems on a 24-hour basis in order to detect in a timely manner and effectively deal with any security incidents (e.g. cyber-attacks). The security of network and information systems is a key goal of the SPACE HELLAS Group as well as its competitive advantage to maintain the trust of its customers and partners.

Space Hellas is ISO 27001: 2013 certified for the Information Security Management System that it has designed and maintained since 2009, at the Organization level and for all its activities, in its branches in Greece, its subsidiary in Cyprus and its subsidiaries in Malta, Serbia and Romania.

The certification of Space Hellas, according to ISO / IEC 27001, ensures that its procedures include all the necessary checks on issues of confidentiality, integrity and availability of information to protect the data and resources involved in each activity.

This important certification is for the benefit of all those who do business with Space Hellas and especially of its important customers, who manage critical information or personal data.

2.8 GOING CONCERNED

The Group's management considers that the Company and the Group have sufficient resources that ensure the smooth continuation of their operation as a Going Concern in the foreseeable future.

2.9 CORPORATE GOVERNANCE STATEMENT

1. Corporate Governance Code Applied.

The Corporate Governance Code is prepared in compliance with the provisions of applicable law. The text is codified and amended every time this Board of Directors decides. For the purpose of full disclosure to the company's shareholders, the corporate governance regulation includes legislative provisions and provisions of the Company's Articles of Association which prevail over it.

The Corporate Governance Code is prepared by the Board of Directors of the company. After approval by the

Board of Directors, the code is uploaded on the company's website of the company in a non-editable format. The Corporate Governance Code comes into effect from its upload to the company's website <http://www.space.gr>.

The code of corporate governance of the company includes the following chapters:

Chapter A'- Board of Directors This chapter contains the obligations and duties of Board members and the method of election and function of the Board of Directors of the Company, the Board of Directors composition and the distinction of members in non-executive and executive members, with specific references to the role of the executive members, the Chairman of the Board, Vice-Presidents and CEO, their responsibilities, the duties of non-executive members, policy of fees and obligations of Board members to uphold the company's interest.

Chapter B' – General Meeting: This chapter describes the functioning of the general meeting of the shareholders, the shareholders' rights before the general assembly, the process of identifying those entitled to attend the general meeting, the quorum, the proceedings of the general meeting, the syntax of the minutes. Reference is also made in compliance with the principle of equality of shareholders and the ways to publish the results of the General Assembly

Chapter C' – Minority interest A reference is made to the minority interest of L 4548/2018 (articles 141-144)

Chapter D' – Internal Control System – Risk Management Controls: There is a description of the Company's Internal Audit Division with a detail description of the functions and duties. It also describes the functioning of the Audit Committee and a description of how the supervision of the Internal Audit is made as well as responsibilities of the Board in relation to Internal Audit and the Audit Committee

2. Corporate Governance Practices Applied.

The Corporate Governance Code of the company contains corporate practices of transparency in relation to operating procedures with regard to the company's management, to ASE information, shareholders equal treatment and protection of the corporate interests.

In particular:

I. Board of Directors:

The Board of Directors is composed of nine members, five (5) of which are executive members, one (1) of which is a non-executive member, and three (3) are independent non-executive members.

The number of independent non-executive members should not be less than 1 / 3 of the total number of members and not less than two (2).

The positions of the Chairman of the Board and CEO cannot be assumed by the same person. The Chairman of the Board of Directors of the company is one of its executive members, and in compliance with article 8 par. 2 of Law 4706/2020, the Board of Directors of the company appoints a Vice President from among its non-executive members.

The Board of Directors has the following composition:

Name	Position
Manolopoulos Spyridon	Chairman, executive member
Mertzanis Ioannis	CEO, executive member
Doulaveris Ioannis	Executive member
Mpellos Panagiotis	Executive member
Paparizou Anastasia	Executive member
Hatzistamatiou Theodoros	Vice President, non-executive member
Chatiras I. Emmanuel	Non-executive member

Patsouras Athanasios	Independent - non-executive member
Gakis Th. Theodoros	Independent - non-executive member

The responsibilities of the executive members are decided by the Board of Directors, as well as the delegation of responsibilities to third - non-staff members, in particular executive officers.

For the current year, responsibilities were delegated to the company's Chairman-executive member and to the Executive Director of the company and to other executive board members as well, except for the executive member Paparizou Anastasia.

To better coordinate the management of corporate affairs, the Board may appoint a committee of the company's executives.

Regarding the right to bind the company through the signature, this is delegated for a certain monetary limit. Beyond this limit, the decision of the Board is required.

The Board of Directors, in accordance with Law 3016/2002, takes decisions for matters relating to any fees paid to company executives, as well as for the overall remuneration policy of the company. Especially the salary policy for the members of its board of directors is drafted in accordance with the provisions of law 4548/2018, is decided by the board of directors in a special meeting and is subject to the approval of the general meeting. The remuneration policy remains available on the company's website free of charge, at least for as long as it is valid.

According to the company's articles of association, members of the board of directors are entitled to receive remuneration or other benefits, in accordance with the law and the provisions of the company's articles of association and, as the case may be, the company's salary policy. Any other compensation or remuneration of the members of the board of directors shall be borne by the company only if it has been authorized and approved by a special decision of the general meeting of shareholders.

Wages and other compensation of non-executive directors are determined in accordance with Law 4548/2018.

The process of setting fees is characterized by objectivity, transparency and professionalism and is free from conflicts of interest.

Each board member is required to strictly comply with the confidentiality requirements in relation to information accessed during the company, which became known to it in its capacity as a consultant.

The board members and any third party entrusted with this responsibility are forbidden to pursue their own interests contrary to the interests of the company, according to article 97, Law 4548/2018.

The board members and any third person entrusted with responsibilities must promptly disclose to the other board members of the same interests that might arise in transactions of the Company which fall to their duties and any other conflict own interests with those of the company or affiliates according to Law 4548/2018, which arise in the course of their duties.

Members of the Board being involved in any way in the company's management as well as executive directors are prohibited from acting, without permission of the General Assembly, for own interests or on behalf of others for matters that fall into the corporate aims or to participate as personally liable partners in companies that pursue such aims.

II. General Meeting

The invitation to convene the general meeting is also published on the company's website and is published in a way that ensures quick and non-discriminatory access to it, by means of which, in the opinion of the board of directors, are reasonably reliable for effectively disseminating information to the public, especially in print and electronic media with national and European scale. The company may not charge shareholders any special charge for disclosing the invitation to convene the general meeting in any of the above ways.

The invitation to the general meeting shall include at least the building with the exact address, date and time of the meeting, the issues of the agenda clearly, the shareholders entitled to participate, as well as precise instructions on how the shareholders will be able to attend the meeting and exercise their rights in person or by proxy or, possibly, remotely, as well as information at least on:

a) the rights of the shareholders of paragraphs 2, 3, 6 and 7 of Article 141 of Law 4548/2018, with reference to the deadline within which any right may be exercised, or alternatively, the deadline by which the rights may be exercised. Detailed information on these rights and the conditions of their exercise should be made available by explicit reference to the invitation to the Company's website, b) the procedure for exercising the right to vote through a representative and in particular the forms to be used for this purpose, as well as the means and methods provided in the articles of association, according to paragraph 5 of article 128 of law 4548/2018, for the company to receive electronic notifications of appointment and revocation of representatives, and c) the procedures for the exercise of the right to vote by correspondence or by electronic means, provided that there is a case in accordance with the provisions of articles 125 and 126 of Law 4548/2018,

Also, the invitation determines the date of registration, as provided in paragraph 6 of article 124 of Law 4548/2018, noting that only persons who are shareholders on that date have the right to participate and vote in the general meeting, notifies the place to which is available the full text of the documents and draft decisions, provided for in paragraph 4 of Article 123 of Law 4548/2018, as well as the manner in which they may be taken, and states the address of the company's website let, where the information of paragraphs 3 and 4 of article 123 of law 4548/2018 are available.

If, for technical reasons, this information is not available, the company provides information through the website on how to supply the relevant forms in hardcopy form and send mail without charge to each interested shareholder.

In order to strengthen the transparency in the information of the shareholders, a summary of the challenge of the general assembly is also published in the Communication System "HERMES" because it is reasonably reliable and at a European scale.

Particular attention is paid to issues of conflict of interest of the shareholders' representatives who wish to participate in the meeting.

The shareholder's representative must notify the company before the commencement of the general meeting, any specific event, which may be useful to shareholders for the assessment of the risk the representative is in conflict of interests with the shareholders.

For the purposes of this paragraph, a conflict of interests may appear, in particular where the representative:

- a) is a shareholder who has controlling rights on the company or other legal person or entity controlled by a shareholder, who has control of the company,
- b) is a member of the board or the management of the company or controlled by a shareholder that has control of the company or other legal person or entity controlled by a shareholder who has control of the company
- c) is an officer or public auditor of the company or controlled by a shareholder that has control of the company or other legal person or entity controlled by a shareholder who has control of the company,
- d) is husband/wife or first degree relative to one of the individuals abovementioned in paragraphs a) to c)

The appointment and revocation or replacement of the representative or representative of the shareholder shall be made in writing or by electronic means and shall be submitted to the company at least forty-eight (48) hours before the scheduled date of the meeting. In order to notify the company by electronic means, within the above deadline, it is required to send an email or fax. In addition to the Chairman of the Board of Directors, the General Meeting shall

be chaired by the CEO, CFO, executives of the company's corporate structure or legal advisers, as the case may be, the Internal Auditor, the Chairman and / or the members of the Audit Committee and the external auditors of the financial statements of the company and, if required, provide information and briefing on matters within their competence that are put up for discussion and answer shareholders' questions on the issues them.

The President of the General Assembly, according to the circumstances, provides the necessary time to the shareholders in order to ask questions.

The discussions and decisions taken by the General Assembly are recorded and summarized in a special book. The Secretary keeps the minutes of the General Assembly making sure to list all of the points of view or questions that the shareholders might make and responses to these questions.

The President of the Meeting, at the request of a shareholder, is required to file in the book of minutes an accurate summary of his opinion. This book also contains a list, in accordance with Law 4548/2018, of the shareholders that were present or represented at the general assembly.

Each share confers the right to vote. All shareholders' rights, taking into account art. 38 4548/2018, arising from the share is mandatory according to the proportion of capital represented by shares.

The company ensures equal treatment for all shareholders of the same position. During the meeting all shareholders' request for speech is accepted, and the points of view as well as the questions submitted and responses received are all recorded.

The company publishes on its website under the responsibility of the Board of Directors the voting results within five (5) days from the date of the meeting, identifying for each decision at least the number of shares for which votes were valid, the proportion of share capital represented by these votes, the total number of valid votes as well as the number of votes for and against each resolution and the number of abstentions.

Minority interests are contained in L 4548/2018

III. Internal Control System – Risk Management Controls

In compliance with the law, a full-time employee is responsible for the Internal Audit Department. This person is independent, not subordinate to any other unit of the company, and

assists the Board of directors in the exercise of its duties in order to safeguard the interests of the company and its shareholders.

The Internal Audit Department is supervised by the Audit Committee.

The company is obliged to inform the HCMC of any change in the persons or the organization of the internal audit within ten (10) working days from this change.

The members of the company's board of directors must cooperate and provide information to the internal auditor and generally facilitate his work in any way. The management of the company must provide the internal auditor with all the necessary means to facilitate his work.

The Board of Directors is reviewing the effectiveness of the internal control system in the context of the corporate strategy for managing the most important risks facing the company, especially in financial matters. This review covers essential audits, including financial and operational audits, compliance audits, and audits of risk management systems. The Board of Directors, through the Audit Committee, also develops direct and regular contact with the auditors of the company's financial statements in order to receive regular information regarding the proper functioning of the internal audit system.

a. Internal Audit Unit

The company has an internal control unit, staffed by the internal auditor - head of the internal control unit in accordance with the provisions of a. 15 of the new law 4706/2020, but also the current framework of law 3016/2002.

The head of the internal control unit is appointed by the board of directors of the company, following a proposal of the audit committee, is a full-time and exclusive employee, personally and functionally independent and objective in the performance of his duties and has the appropriate education and relevant professional experience. Reports to the Managing Director and operationally to the audit committee. As the head of the internal control unit, he/she can not be a member of the board of directors or a member with the right to vote in standing committees of the company and to have close ties with anyone who holds one of the above qualities in the Company or in a Group company.

In particular, the head of the company's internal control unit has the following responsibilities:

- a) Submits to the audit committee the annual audit program and the requirements of the necessary resources, as well as the consequences of limiting the resources or the audit work of the unit in general. The annual audit program is prepared based on the Company's risk assessment, after taking into account the opinion of the audit committee..
- b) Monitors the implementation and continuous observance of the internal operating regulations, the articles of association and the general legislation concerning the company and especially the legislation of the stock exchange and listed companies.
- c) Reports to the board of directors of the company cases of conflict of private interests of the members of the board of directors or the executives of the company with the interests of the company, which detects during the exercise of his/her duties.
- d) Submits every three (3) months at least, the reports to the Audit Committee, which include the most important issues and its proposals, regarding the tasks of the above items a) and b), which the Audit Committee presents and submits together with his/her comments to the Board.
- e) He/She is present at the general meetings of shareholders.
- f) Provides, after approval of the board of directors of the company, of any information requested in writing by the competent supervisory authorities, cooperates with them and facilitates in every possible way of the monitoring, control and supervision that they exercise.

b. Internal Control tasks.

The head of the internal control unit reports to the company's audit committee and informs it in writing regularly and not less than once every three months about the results of his work.

The head of the internal control unit is responsible for the development of the work program and activities of his/her service and supports their implementation.

Ensures the continuous training of the members of the internal audit unit in order to maintain the necessary level of knowledge and training and maintains the confidentiality of the information that acquires.

The internal control unit examines and evaluates the adequacy and effectiveness of the structure of internal control systems, as well as the quality of performance of other mechanisms and systems in relation to the achievement of the defined objectives of the company.

The head of the internal control unit exercises his/her duties in accordance with the corporate governance code, which means that he/she is governed by the principles of independence, objectivity and confidentiality. In addition, he/she works in accordance with the company's policies and procedures.

The main objective of the internal audit service is to provide assurance to the shareholders with regard to the achievement of the business objectives of the company and securing against the risks arising from the activities of the company.

The internal control unit has access to all the books and data, employees, premises and activities of the company, which are necessary for the implementation of the audit work. It is also responsible for the absolute protection of the confidentiality of the data and the general confidentiality.

Every item or document requested by the internal control unit must be made available immediately.

The Internal Audit Unit does not carry out routine work on behalf of other units, as this would jeopardize its objectivity, nor does it have any delegation or direct authority over the procedures it controls.

In particular, the responsibilities of the head of the internal control unit include the following:

- Overview and control of the company's internal control system.
- Confirmation of the implementation of policies and procedures, which have been introduced in order to achieve the business objectives of the company.
- Carrying out regular and extraordinary inventories.
- Audit of the accounting and, in general, of the computer systems of the company.
- Overview of the means of safeguarding the assets of the company, confirmation of their physical existence and reconciliations with the books.
- Carrying out extraordinary audits in consultation with the company's management..
- Prompt identification and assessment of potential business risks.
- Suggestion for shaping and developing new procedures as well as improving the existing ones.

- Control of the relations and transactions of the company with the affiliated companies, as well as the relations with of the company owned by at least ten per cent (10%), members of the Board of Directors of the company or shareholders with at least ten per cent (10%).
- Control of compliance as well as renewal of the operating regulations of the company, as they have been determined by the board of directors of the company in order to be protected against risks.
- Informing the board of directors in case of illegal behaviour or suspicious transaction of any liable person.
- Monitoring, control, evaluation: of:
 - (i) the application of the operating regulations and the Internal control system, in particular as regards the adequacy and correctness of the financial and non-financial information provided, risk management, regulatory compliance and the corporate governance code adopted by the Company;
 - (ii) the quality assurance procedures,
 - (iii) corporate governance procedures
 - iv) compliance with the commitments contained in prospectuses and the Company's business plans regarding the use of funds raised from the regulated market.
- Reporting to the audited units with findings regarding the above cases and the risks arising from them and suggestions for improvement, if any
- Submission of the above reports to the Audit Committee on a quarterly basis, after the integration of the relevant views by the audited units, the agreed actions, if any, or the acceptance of the risk of non-action by them, the limitations on its control, if any, the final internal audit proposals and the results of the response of the audited units of the Company to its proposals.

The steps that are followed during the operation of the internal control are the following:

1. Preparation of control plan.
2. Control planning and preparation.
3. Carrying out the audit.

4. Processing and communication of results.
5. Operational risk assessment.
6. Keeping a file of controls.
7. Monitoring the implementation of the recommendations.

The internal control unit is not relieved of its responsibilities in the activities of the company that are subject to control by third parties but must weigh whether it can rely on the work of third parties and adapt the scheduling of control to their work.

In case of detection by the company's bodies or by third parties (tax auditors, certified auditors, etc.) of any administrative or operational irregularity, the competent employees of the company (by the head of department or service and above) must immediately inform the internal audit service.

Managers as well as executives of the corporate structure of the company have the ability to request through the internal control unit the conduct of any relevant audit.

IV. Audit Committee.

The audit committee consists of at least three (3) members and is either an independent committee, i.e. a separate committee from anybody of the company, or a committee of the board of directors, i.e. a committee consisting exclusively of members of the board of directors. The audit committee consists of non-executive members of the board of directors and members elected by the general meeting of the company's shareholders. Therefore, members of the audit committee elected by the general meeting of shareholders may be independent members of the board of directors and/or persons who are not members of the board of directors, who are in the majority independent of the company.

The members of the audit committee as a whole must have proven sufficient knowledge in the field in which the company operates, and at least one member must have proven sufficient knowledge in accounting and auditing (international standards) in order for the audit committee to be able to carry out its responsibilities. And the obligations defined in paragraph 3 of article 44 of Law 4449/2017. The evaluation of the candidate members of the audit committee is carried out by the board of directors.

The term of office of the members of the audit committee is similar to that of the board of directors.

The audit committee appoints one of its members as chairman, while the secretary of the board of directors acts as secretary. The secretary supervises the minutes of the committee meetings, taking care to record all the views of its members that are expressed.

The purpose of the audit committee is to monitor the audit of the company's financial statements and the financial information process, the external audit system, the effectiveness of the internal control and risk management system procedures, as well as the internal audit unit, the implementation of the selection process of the certified public accountants or the auditing companies appointed to audit the financial statements of the company (statutory auditors Law 4548/2018), the review and monitoring of the independence of certified public accountants or auditing companies of the company.

The audit committee has an operating regulation in accordance with the provisions of Law 4449/2017.

Without prejudice to the responsibility of the members of any administrative or management body or other members elected by the general meeting of shareholders of the company, the audit committee has the following responsibilities, as analyzed in its operating regulations: a) external audit; b) on the financial information process, c) internal audit, d) audit of the financial statements and e) responsibilities related to the certified auditors - accountants of the company.

Specifically in relation to the internal audit activity, the audit committee:

Monitors the effectiveness of the company's internal control, quality assurance and risk management systems, and, where appropriate, its internal audit unit, regarding the company's financial information, without violating its independence. In this context, it monitors, examines and evaluates the adequacy and effectiveness of all policies, procedures and controls of the company regarding, on the one hand, the internal control system and, on the other hand, the assessment and management of risks, in relation to financial information.

Regarding the operation of the internal audit, the audit committee monitors and inspects the proper operation of the internal control unit according to the professional standards as well as the current legal and regulatory framework and evaluates its work, adequacy and effectiveness, without affecting its independence. The audit committee also reviews the published information regarding the internal audit and the main risks and uncertainties of the company in relation to the financial information.

In this context, the audit committee informs the board of directors of its findings and submits proposals for improvement, if deemed appropriate.

3. Shareholders' General Meeting.

I. General Meeting description of functions.

The general meeting is the highest body of the company and is entitled to decide on any corporate case of the company in accordance with Law 4548/2018. Its decisions also bind absent or disputing shareholders. The general meeting is the only one competent to decide on the issues mentioned in article 117 of law 4548/2018, including the amendment of the company's articles of association.

The general meeting of shareholders is mandatory at the company's headquarters or in the district of another municipality within the prefecture of the seat or other neighbouring municipality or in the district of the municipality where its headquarters are located at least once for each corporate year no later than the tenth (10th) calendar day of the ninth month after the end of the fiscal year.

The invitation to convene the general meeting is also published on the company's website and is published in a way that ensures quick and non-discriminatory access to it, by means of which, in the opinion of the board of directors, are reasonably reliable for effectively disseminating information to the investor. Public, especially in print and electronic media with national and pan-European scope. The company may not charge shareholders a special charge for disclosing the invitation to convene the general meeting in any of the above ways.

The invitation to the general meeting shall include at least the building with the exact address, date and time of the meeting, the issues of the agenda clearly, the shareholders entitled to participate, as well as precise instructions on how the shareholders will be able to attend the meeting and exercise their rights in person or by proxy or, possibly, remotely, as well as information at least on:

a) the rights of the shareholders of paragraphs 2, 3, 6 and 7 of Article 141 of Law 4548/2018, with reference to the deadline within which any right may be exercised, or alternatively, the deadline by which the rights may be exercised. Detailed information on these rights and the conditions of their exercise should be made available by explicit reference to the invitation to the Company's website, b) the procedure for exercising the right to vote through a representative and in particular the forms to be used for this purpose, as well as the means and methods provided in the articles of association, according to paragraph 5 of article 128 of law 4548/2018, for the company to receive electronic notifications of appointment and revocation of representatives, and c) the procedures for the exercise of the right to vote by

correspondence or by electronic means, provided that there is a case in accordance with the provisions of articles 125 and 126 of Law 4548/2018,

Also, the invitation: determines the date of registration, as provided in paragraph 6 of article 124 of Law 4548/2018, noting that only persons who are shareholders on that date have the right to participate and vote in the general meeting, notifies the place to which is available the full text of the documents and draft decisions, provided for in paragraph 4 of Article 123 of Law 4548/2018, as well as the manner in which they may be taken, and states the address of the company's website let, where the information of paragraphs 3 and 4 of article 123 of law 4548/2018 are available.

If, for technical reasons, this information is not available, the company provides information through the website on how to supply the relevant forms in hardcopy form and send mail without charge to each interested shareholder.

In order to strengthen the transparency in the information of the shareholders, a summary of the challenge of the general assembly is also published in the Communication System "HERMES" because it is reasonably reliable and at a European scale.

II. Shareholders rights before the Call for the General Meeting:

Ten (10) days before the regular general meeting, the company shall make available to its shareholders its annual financial statements, as well as the relevant reports of the board of directors and the auditors. The company fulfils its obligation by uploading the relevant data on its website.

From the day of publication of the call for the General Meeting until the day of the meeting, at least the following information should be uploaded to the website:

- a) The call for the General Meeting
- b) The total number of shares and voting rights at the date of the call, including separate totals for each class of shares if the company's capital is divided into several classes of shares
- (c) The forms to be used for voting by a representative or representative and, where applicable, for voting by mail and by electronic means, unless such forms are sent directly to each shareholder.
- (d) Documents to be submitted to the General Assembly, draft decision on any matter on the proposed agenda or, if no decision has been proposed for approval, comment by the Board of Directors, and draft decisions proposed by the shareholders, according to paragraph 3 of article 141 of law 4548/2018, immediately after their receipt by the company.

III. General Meeting participation rights.

The general meeting (initial meeting and repeat meeting) may be attended by the person who has the share ownership at the beginning of the fifth day before the day of the initial meeting of the general meeting (registration date). The above record date shall also apply in the event of a postponed or repeated meeting, provided that the postponed or repeated meeting is not more than thirty (30) days from the date of registration. If this does not happen or if a new invitation is issued for the case of the repeated general meeting, according to the provisions of article 130 of law 4548/2018, the person who has the share ownership at the beginning of the third day before on the day of the adjourned or recurring general meeting is allowed to participate. The proof of shareholding can be done by any legal means and in any case based on information received by the company from the central securities depository, provided it provides registry services or through the participating and registered intermediaries in the central securities depository in any other case.

The shareholder participates in the general meeting and votes in person or through a representative. Each shareholder may appoint up to three (3) representatives. However, if the shareholder owns shares of the company, which appear in more than one value account, this restriction does not prevent the shareholder from appointing different representatives for the shares that appear in each value account in relation to a certain general meeting. A power of attorney is freely revocable. A representative acting for more shareholders may vote differently for each shareholder.

The shareholder may appoint a representative for one or more general meetings and for a fixed term. The representative shall vote, in accordance with the shareholder's instructions, if they exist and file the voting instructions for at least one (1) year, from the date of the general meeting or, in the event of its postponement, the last repeated meeting in which he used a power of attorney. Any non-compliance of the representative with the instructions he has received does not affect the validity of the decisions of the general meeting, even if the vote of the representative was decisive in achieving the majority.

The shareholder representative is obliged to notify the company, before the start of the general meeting, of any specific event which may be useful to the shareholders in assessing the risk of the representative serving other interests than the shareholder's interests.

For the purposes of this paragraph, a conflict of interests may appear, in particular where the agent:

- a) is a shareholder who has controlling rights on the company or other legal person or entity controlled by a shareholder who has control of the company,
- b) is a member of the board or the management of the company or controlled by a shareholder that has control of the company or other legal person or entity controlled by a shareholder who has control of the company
- c) is officer or public auditor of the company or controlled by a shareholder that has control of the company or other legal person or entity controlled by a shareholder who has control of the company,
- d) is husband/wife or first degree relative to one of the persons abovementioned in paragraphs a) to c)

The appointment and dismissal of the shareholder representative takes place in writing and communicated in the same form to the company at least within 48 hours before the designated date of the meeting.

The Board of Directors is obliged to register in the list of persons who have the right to vote during the general meeting all the shareholders who complied with the provisions of Law 4548/2018. If it does not comply with the above regulations, the said shareholder shall participate in the general meeting only after its permission.

IV. Quorum

The General Assembly is in quorum and convenes validly on the issues on the agenda, when are present shareholders or agents representing one fifth (1 / 5) at least the paid up share capital.

If such a quorum fails to achieve, the General Assembly shall meet again within twenty (20) days from the date of the cancelled meeting, while the call should take place at least ten (10) days before. This new meeting will form a quorum and will validly deliberate on the issues of the original agenda regardless of the percentage of issued share capital that will be represented in it. A newer invitation is not required if the place and time of the repeated meeting have already been set in the initial invitation, provided that there are at least five (5) days between the cancelled meeting and the repeated meeting.

Exceptionally, in the case of decisions concerning the change of the nationality of the company, the change of the object of this business, the increase of the obligations of the shareholders, the regular increase of the capital, unless it is imposed by law or is done by a capitalization of reserves, reduction of the capital unless it is done, according to paragraph 5 of article 21 of law 4548/2018 or paragraph 6 of article 49 of law 4548/2018, the change of the

way of disposing of the profits, the merger, division, conversion, revival, an extension of duration or dissolution of the company, the provision or renewal of power to the board of directors for a capital increase, in accordance with paragraph 1 of article 24 of law 4548/2018, as well as in any other case specified in the law that the general meeting decides with increased quorum and majority, the assembly is in quorum and meets validly on the issues of the original agenda, when it is attended or represented by shareholders representing half (1/2) of the paid-up capital.

In the case of the preceding paragraph, unless the quorum of the last subparagraph is reached, the General Meeting shall be convened and meet again in accordance with paragraph 2 of this section and shall be quorate when one-fifth of the shareholders are present or represented (1/5) at least of the paid-up capital. A newer invitation is not required if the place and time of the repeated meeting have already been set in the initial invitation, provided that there are at least five (5) days between the cancelled meeting and the repeated meeting.

V. General Meeting hearing procedure:

The general meeting is convened by the board of directors, which determines the agenda with a decision taken at its meeting, in the application of the provisions of law 4548/2018 and the company's articles of association.

Until the election of its president, by a simple majority, the general assembly is chaired by the chairman of the board or his deputy. The chairman of the assembly may be assisted by a secretary and a vote collector, who shall be elected in the same manner. The President checks the regularity of the general assembly, the identity and legitimacy of those present, the accuracy of the minutes, directs the discussion, puts the issues to a vote and announces the outcome of the latter. The non-election or illegal election of the President, as well as the non-observance of the above formalities, do not affect the validity of the decisions of the General Assembly unless there are other shortcomings.

In addition to the Chairman of the Board of Directors, the General Assembly shall be chaired by the CEO, the Chief Financial Officer, the company's corporate structure or legal advisors, as the case may be, the Auditor, the Chairman and/or the members of the Audit Committee and the certified auditors of the company's financial statements and, if necessary, provide information and briefing on matters of their competence that are put up for discussion and answer shareholders' questions on these matters.

The chairman of the general meeting may, at his own risk, allow the presence of other persons in the assembly who do not have a shareholder capacity or are not representatives of

shareholders, to the extent that this is not contrary to the corporate interest. These persons shall not be deemed to have attended the meeting solely on the ground that they have taken the floor on behalf of the shareholder present or at the invitation of the chairman.

The chairman of the general meeting shall have the time required by the shareholders to submit questions if they so wish.

Decisions of the General Meeting are limited to the items on the agenda unless shareholders representing the entire share capital are present in person or represented, and no shareholder denies the discussion and decision on other matters.

VI. General Meeting's minutes

Discussions and decisions taken at the general meeting are summarized in a special minutes book. The same book also lists the shareholders who attended or were represented at the general meeting. At the request of a shareholder, the chairman of the general meeting is obliged to include in the minutes a summary of his opinion. The chairman of the general meeting has the right to refuse to record the opinion, if it refers to issues apparently outside the agenda or its content is clearly contrary to good morals or the law.

VII. Equal treatment principle

With the exception of shares issued, in accordance with paragraph 4 of Article 38 of Law 4548/2018, each share provides the right to vote. All the rights of the shareholders deriving from the share without prejudice to the provisions of article 38 of law 4548/2018 are obligatory depending on the percentage of the capital represented by the share. In the case of multiple stock categories, the principle of equality applies to all shares in the same category.

The company ensures equal treatment of all shareholders in the same position.

VIII. Publication of the General Meeting's voting results.

The company publishes on its website under the responsibility of the Board of Directors the voting results within five (5) days from the date of the meeting, identifying for each decision at least the number of shares for which votes were valid, the proportion of share capital represented by these votes, the total number of valid votes as well as the number of votes for and against each resolution and the number of abstentions

4. Description of the main features of the company's internal control and risk management systems in relation to the process of drafting the financial statements

I. Internal Control System.

The internal control system is organizationally structured in the Internal Audit Division, the Audit Committee and the Board of Directors, with distinct functions.

The supervisory body members have a collective duty to ensure that: (a) the annual financial statements, the management report and the corporate governance statement; and (b) the consolidated financial statements, the consolidated management reports and, the consolidated corporate governance statement has been prepared and published in accordance with the requirements of Law 4308/2014 (A '251) and Law 4336/2015 (A' 94) and Law 4403/2016 and, as the case may be, with the international accounting standards in accordance with Regulation (EC) no. 1606/2002 and L 4548/2018.

The main characteristics of the Internal Control System, with regard to risk management, are: **a)** identification and assessment of risks associated with the reliability of financial statements, **b)** management planning and monitoring of financial ratios, **c)** preventing and uncover fraud, **d)** roles and responsibilities of directors, **e)** year ending procedures' manual, including consolidation and **f)** assurance of computer systems for the information provided.

More specifically, the company has an established procedure for the recognition and assessment of risks to the reliability of financial statements, which is applied.

Their completeness and adequacy are continuously evaluated. There are established and applied processes performed by the Accounts and Finance Department relating to the collection, agreement and monitoring of financial aggregates for the preparation of financial statements. The company's accounting system provides a timely and accurate recording of each transaction. The processing and preservation of accounting data take place in a way that ensures the production and publication of reliable financial statements in accordance with the provisions of applicable law. Also, it ensures the safekeeping of records which will enable effective controls at a later time. Finally, the Board, the management, relevant officers and directors of the company obtain promptly all information required to effectively exercise their duties.

The Company, in establishing its procedures, takes seriously into account the possibility of identifying fraud, and for this reason, the safeguards and controls operate across a wide range of operations.

The Company has adopted procedures, operational, computerized or not and internal controls relating to the preparation of financial statements (quarterly and annual financial statements).

These procedures also relate to the safeguards and controls that have been developed for risk assessment.

The responsibilities and roles of managers are clearly demarcated by the administration. A clear picture can be obtained from the company's organization chart with the resulting responsibilities, rights and duties.

The manual for the year ending procedures and consolidation is recorded and in full compliance with the current legislative framework.

The company uses information systems that meet the working environment, are updated according to the information need and legislative changes as well, ensuring the security of information from external accesses. There is a specialized IT service, the Department of Information Technology, functionally and administratively independent from end-users, in which there is a clear separation of duties. The quantitative and qualitative adequacy of IT services is obtained through the application of specific procedures giving access to authorized persons only. The physical plant where information is managed, accessed and stored is safeguarded with respective procedures.

II. Internal Audit Department.

The Internal Audit Division is included in the Company's organizational chart where its responsibilities are defined in the Internal Regulations and the board of Directors decisions.

The Internal Audit Department monitored the implementation and continued compliance with the Rules and Operations of the Company, reports to the board any conflicts of private interests of Board members or directors with the interests of the company and examines and evaluates the adequacy and effectiveness of the structure of internal control systems and the quality performance of other systems with regard to the achievement of the company's goals through regular inspections. The Internal Audit Division is designated by the Board of Directors, is composed of independent individuals, which are not subordinated to any other unit of the company. Informs, in written and documented form at least once every quarter, the Board on the review conducted. Finally, it provides, upon approval by the Board, any information requested in writing to public authorities and cooperate with them. The work is carried on with respect to the current legislation and the Supervising bodies

III. Audit Committee.

Along with the responsibilities of the members of the administrative or management body or other members elected by the general meeting of the company's shareholders, the Audit Committee has, among others, the following responsibilities, as detailed in its Operating Regulations: (a) the monitoring of the external audit (b) the financial reporting process; (c) internal control; (d) the audit of the financial statements; and (e) the relation with the company's statutory auditors.

More specifically, in relation to the responsibility of Internal Audit, the Audit Committee monitors the effectiveness of the company's internal control, quality assurance and risk management systems and, where applicable, its internal control departments, as regards the financial information of the company without violating its independence. In this context, it monitors, examines and evaluates the adequacy and effectiveness of all company policies, processes and safeguards regarding both the internal control system and risk assessment and management in relation to financial reporting. Regarding the internal audit function, the Audit Committee monitors and ensures the proper functioning of the internal control unit according to the professional standards as well as the current legal and regulatory framework and evaluates its work, adequacy and effectiveness, without affecting its independence. The Audit Committee also reviews the disclosures about internal control and the Company's main risks and uncertainties in relation to financial reporting. In this context, the Audit Committee informs the Board of Directors of its findings and makes suggestions for improvement, if appropriate.

IV. Board of Directors.

The Board reviews the effectiveness of the internal control system within the corporate strategy. This review covers the essential controls, including financial and operational controls, compliance testing and monitoring of risk management systems.

5. Composition and Regulation of the Board of Directors and Other Corporate Bodies.

I. Board of Directors.

α. Board of Directors - Obligations and duties – Mode of operation.

The Board of Directors is competent to decide on any action concerning the management of the company, the management of its property and the overall pursuit of the company's purpose.

The responsibilities of the Board of Directors are defined in the Company's Articles of Association and by the existing legislation. Pursuant to the Company's Articles of Association and by law 4548/2018 after its election by the General Meeting, the Board of Directors is constituted in a

body for the election of the Chairman, the Vice-Presidents and the Managing Director. At the same meeting, the delegation of responsibilities to its members or to third parties is also decided.

The Board of Directors is required to meet at the registered office of the company whenever the law, the statute or the circumstances require so. Exceptionally, the statute may also define another way in the country or abroad, where the BoD may validly meet. The Board of Directors. Validly meets outside its headquarters in another place, either domestically or abroad, if all members are present or represented at the meeting, and none of them opposes the holding of the meeting and the decision-making. The meeting of the Board of Directors may be held by teleconference with respect to certain or all members. In this case, the invitation to the members of the Board of Directors includes the necessary information and technical instructions for their participation in the meeting.

The meeting of the Board of Directors may be requested by two (2) of its members, by applying to its chairman or his deputy, who is obliged to convene the Board of Directors within seven (7) days from the submission of the application. The application must, with an objection of inadmissibility, clearly state the matters that the Board of Directors will be dealing with. If the Board of Directors is not convened by the Chairman or the deputy chairman within the above deadline, the members who have requested the convocation may convene the Board of Directors within five (5) days from the expiry of the above seven-day period, announcing the relevant invitation to the other members of the Board of Directors.

The Board of Directors is convened by the Chairman or his Deputy by invitation sent by fax or e-mail notified to its members at least two (2) working days before the meeting and at least five (5) working days if the meeting is to be held outside the company's headquarters. The invitation must also clearly state the issues on the agenda, otherwise, decisions are allowed only if all members of the board of directors are present or represented and no one is opposed to making decisions.

Each member may validly represent only one other member appointed by the absent member in writing to the board of directors. Each member validly represents only one of the other absent member.

The Board of Directors is in quorum and validly meets when are present or represented, half by more than one of the members, but never the number of present members may be less than three. Any resulting fraction is not taken into account. At the meetings of the Board of Directors, a member of the board or the legal counsel of the company, if required, is appointed as a

secretary. The Secretary takes care of the minutes of the meetings of the Board of Directors, ensuring that all views expressed by the members are recorded.

Unless otherwise defined by the law, decisions of the Board of Directors are validly made by an absolute majority of the present and represented members. Each member has one vote, and when he represents absent member has two (2) votes. In case of a tie, the vote of the Chairman of the Board of Directors prevails.

The minutes of the board of directors are signed by the members present. Copies of the minutes shall be formally issued by the chairman or vice-chairman or the managing director (if he does not have the position of chairman) or a member of the board appointed by a decision of the board of directors, without requiring further ratification.

The drawing up and signing of minutes by all the members of the Board of Directors or their representatives is equivalent to a decision of the Board of Directors, even if there is no previous meeting held. This regulation also applies if all consultants or their representatives agree to record their majority decision in practice without a meeting. The relevant minutes are signed by all consultants. The signatures of their consultants or representatives can be replaced by email or other electronic media. The minutes were drawn up and recorded in the minutes' book, in accordance with article 93 of Law 4548/2018.

b. Members of the Board of Directors.

The board of directors of the company is nine members and consists of five (5) executive members, one (1) non-executive member and three (3) independent non-executive members.

The number of non-executive members must not be less than 1/3 of the total number of its members and are not less than two (2).

At least two (2) independent members must be included among the non-executive members.

The members of the board of directors, who may be shareholders of the company or third parties (non-shareholders) are elected by the general meeting of shareholders of the company for a six-year term, which is exceptionally extended until the expiration of the term within which they must the next regular general meeting shall convene until the relevant decision has been taken.

For the election in the board of directors of the company, the experience in the management of the corporate affairs of the candidates, the level of their professional training, the previous service and previous experience, especially in managerial positions, the knowledge of market rules and conditions, the familiarity with technologies in IT and communications are taken into account.

In the event of resignation, death or in any other way losing the capacity of the Board of Directors, the Board of Directors may elect its members to replace the remaining members. This election by the Board of Directors is made by a decision of the remaining members, if there are at least three (3), and is valid for the remainder of the term of office of the replaced member. The decision of the election is made public and announced by the board of directors at the forthcoming general meeting, which may replace the elected members, even if no relevant issue is on the agenda.

In the event of resignation, death or in any other way losing the status of a member or members of the Board of Directors, the other members may continue to manage and represent the Company without the replacement of the missing members, in accordance with paragraph 1 of Article 82 Law 4548/2018, provided that the number of these exceeds half of the members, as they had before the occurrence of the above events. In any case, these members may not be less than three (3).

Members must attend and attend the board meetings continuously. The continuous absence of a consultant for one (1) year from the meetings without a justified reason or without the permission of the board of directors is equivalent to his resignation from the board of directors, which is valid only from the moment the board decides on this and its relevant decision in the minutes.

B1. Executive members of the Board of Directors

The Executive Directors of the Company exercise their powers according to the association and the applicable legislation and in particular to the provisions of Law 4548/2018 and provide services to the company, exercising management functions and representation.

Powers are granted to the executive directors by the decision of the Board.

More specifically, with the Board's decision for delegation, the executive members have management responsibilities, representing the company, among others, to the public administration, public entities or private sector entities, banks, representing the company to the courts and Independent Authorities and have authorized signature rights up to the financial

limit set by the Board in its decision. Beyond this limit, the Board shall decide at a special meeting.

By decision of the Board, the executive members may authorize third - non-members - persons to carry out specific -isolated acts.

The Board of Directors may decide to delegate to third - non-members - persons exercising the powers of the executive members.

(1). Chairman of the Board of Directors

The Chairman of the Board works with the CEO and other members of the Board for the development and achievement of the company's goals in accordance with the provisions of the association and applicable law.

In this context, the Chairman of the Board of Directors:

1. Convenes the meetings of the Board members and determine the issues on the agenda.
2. Presides at the meetings of the Board.
3. Works closely with the CEO to ensure the implementation of decisions of the Board.
4. Convenes special meetings of the Board if required.
5. When a committee where necessary sets chairmen of committees, in cooperation with the Chief Executive proposes the committee members.
6. Collaborates with the CEO on the preparation of the agenda of meetings of the Board.
7. Collaborates with the CEO to provide guidance and direction of the new Board members.
8. Represents the company before any authority in accordance with the Board of Directors decision of the delegation.

The Chairman of the Board reports to the Board of Directors.

(2). Chief Executive Officer.

The CEO is an executive board member and cooperates with the Chairman and the Board members for the development and implementation of company goals. In this context, the CEO:

1. Participates in determining the strategy of the company, along with the Chairman and other executive members of the Board.
2. Participates in setting goals and how to implement them.
3. He is responsible, along with the Chairman and other board members, for determining the remuneration policy of the company.
4. Promotes the image and vision of the company.
5. Participates in the approval process of investments.
6. Promotes and form collaboration agreements with foreign firms (representation, marketing, supply products, etc.).
7. Works with banks and decide on matters of finance and lending.
8. Co-decides in recruitment.
9. Co-decides and approve the general operating expenses of the company..
10. Co-decides in the formulation of pricing and discount policy.
11. Take decisions and set priorities, particularly on investment, financing, pricing and products.
12. Directs the activities of the staff, particularly in the marketing department.
13. Participates in regular meetings with the Chairman, the Board, banks, subsidiaries,

The CEO reports to the company's board of directors.

(3). Vice President of the Board of Directors..

According to the association, the Board decides and elects one or more Vice Presidents.

The company has one executive Vice Presidents and one non-executive Vice President. The Executive Vice President of the Board acts within the powers conferred by virtue of the Boards' decisions. The non-executive Vice President participates in all meetings and is responsible for

the promotion of corporate issues in accordance with the provisions of Law 3016/2002 and the Association.

b2. Independent non-executive members of the Board of Directors.

1. A non-executive member of the Board of Directors is considered independent if at the time of his appointment and during his term of office he does not directly or indirectly hold a percentage of voting rights greater than zero point five per cent (0.5%) of the Company's share capital and is exempt from financial, business, family or other dependent relationships,

2. Dependency relationship exists when the independent non-executive board member:

a) When the member receives any significant remuneration or benefit from the Company, or from an affiliated company, or participates in a stock options plan or any other performance-related remuneration or benefits system, other than the remuneration for his participation in the Board of Directors or in its committees, as well as in the collection of fixed benefits under the pension system, including deferred benefits, for previous services to the Company. The criteria by which the meaning of significant remuneration or benefit is defined are set out in the company's remuneration policy.

b) When the member or person, who has close ties with the member, maintains or has maintained a business relationship during the last three (3) financial years before his appointment with:

ba) the Company or

bb) a person affiliated with the Company or

bc) a shareholder who directly or indirectly holds a participation percentage equal to or greater than ten per cent (10%) of the share capital of the Company during the last three (3) financial years prior to his appointment, or a company affiliated with it, provided that the relationship it affects or may affect the business activity of either the Company or the person of para. 1 or the person who has close ties with it. Such a relationship exists especially when the person is a significant supplier or a significant customer of the Company.

c) When the member or the person who has close ties with the member: ca) has been a member of the Board of Directors of the Company or its affiliated company for more than nine (9) financial years in total at the time of his election, cb) has been a manager or maintained an employment or project or service relationship or a salaried mandate with the Company or with a company affiliated with it during the last three (3) financial years prior to his appointment,

cc) has a second degree affiliation from blood or marriage, or is a spouse or companion equated with a spouse, member of the Board of Directors or senior management or shareholder, with a participation rate equal to or greater than ten percent (10%) of the share capital of the Company or its affiliated company , cd) has been appointed by a certain shareholder of the Company, in accordance with the articles of association, as provided in article 79 of law 4548/2018, ce) represents shareholders who hold directly or indirectly a percentage equal to or greater than five percent (5%) of the voting rights at the general meeting of shareholders of the Company during his term of office, without written instructions, cf) has been statutory auditor, either through a company or himself or his relative up to the second degree by blood or by marriage or his spouse, during the last three (3) financial years before his appointment, cc) is an executive member in another company, on the Board of Directors of which an executive member of the Company participates as a non-executive member.

3. The Board of Directors takes the necessary measures to ensure compliance with the conditions of par. 1. The fulfilment of the conditions hereof for the designation of a member of the Board of Directors as an independent member is reviewed by the Board of Directors on at least an annual basis per financial year and, however, before the publication of the annual financial report, which includes a relevant mention. In the event that during the control of the fulfilment of the conditions of par. 1 or in the case at any time it is ascertained that the conditions have ceased to meet the person of an independent non-executive member, the Board of Directors takes the appropriate replacement actions.

4. In the event of resignation or death or in any other way the loss of the status of an independent non-executive member, which results in the number of independent non-executive members falling below the minimum number required by law, the Board of Directors shall appoint an independent non-executive member. Until the next general meeting, either an alternate member, in case it exists based on article 81 of law 4548/2018, or an existing non-executive member or a new member who elects a replacement, provided that the criteria of par. 1. are met. Where by decision of the competent body of the Company the number of independent non-executive members is greater than the one provided in par. 2 of article 5, and, after the replacement, the number of independent non-executive members of the Board of Directors is less than the above number, a relevant announcement is posted on the Company's website, which is kept posted until the immediately next general assembly.

5. The independent non-executive members submit, jointly or individually, reports and other documents to the regular or extraordinary general meeting of the Company, regardless of other reports submitted by the Board of Directors.

The Company submits to the Hellenic Capital Market Commission the minutes of the meeting of the Board of Directors or the general meeting, which has as discussion subject the composition or the term of the members of the Board of Directors, within twenty (20) days from its end.

c. Remuneration policy:

The board of directors of the company decides, according to law 3016/2002, on the issues concerning all types of company fees and the general remuneration policy of the company.

Especially the salary policy for the members of its board of directors is drafted in accordance with the provisions of law 4548/2018, it is decided by the board of directors in a special meeting and it is submitted to the approval of the general assembly. Remuneration policy remains available on the company's website free of charge, at least for as long as it is valid.

According to the company's articles of association, members of the board of directors are entitled to receive remuneration or other benefits in accordance with the law and the provisions of the company's articles of association and, where applicable, the company's salary policy. Any other compensation or remuneration of the members of the board of directors shall be borne by the company only if it has been authorized and approved by a special decision of the general meeting of shareholders.

The fees and any other compensations of the non-executive members of the board of directors are determined in accordance with law 4548/2018.

The process of determining fees is characterized by objectivity, transparency and professionalism and is free from conflicts of interest.

d. Obligations of members of the Board of Directors for the protection of corporate interest..

Each board member is required to strictly comply with the confidentiality requirements in relation to information accessed during of the company, which became known to it in its capacity as a consultant.

The board members and any third party entrusted with this responsibility are forbidden to pursue their own interests contrary to the interests of the company.

The board members and any third person entrusted with responsibilities must promptly disclose to the other board members of the same interests that might arise in transactions of the Company which fall to their duties and any other conflict own interests with those of the company or affiliates for the purposes of Law 4548/2018, which arise in the course of their duties.

Members being involved in any way in the company's management as well as executive directors are prohibited to act, without permission of the General Assembly, for own interests or on behalf of others for matters that fall into the corporate aims or to participate as personally liable partners in companies that pursue such aims.

The members of the Board of Directors have a collective duty to ensure that: (a) the annual financial statements, the management report and the corporate governance statement; and (b) the consolidated financial statements, the consolidated management reports and, the consolidated corporate governance statement has been prepared and published in accordance with the requirements of Law 4308/2014 (A '251) and Law 4336/2015 (A' 94) and Law 4403/2016 and, as the case may be, with the international accounting standards in accordance with Regulation (EC) no. 1606/2002.

II. Internal Auditor- Head of Internal Control Unit

The internal auditor staffs the company's internal audit department and is a person of full and exclusive employment and independence, i.e. it does not belong hierarchically to any other service unit of the company. It cooperates with the company's board of directors, assisting it in the exercise of its duties in order to safeguard the interests of the company and its shareholders.

In carrying out his duties, the internal auditor is entitled to know any book, document, file, bank account and portfolio of the company and to have access to any service of the company.

The internal auditor of the company has the following responsibilities: Monitoring the implementation and continuous observance of the internal operating regulations, the articles of association and the general legislation concerning the company and especially the stock exchange and anonymous legislation companies, reference to the board of directors of the company the private interests of the members of the board of directors or the executives of the company with the interests of the company, which it finds during the exercise. Its duties, notification in writing to the Board of Directors at least once a quarter regarding the audit carried out by it, attendance at the general meetings of the company's shareholders, provision,

after approval by the company's board of directors, any information requested in writing by competent supervisory authorities, cooperating with them and facilitating in every possible way the monitoring, control and supervision work they carry out.

The internal auditor reports to the company's audit committee and informs in writing on a regular basis and not less than once a quarter on the results of its work. He is responsible for the development of the work and activity program of his service and supports their implementation. It also takes care of the continuous training of the members of the internal control department in order to maintain the necessary level of knowledge and training and maintains the confidentiality of the information that comes to its perception.

The Internal Audit Unit examines and evaluates the adequacy and effectiveness of the structure of internal audit systems, as well as the quality of the performance of other mechanisms and systems regarding the achievement of the company's defined objectives.

The internal auditor performs his duties in accordance with the code of ethics, which means that he is governed by the principles of independence, objectivity and confidentiality. In addition, he works in accordance with the company's policies and procedures.

The main goal of the internal audit service is to provide confirmation to shareholders in terms of achieving the company's business objectives and ensuring against the risks arising from the company's activities.

The Internal Audit department has access to all books and records, employees, premises and activities of the company, which are necessary for the implementation of its audit work. It is also responsible for the full protection of confidentiality and secrecy in general.

Any information or document requested by the Internal Audit Service must be made available immediately.

The Internal Audit Service does not carry out routine work on behalf of other departments, as this would jeopardize its objectivity, nor does it have any direct authority or authority over the procedures it controls.

In particular, the responsibilities of internal control include:

- Overview and control of the company's internal control system.
- Confirmation of the implementation of the policies and procedures, which have been introduced in order to achieve the company's operational objectives.
- Conduct regular and extraordinary inventories.

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- Control of the accounting and general computer systems of the company.
 - Overview of the means of safeguarding the company's assets, verification of their physical existence and agreement with the books.
 - Carrying out extraordinary audits in consultation with the company's management.
 - Early recognition and evaluation of potential business risks.
 - Recommendation for the formation and development of new processes as well as improvement of existing ones.
 - Control of the company's relations and transactions with the companies associated with it, as well as the company's relations with the companies in whose share capital participate, at least ten per cent (10%), members of the Board of Directors of the company or its shareholders with at least ten per cent (10%).
 - Control of compliance as well as renewal of the company's operating regulations, as defined by the company's board of directors in order to shield it against risks.
 - Informing the board of directors in case of illegal behaviour or suspicious transaction of any liable person.
 - Monitoring, control, evaluation: of:
 - (i) the application of the operating regulations and the Internal control system, in particular as regards the adequacy and correctness of the financial and non-financial information provided, risk management, regulatory compliance and the corporate governance code adopted by the Company;
 - (ii) the quality assurance procedures,
 - (iii) corporate governance procedures
 - iv) compliance with the commitments contained in prospectuses and the Company's business plans regarding the use of funds raised from the regulated market.
 - Reporting to the audited units with findings regarding the above cases and the risks arising from them and suggestions for improvement, if any
 - Submission of the above reports to the Audit Committee on a quarterly basis, after the integration of the relevant views by the audited units, the agreed actions, if any, or the acceptance of the risk of non-action by them, the limitations on its control, if any, the
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final internal audit proposals and the results of the response of the audited units of the Company to its proposals.

The steps followed during the operation of the internal control are the following: Drawing up a control plan, control design and preparation, carrying out the audit, processing and notification of results, evaluation of operational risks, keeping a control file, monitoring the implementation of the recommendations.

The Internal Audit Service is not relieved of its responsibilities in activities of the company that is subject to audit by third parties but must weigh whether it can be based on the work of third parties and adapt the planning of the audit to their work.

In case of finding by company bodies or by third parties (tax auditors, certified auditors, etc.) any managerial or operational anomaly, the competent employees of the company (from the head of department or service and above) should immediately inform the internal audit service.

Managers, as well as executives of the company's corporate structure, have the opportunity to request through the internal audit service to carry out any relevant audit.

III. Audit Committee

The audit committee consists of at least three (3) members and is either an independent committee, i.e. a separate committee from anybody of the company, or a committee of the board of directors, i.e. a committee consisting exclusively of members of the board of directors. The audit committee consists of non-executive members of the board of directors and members elected by the general meeting of the company's shareholders. Therefore, as members of the audit committee elected by the general meeting of shareholders may be independent members of the board of directors and/or persons who are not members of the board of directors, who are in the majority independent of the audited company. The members of the audit committee as a whole must have proven sufficient knowledge in the field in which the company operates, and at least one member must have proven sufficient knowledge in accounting and auditing (international standards) in order for the audit committee to be able to implement its responsibilities. And the obligations defined in paragraph 3 of article 44 of Law 4449/2017. The evaluation of the candidate members of the audit committee is carried out by the Board of Directors.

The term of office of the members of the audit committee shall be the same as that of the board of directors.

The audit committee appoints one of its members as chairman, and the secretary of the board of directors shall act as secretary, respectively. The Secretary shall monitor the minutes of the meetings of the Committee, making sure that all the views expressed by its members are recorded.

The purpose of the audit committee is to monitor the financial statements of the company and the process of financial information, external audit system, the effectiveness of internal audit and risk management processes, as well as the internal audit unit, the implementation of the selection process. chartered accountants or audit firms appointed to audit the financial statements of the company (regular and alternate auditors) of 4548/2018), reviewing and monitoring the independence of certified public accountants or audit firms

The audit committee has an operating regulation in accordance with the provisions of Law 4449/2017.

Subject to the liability of the members of the management or executives or other members elected by the general meeting of the company's shareholders, the audit committee has, among other things, the following responsibilities, as analyzed in its operating regulations: a) external audit, b) monitoring on the process of financial information, c) internal control, d) monitoring on the control of financial statements, and e) monitoring to the certified auditors - accountants of the company.

Particularly in relation to the competence of internal control, the audit committee: Monitors the effectiveness of internal control systems, quality assurance and risk management of the company, and, as the case may be, the internal audit department, regarding the company's financial information. Without violating its independence. In this context, it monitors, examines and evaluates the adequacy and effectiveness of all the company's policies, procedures and safety valves, on the one hand with the internal control system and on the other hand with the risk assessment and management, in relation to financial information.

Regarding the operation of the internal audit, the audit committee monitors and inspects the proper functioning of the internal audit unit in accordance with professional standards as well as the current legal and regulatory framework and evaluates its work, adequacy and effectiveness, but without affecting its independence. The audit committee also reviews the published information on internal audit and the company's main risks and uncertainties in relation to financial information.

In this context, the Audit Committee shall inform the Board of Directors of its findings and submit proposals for improvement, if deemed appropriate.

6. The policy regarding the diversity applied to the administrative, management and supervisory bodies of the company (Article 152 par. 1 par. F) Law 4548/2018).

Space Hellas is an equal opportunity company and encourages a safe and healthy work environment without discrimination. Diversity in the board and in the administrative, management and supervisory bodies is based on a number of elements, including, among others, the cultural and educational background, professional experience, skills, gender, age, knowledge and time—previous service.

The company is managed by a board of directors whose members have experience, adequate training and know-how in the field of the company's activity at a multifaceted level, ie in technocratic, legal, commercial, economic and domestic markets and foreign markets. It is characteristic that the members of the board of directors have studied at a higher and higher level (postgraduate studies up to doctoral dissertation) either in Greece or abroad and many years of professional experience.

The directors and executives of the company's corporate structure have been employed for over fifteen and/or twenty consecutive years, and an important element in their selection is the high knowledge and training in the company's market sector, the ability to manage cases and management, Easy knowledge of foreign languages, desire for a career, ability to adapt to the corporate environment, willingness to offer and collaborate, sensitivity to social structures and the work environment, respect for the environment

Company policy is the choice to be based on meritocracy, and candidates to be considered in relation to objective criteria, always taking into account the benefits of diversity. In this context and depending on the conditions that are formed, the process includes structured interviews from the company's human resources department in collaboration with external consultants, if required. Candidates are evaluated at the first level and then followed by an evaluation at the second level with an additional interview of the final candidates. Finally, depending on the position, a follow-up interview with a representative of the administration follows.

Especially in the case of the selection of supervisory bodies, the conditions of the current legislation are observed.

For the year 2020, the above principles of the company's policy were implemented in the recruitment program followed by the company for its staffing and meeting its needs.

The following table shows the statistical data on the age and gender of the company's board of directors and directors for the year 2020, with the clarification that the executive members of the board and directors of the company are employed by the company for a period of more than from ten years.

Boad of Directors	2020
Male	89%
Female	11%
<30 years old	0%
30-55 years old	67%
56-65 years old	22%
> 70 years old	11%

Executives	2020
Male	75%
Female	25%
<30 years old	0%
30-55 years old	75%
56-65 years old	25%
> 70 years old	0%

7. Information of Article 10 of Directive 2004/25 / EC of the European Parliament::

There are no significant direct or indirect participation (including indirect participations through pyramid structures or mutual participation) within the meaning of Article 85 of Directive 2001/34 / EC.

There are no shareholders of the company with special control rights.

The voting rights, the rules for the appointment and replacement of the members of the Board of Directors as well as with regard to the amendment of the Articles of Association, and the powers of the members of the Board of Directors are provided in accordance with the provisions of Law 4548/2018 and the Articles of Association.

2.10 SIGNIFICANT POST-BALANCE SHEET EVENTS

- On January 11, 2021, the successful completion of the purchase process was announced of the direct and indirect shareholding (through the 100% subsidiary of "TOWER TECHNOLOGY HOLDINGS (OVERSEAS) LIMITED") of "MARFIN INVESTMENT GROUP SA" HOLDINGS" (MIG) of 99.67%, in "SINGULARLOGIC SA INFORMATION SYSTEMS AND INFORMATION APPLICATIONS" (SINGULARLOGIC) from the investment scheme "EPSILON NET" and "SPACE HELLAS" (participation of 50% for each company). The total consideration for the transaction, including the price for the transfer of the shares and the price for the transfer of SINGULARLOGIC loan obligations to PIRAEUS BANK, amounted to € 18,050,000,

of which € 9,025,000 was paid by SPACE HELLAS for the acquisition of shares corresponding to 49.835% of the share capital of SINGULARLOGIC. From the agreed price, the amount of € 1,805,000 was already paid on 27.11.2020 in compliance with the sale contract between the parties and MIG.

SINGULARLOGIC was transferred free of all its loan obligations to PIRAEUS BANK and MIG, while on 31/12/2020, its cash and cash equivalents amounted to approximately 2 million euros. According to the above, SPACE HELLAS, acquired 49,835% of the paid-up share capital of SINGULARLOGIC for a total price of € 4,525,000, an amount less than 30% of the equity of 30 June 2020 of SPACE HELLAS. Also, in the context of the redemption of the shares, the buyers agreed to acquire from Piraeus Bank all the common bonds of SINGULARLOGIC issued by Piraeus Bank, for a total price of € 9,000,000 from which SPACE HELLAS paid to Piraeus Bank the amount of 4,500,000.

- On January 20, 2021, the purchasing companies proceeded to the establishment of a company under the name "EPSILON SINGULARLOGIC INFORMATION COMPANY" based in Thessaloniki, in which SPACE HELLAS participate with 42.40% and EPSILON NET participates with 57.60%. With the establishment of this company, a commercial arm in the field of proprietary accounting software for businesses and ERP systems, the acquiring companies aim to ensure the unified communication and management strategy of the network of partners for the most efficient service delivered to end customers. This is a very important fact and is a key element of strategic planning to take advantage of important business opportunities opened by the digital transformation of companies. The opportunities created to give solutions to the whole range of products and services of the new scheme, adding added value and fully covering the needs of the clientele. It should be emphasized that the two companies, Space Hellas and Epsilon Net, do not separate their business strategy in any case, as both will participate in all actions and initiatives that will be undertaken with the aim of expanding the overall market share. The acquiring companies, through their mutual participation and commitment, achieve both entity-specific operational performance, but at the same time, the maximum of the synergies of the three companies.
- On March 1, 2021, the companies SPACE HELLAS SA and EPSILON NET SA announce the next steps of their business planning with the ultimate goal of exploiting the business opportunities created by the challenge of digital transformation in the public and private sectors. The central parameter of the business plan is the utilization of the important advantages that SingularLogic SA has, in products, in the level of provided services and in the know-how of its human resources. The companies' management teams take the area

of responsibility in which each one has a high level of specialization and can contribute in an integrated way.

- On the 21st of January 2021, the company proceeded, through the Stock Company Merit Securities SA, to purchase the first 1,350 treasury shares, and after the transaction on March 24, 2021, the company holds 21,725 treasury shares, a percentage of 0.336481% of its total shares.
- On February 2, 2021, Space Hellas was pleased to announce the scholarships of the 2nd annual program, based on the announced honorary scholarship for the academic year 2020 - 2021.
- On April 14, 2021, SPACE HELLAS announces to the investing public that with the decision of the Board of Directors dated 13-04-2021, it was decided to grant a special license, in accordance with articles 99 et seq. of law 4548/2018 and in relation to the associated Societe Anonyme under the name "SINGULARLOGIC INFORMATION SYSTEM AND INFORMATION APPLICATIONS SOCIETE ANONYME", as follows: (1) Provision of guarantee to the Bank of Attica and in favour of "SINGULARLOGIC A.E." a) for the granting of a long-term loan up to the amount of seven hundred thousand euros (€ 700,000.00), for the purpose of refinancing a loan of "SINGULARLOGIC A.E." and repayment of a loan of its subsidiary, and b) for the conclusion of a credit agreement with an open mutual account of "SINGULARLOGIC A.E." after the approval of a credit line for the issuance of letters of guarantee for participation and good execution, amounting to three hundred thousand euros (€ 300,000.00). (2) Granting an interest-bearing loan of "SPACE HELLAS" to "SINGULARLOGIC A.E." in the form of a precautionary financing line for an amount of capital up to € 1,000,000.00
Pursuant to article 101 para. 1 of Law 4548/2018, the above decision of the Board of Directors was taken based on the report of the Certified Auditor - Accountant dated 12/04/2021, with which the above transactions were assessed as fair and reasonable for the company and its non-affiliated shareholders, including the company's minority shareholders, and this report provides an explanation of the assumptions on which it is based, together with the methods used.

Given the spread of the coronavirus, it is difficult to predict the range of potential effects on the global economy at this point. The results can range from successful virus control and small short-term effects to a prolonged impact that can lead to a possible recession. In addition, the government is implementing policy and budgetary actions aimed at mitigating the potential negative economic impact.

However, the future impact should be assessed in the light of the basis of accounting continuity used in the preparation of these Financial Statements. Regarding the activities of the Group, the Management closely monitors the developments since the outbreak of the coronavirus, follows the guidance of the local health authorities and observes the requirements and actions implemented by the authorities. The Group has implemented emergency plans to limit the potential adverse effects on the Group's employees and businesses.

Following the clarifications provided in the above relevant paragraphs for the spread of the coronavirus, which is a non - adjusting event, there are no events subsequent to the financial statements that concern either the Group or the company and in which a reference to International Financial Reporting Standards is required.

2.11 EXPLANATORY REPORT OF THE BOARD OF DIRECTORS TOWARDS THE SHAREHOLDERS' ORDINARY GENERAL MEETING OF "SPACE HELLAS S.A.", PURSUANT TO ARTICLE 4, PARAGRAPHS 7 AND 8, LAW 3556/2007

According to paragraph 8 of article 4 of Law 3556/2007, the board of directors of the company submits the present explanatory report to the regular general meeting of shareholders regarding the information of paragraph 7 of article 4 of law 3556/2007. The explanatory memorandum is included in the report of the board of directors.

(a) Structure of the company's share capital, including shares not listed on the market in an organized market in Greece or in another Member State, stating for each category of shares the rights and obligations associated with that category and its percentage of the total share capital represented by the shares of this category

The company's share capital amounts to six million nine hundred and seventy-three thousand fifty-two Euros and forty cents (€ 6,973,052.40) and is divided into six million four hundred and fifty-six thousand five hundred and thirty (6,456,530) common shares of 1.08 Euros each, listed for trading in the General Category (Main Market) of the Athens Stock Exchange.

(b) Restrictions on the transfer of shares of the company, such as indicative restrictions on the possession of shares or the obligation to obtain prior approval from the issuer, by other shareholders or by the Public or Administrative Authority, without prejudice to paragraph 2 of Article 4 of Law 3371 / 2005 (Government Gazette 178 A').

The Company shares may be transferred as provided by the law, and the Articles of Association provide no restrictions as regards the transfer of shares.

(c) Significant direct or indirect participation within the meaning of the provisions of Articles 9 to 11 of Law 3556/2007.

The shareholders (physical or legal persons) who directly or indirectly own more than 5% of the total number of shares of the company on 31.12.2020 are listed in the following table:

Name and surname	Percentage
Manolopoulos Spyridon	17,231%
Manolopoulos Ioannis	16,153%
Mpellos Panagiotis	16,931%
ALPHA BANK S.A.	19,33%

No other entity possesses a percentage greater than 5% of the total company's voting rights.

(d) Holders of all types of shares that provide special control rights and a description of the relevant rights.

None of the Company shares carries any special rights of control.

(e) Restrictions on the right to vote, such as restrictive voting rights for holders of a certain percentage of the share capital or holders of a certain number of voting rights, and deadlines for exercising voting rights.

The articles of the Association make no provision for any limitations on voting rights.

(f) Agreements between shareholders of the company which are known to the company and imply restrictions on the transfer of shares or restrictions on the exercise of voting rights.

The Company is not aware of any agreements among shareholders entailing limitations on the transfer of shares or limitations on voting rights, nor is there any provision in the Articles of Association providing the possibility of such agreements.

(g) Rules for the appointment and replacement of members of the Board of Directors, as well as for the amendment of the Articles of Association, if they differ from those provided for in Law 4548/2018.

The rules provided by the company's articles of association, both for the appointment and replacement of members of its board of directors and for its amendments, do not differ from those provided for in Law 4548/2018.

(h) Responsibility of the Board of Directors or certain members of the Board of Directors for the issuance of new shares or the purchase of own shares in accordance with Article 49 of Law 4548/2018.

1. According to Article 6 of the company's articles of association: 1. a) For a period not exceeding five years from the establishment of the company, the board of directors has the right by its decision, taken by a two-thirds majority (2 / 3) at least of all its members to increase the capital by some or all with the issuance of new shares, for an amount that cannot exceed three times the initial capital. b) The above power may be granted to the Board of Directors by a decision of the General Meeting, for a period not exceeding five years. In this case, the capital may be increased by an amount not exceeding three times the amount of capital available to the Board of Directors on the date of the capital increase. (c) This power of the Board of Directors may be renewed by a decision of the General Meeting for a period not exceeding five years for each granted renewal. The validity of each renewal starts from the expiration of the validity period of the previous one. Decisions of the General Assembly on the granting or renewal of the power to increase capital by the Board of Directors shall be made public. 2. For a period not exceeding five years from the establishment of the company, the general meeting may, by its decision, taken by simple quorum and majority, increase the capital, in part or in whole, by issuing new shares, up to a total of eight times. Of the initial capital. 3. In any case of increase of the share capital, including the one made by contribution in kind or issuance of bonds with the right to convert them into shares, the right to preference in the whole new capital or bond loan shall be granted, in favour of the shareholders at the time of issuance. With their participation in the existing share capital, as defined in article 26 of law 4548/2018. 4. In any case of an increase of the share capital for the certification of its payment or not, the provisions of article 20 of law 4548/2018 apply.

2. In accordance with the provisions of Article 49 of Law 4548/2018, without prejudice to the principle of equal treatment of shareholders who are in the same position and the provisions for the abuse of the market, the company may, itself or in-person acting on its behalf, to acquire shares that have already been issued, but only with the approval of the General

Assembly, which sets out the terms and conditions of the acquisitions provided and, in particular, the maximum number of shares possible. To be acquired, the duration for which is granted the approval, which may not exceed twenty-four (24) months and, in the case of acquisition for a compelling reason, the minimum and maximum limits of the acquisition value. The decision of the general meeting is made public. The acquisitions of the previous paragraph are made with the responsibility of the members of the board of directors, under the following conditions: a) The nominal value of the shares acquired, including the shares previously acquired and maintained by the company, and the shares acquired by a person, which operated in his own name but on behalf of the company, it is not possible to exceed one-tenth (1/10) of the paid-up capital. b) The acquisition of shares, including the shares previously acquired and maintained by the company, and the shares acquired by a person acting on his own name but on behalf of the company, may not result in the reduction of equity, in an amount less than that specified in paragraph 1 of Article 159. c) The transaction may relate only to shares that have been fully repaid. The other provisions of article 49 of law 4548/2018 also apply.

It is noted that the regular general meeting of shareholders of the company of 18 June 2020 (issue 10) has decided that the company proceeds to purchase its own shares, according to article 49 of law 4548/2018, with a maximum purchase price of 5% of the total shares of the company, maximum purchase price 10,00 Euro / per share and minimum purchase price 1,08, euro / per share within a period of time, which will not exceed twenty-four (24) months from the date of the decision by the general meeting of shareholders. The purchases of own shares will be made to the extent that they are deemed advantageous, and the available funds of the company will allow it. Also, the above general meeting of the company's shareholders has decided and authorized the company's board of directors to implement the decision of the general meeting and to regulate any other more specific issue, which is not specified in this decision, observed in any case of the provisions relevant legislation.

The board of directors of the company, through its decision of 26.11.2020, approved the start of the program of acquisition of own shares with the above characteristics, through authorized members of the Athens Stock Exchange, so that the company, if it acquires these shares, will be able to sell them. For future cooperation strategies and/or for the establishment of an incentive program for its executives and other personnel and/or the reduction of its share capital and/or for other legal purposes, as will be specified each time by a relevant decision of the Board of Directors and authorized for the process of implementation of this program the Executive Chairman Mr Spyridon Manolopoulos, its Executive Member and CEO Mr Ioannis Mertzanis and its Executive Member and Chief Financial Officer Mr Ioannis Doulaveris required action always guided by the service of interests of the company. Subsequently, through the relevant Announcement from 26.11.2020 for the Start of the Own

Shares Acquisition Program, the company announced its intention to start the implementation of the Company's Own Shares Acquisition Program. The company did not acquire its own shares until 31-12-2020.

(i) Any significant agreement entered into by the Company, which enters into force, shall be amended or expired in the event of a change in the Company's control under a public proposal and the results of that Agreement, unless, by its nature, the agreement is made public. Would cause serious damage to the company. The exception to the publication of the agreement does not apply when the obligation to publish arises from other provisions
There is no such agreement.

(j) Any agreement that the Company has entered into with members of its Board of Directors or its staff, which provides for compensation in the event of resignation or dismissal without good reason or termination of their term or employment due to a public offer.
The Company has no significant agreements with members of the Board of Directors or its employees providing for the payment of compensation, especially in the case of resignation or dismissal without good reason or termination of their period of office or employment due to a public offer.

Agia Paraskevi, 23 April 2021

The Chairman of Board

S. MANOLOPOULOS

The Board of Directors

3 INDEPENDENT AUDITOR'S REPORT

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To the Shareholders of SPACE HELLAS S.A

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of "SPACE HELLAS S.A." (Company), which comprise the separate and consolidated statement of financial position as of 31 December 2020, the separate and consolidated income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the separate and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the separate and consolidated financial position of the Company and the Group as of 31 December 2020, their separate and consolidated financial performance and their separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the separate and consolidated financial statements section of our report.

Athens | 124 Kifissias Ave. | 115 26 | Greece | Tel +30 210 7480600 | Fax+30 210 7483600 | Email athens@pkf.gr | www.pkf.gr
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We remained independent of the Company and its consolidated subsidiaries throughout our audit in accordance with the Code of Ethics for Professional Auditors of the International Ethics Standards Board for Accountants, as incorporated in the Greek Legislation and the ethical requirements related to the audit of corporate and consolidated financial statements in Greece and we have fulfilled our ethical obligations in accordance with the requirements of applicable law and abovementioned Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters and related risks of material misstatement were addressed in the context of our audit of the separate and consolidated financial statements as a whole and informing our opinion thereon, and we do not provide a separate opinion on these matters.

1. Revenue recognition

In accordance with the accounting policy described in note 4.5.3.12, "Recognition of income and expenses" of the annual financial report, income is recognized when the relevant risks and rewards associated with the goods sold are transferred to the acquirer. Group revenues come from sales of technology equipment and services. Recognition of revenue involves the risk of inappropriate use of accrual accounting principle for the relevant year.

The Group has ongoing installation and maintenance service contracts for a large number of customers.

We have examined the wide internal controls of the company and the specific safeguards for monitoring revenue generation, ordering, contract execution, pricing and subsequent collection.

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We have conducted revenue analytical procedures and substantive audit procedures on a sample of transactions in order to obtain a reasonable basis for recognizing and accounting for revenue.

2 Impairment of non-current assets

The Group's non-current assets of Group comprise goodwill of € 597 thousand and a value of investments in the share capital of subsidiaries, affiliates and other companies of € 2,929 thousand (€ 2,104 thousand in 2019). According to the applicable accounting framework, it is required to evaluate at each date of preparation of financial statements whether there are indications of impairment of these items, and if appropriate, it is required to carry out a relevant impairment.

This area was considered important, as, in addition to the significance of the amounts, the controlled entity made significant new investments during the current year.

For these amounts, we assessed the management's estimates of whether there is evidence of impairment of these assets. Our audit focused on the following topics:

- Investigation and evaluation of the internal controls and procedures followed for the evaluation and acquisition of new investments as well as for the procedures and for the identification and evaluation of indications of impairment of non-current assets.
- We assessed the appropriateness of the value in use model for the impairment test, if any indications arise, evaluating the reasonableness of the assumptions for the preparation of future cash flows and the reasonable discount rate.
- We assessed the adequacy of the relevant disclosures in the financial statements

3. Recoverability of trade receivables

The company conducts on each balance sheet date a recoverability test of its trade receivables in order to determine the amount of receivables taking into account, in addition to cash collections, other information related to the creditworthiness of customers

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We consider that the assessment of the recoverability of receivables is one of the important issues as the trade receivables are an important part of the total assets while they also include management estimates and judgments on the collectability of the receivables.

For these funds, we have assessed and updated our understanding of the credit control procedures performed by the entity in order to provide credit to customers. We examined the assumptions and the consistency of the methodology used to determine the degree of recoverability. We evaluated the correct application of IFRS 9. We verified the correctness of the calculation of time maturity (ageing) of balances. We have confirmed balances through confirmation letters for a sample of receivables using a risk-based approach. We considered and sought additional information from the entity's legal service. We examined the appropriateness of the disclosures.

Other information

Management is responsible for the other information. Other information is included in the Board of Directors Report, for which reference is made in section "Report on Other Legal and Regulatory Requirements", in the Statements of the Members of the Board of Directors, but does not include the Consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard beyond what is mentioned in the Report on the Management of the Board of Directors in the "Report on Other Legal and Regulatory Requirements" below if such matters are mentioned.

Responsibilities of management and those charged with governance for the separate and consolidated financial statements

Management is responsible for the preparation and fair presentation of the separate and Consolidated Financial Statements in accordance with International Financial Reporting Standards, as adopted 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 Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee (article 44 of Law 4449/2017) is responsible for overseeing the financial reporting process of the Company and the Group.

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Auditor's responsibilities for the audit of the separate and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs, as embodied in the 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 embodied in the Greek Legislation, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- 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 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 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 consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and Group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are, therefore, the key audit matters.

Report on Other Legal and Regulatory Requirements

1. Board of Directors' Report

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

a) The Board of Directors' Report includes a Corporate Governance Statement that contains the information required by article 152 of Law 4548/2018.

b) In our opinion, the Board of Directors' Report has been prepared in accordance with the legal requirements of articles 150 and 153, and paragraph 1 (c and d) of Article 152 of the Law 4548/2018 and the content of the Board of Directors' report is consistent with the accompanying consolidated financial statements for the year ended 31 December 2020.

c) Based on the knowledge and understanding concerning the Company and its environment gained during our audit, we have not identified information included in the Board of Directors' report that contains a material misstatement.

2. Additional Report to the Audit Committee

Our opinion on the consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Group, in accordance with Article 11 of the EU Regulation 537/2014.

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3. Provision of Non-audit Services

We have not provided any prohibited non-audit services per Article 5 of the EU Regulation 537/2014.

Non-audit services provided by us to the Group during the year ended December 31, 2020, are disclosed in note 4.6.3 of the separate and consolidated financial statements.

4. Appointment of the Auditor

We were appointed for the first time as Auditors of the Company and the Group by decision of the Annual General Meeting of Shareholders on 28/06/2005. Since then, our appointment has been continuously renewed for a total period of 15 years, based on the annual decisions of the regular General Meetings.

PKF EUROAUDITING S.A.
Certified Public Accountants

124 Kifissias Avenue, 115 26 Athens
S.O.E.L. Reg. No. 132



Athens, 26 April 2021

ANDREAS G. POURNOS
Certified Public Accountant
S.O.E.L. Reg. No. 35081

Athens | 124 Kifissias Ave. | 115 26 | Greece | Tel +30 210 7480600 | Fax+30 210 7483600 | Email athens@pkf.gr | www.pkf.gr
Thessaloniki | 20 Voulgari str. & Kath. Papadaki | 542 48 | Greece | Tel +30 2310 334600 - 944991 | Fax +30 2310 334601
Ioannina | 1 Dagli str. | 454 44 | Greece | Tel +30 26510 21899 | Fax +30 26510 21813
Heraclio Crete | 7 D. Bofor str. | 712 02 | Greece | Tel/Fax +30 2810 229383
Trikala | 15 Iakovaki str. | 421 00 | Greece | Tel/Fax +30 24310 30073

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4 ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD FROM 1st JANUARY 2020 TO 31st DECEMBER 2020

4.1 TOTAL COMPREHENSIVE INCOME STATEMENT

4.1.1 INCOME STATEMENT

	NOTES	Group		Company	
		01.01- 31.12.2020	01.01- 31.12.2019	01.01- 31.12.2020	01.01- 31.12.2019
<i>Amounts in € thousand</i>					
Revenue	4.6.1	80.732	72.250	78.170	69.602
Cost of sales		-64.309	-56.366	-62.602	-54.670
Gross profit		16.423	15.884	15.568	14.932
Other income	4.6.2	2.069	1.642	1.873	1.478
Administrative expenses	4.6.3	-5.448	-5.678	-5.315	-5.544
Research and development cost	4.6.3	-1.421	-1.181	-1.421	-1.181
Selling and marketing expenses	4.6.3	-5.936	-5.719	-5.885	-5.711
Other expenses	4.6.4	-861	-477	-861	-476
Earnings before taxes, investing and financial results		4.826	4.471	3.959	3.498
Interest & other similar income		113	3	113	3
Interest and other financial expenses in subsidiaries - associated companies	4.6.5	-2.820	-2.346	-2.812	-2.341
		69	23	819	449
Profit/(loss) before taxes		2.188	2.151	2.079	1.609
Less: Taxes	4.6.6	-428	-635	-374	-376
Profit after taxes (A)		1.760	1.516	1.705	1.233
- Equity Shareholders		1.760	1.516	1.705	1.233
- Minority Interests in subsidiaries		0	0	-	-
Earnings per share - basic (in €)		0,2726	0,2348	0,2641	0,1910

SUMMARY OF INCOME STATEMENT

Profit after taxes	6.818	6.283	5.930	5.289
Less depreciation	1.992	1.812	1.971	1.791
Profit before interest and taxes, (EBIT)	4.826	4.471	3.959	3.498
Profit before taxes	2.188	2.151	2.079	1.609
Profit after taxes	1.760	1.516	1.705	1.233

4.1.2 OTHER COMPREHENSIVE INCOME STATEMENTS

<u>Amounts in € thousand</u>	NOTES	Group		Company	
		01.01-31.12.2020	01.01-31.12.2019	01.01-31.12.2020	01.01-31.12.2019
Profit after taxes (A)		1.760	1.516	1.705	1.233
- Company Shareholders		1.760	1.516	1.705	1.233
- Minority Interests in subsidiaries		0	0	-	-
Other comprehensive income after taxes					
Items that might be recycled subsequently					
Currency exchange differences from consolidation of subsidiaries		2	-6	0	0
Total Items that might be recycled subsequently		2	-6	0	0
Items that will not be recycled subsequently					
Revaluation of Buildings		472	0	472	0
Deferred tax from revaluation of buildings		-113	0	-113	0
Change of income tax rate		0	153	0	153
Actuarial losses due to accounting policy change (IAS 19)		-17	-31	-17	-31
Actuarial loss taxes		4	7	4	7
Total Items that will not be recycled subsequently		346	129	346	129
Other comprehensive income after taxes (B)		348	123	346	129
Total comprehensive income after taxes (A) + (B)		2.108	1.639	2.051	1.362
- Company Shareholders		2.108	1.639	2.051	1.362
- Minority Interests in subsidiaries		0	0	-	-

SUMMARY OF OTHER COMPREHENSIVE INCOME STATEMENT

Profit after taxes	1.760	1.516	1.705	1.233
Other comprehensive income after taxes	348	123	346	129
Total comprehensive income after taxes	2.108	1.639	2.051	1.362

Note

Current year

- The amount of € 348 thousand after taxes which was recorded directly in equity, includes the net amount after taxes of € 359 thousand of revaluation of property, the net amount after taxes of -13 thousand € of actuarial results (IAS 19), and the amount of € 2 thousand from exchange differences in the conversion of currencies into € from foreign subsidiaries.

Previous year

- The amount of € 153 thousand which was charged directly to equity, concerns the effect of the change of the income tax rate on the deferred tax from the revaluation of buildings. The amount after taxes -24 thousand € which was charged directly to equity concerns actuarial loss recognized in the Other Total Revenues (DPL 19). and the amount of -6 thousand € from exchange rate differences to €.
- IFRS 16 was applied to recognize the overall impact on the 'Retained Earnings Balance Sheet' account

4.2 FINANCIAL POSITION STATEMENT

Amounts in € thousand	notes	Group		Company	
		31.12.2020	31.12.2019	31.12.2020	31.12.2019
ASSETS					
Non-current assets					
Property, plant & equipment	4.6.7	17.576	15.749	17.541	15.706
Right of Use	4.6.9	1.217	1.353	1.215	1.341
Investment properties	4.6.11	597	597	597	597
Goodwill	4.6.8	2.946	2.852	2.915	2.815
Intangible assets	4.6.13	0	0	34	34
Investments in subsidiaries	4.6.13	3.020	2.127	2.929	2.104
Investments in associates	4.6.14	934	31	934	31
Other long term receivables		26.290	22.709	26.165	22.628
Total Non-current assets					
Current assets	4.6.15	7.579	6.625	7.579	6.625
Inventories	4.6.16	27.183	14.722	27.272	14.639
Trade debtors	4.6.17	5.137	4.546	4.609	4.297
Other debtors		13	13	13	13
Financial assets	4.6.18	2.436	3.443	2.397	3.423
Advanced payments	4.6.19	31.058	17.082	30.451	16.281
Cash and cash equivalents		73.406	46.431	72.321	45.278
Total Current assets		99.696	69.140	98.486	67.906
TOTAL ASSETS					
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the parent	4.6.20	6.973	6.973	6.973	6.973
Share Capital	4.6.21	53	53	53	53
Share premium	4.6.21	2.688	2.329	2.688	2.329
Fair value reserves	4.6.21	1.067	980	1.125	1040
Other Reserves		7.296	6.054	6.183	4.996
Retained earnings		18.077	16.389	17.022	15.391
Equity attributable to equity holders of the parent		1	1	-	-
Minority interests		18.078	16.390	17.022	15.391
Total equity					
Non-current liabilities	4.6.23	6	6	6	6
Other non-current liabilities	4.6.22	30.322	15.307	30.322	15.307
Long term loans		760	1.183	760	1.181
Long term lease liabilities	4.6.28	61	61	61	61
Provisions	4.6.25	945	885	945	885
Retirement benefit obligations	4.6.26	956	640	956	640
Deferred income tax liability		33.050	18.082	33.050	18.080
Total Non-current liabilities					
Current liabilities	4.6.27	33.532	21.986	33.380	21.763
Trade and other payables		4.762	2.808	4.762	2.808
Income tax payable		9.777	9.682	9.777	9.682
Short-term borrowings		497	192	495	182
Shory term lease liabilities		48.568	34.668	48.414	34.435
Total Current liabilities		99.696	69.140	98.486	67.906
Total Equity and Liabilities					

4.3 STATEMENT OF CHANGES IN EQUITY

4.3.1 STATEMENT OF CHANGES IN COMPANY'S EQUITY

<u>Amounts in € thousand</u>	Share Capital	Share premium	Fair value reserves	Treasury shares	Other Reserves	Retained earnings	Total
Balance at 1st January 2019	6.973	53	2.176	0	978	4.236	14.416
Profit for the year	0	0	0	0	0	1.233	1.233
Share Capital increase/ (decrease)	0	0	0	0	0	0	0
Dividends distributed (profits)	0	0	0	0	0	-387	-387
Other reserves	0	0	0	0	62	-62	0
Net income recognized directly in equity	0	0	0	0	0	0	0
Revaluation of buildings	0	0	0	0	0	0	0
Tax from Revaluation of buildings	0	0	0	0	0	0	0
Change in income tax rate	0	0	153	0	0	0	153
Treasury shares purchased	0	0	0	0	0	0	0
Actuarial loss	0	0	0	0	0	-31	-31
Actuarial loss tax	0	0	0	0	0	7	7
Balance at 31st December 2019	6.973	53	2.329	0	1.040	4.996	15.391
Balance at 1st January 2020	6.973	53	2.329	0	1.040	4.996	15.391
Profit for the year	0	0	0	0	0	1.705	1.705
Share Capital increase/ (decrease)	0	0	0	0	0	0	0
Dividends distributed (profits)	0	0	0	0	0	-420	-420
Other reserves	0	0	0	0	85	-85	0
Net income recognized directly in equity	0	0	0	0	0	0	0
Revaluation of buildings	0	0	472	0	0	0	472
Tax from Revaluation of buildings	0	0	-113	0	0	0	-113
Treasury shares purchased	0	0	0	0	0	0	0
Actuarial loss	0	0	0	0	0	-17	-17
Actuarial loss tax	0	0	0	0	0	4	4
Balance at 31st December 2020 (IFRS)	6.973	53	2.688	0	1.125	6.183	17.022

Note:

Current period

- The amount of € 472 thousand, which was recorded directly in the net position, concerns an adjustment of the value of buildings and plots based on a study by an independent appraiser with the tax on it amounting to € -113 thousand.
- The amount after taxes -13 thousand € which was recorded directly in equity, relates to actuarial loss recognized in Other Comprehensive Income (IAS 19).
- The amount of 85 thousand € concerns the formation of a regular reserve from the net profits of the year according to the current legislation.

Previous period

- The amount of € 153 thousand which was charged directly to equity concerns the effect of the change of the income tax rate on the deferred tax from the revaluation of buildings.
- The amount after taxes -24 thousand € which was charged directly to equity concerns actuarial loss recognized in the Other Total Revenues (DPL 19).
- The amount of 62 thousand concerns the formation of legal reserve according to the applicable law.

4.3.2 STATEMENT OF CHANGES IN GROUP'S EQUITY:

<u>Amounts in € thousand</u>	Share Capital	Share premium	Fair value reserves	Treasury shares	Other Reserves	Accumulated profit / (loss)	Total	Non controlling interests	Total net Equity
Balance at 1st January 2019 (IFRS)	6.973	53	2.176	0	924	5.011	15.137	2	15.139
Profit for the year	0	0	0	0	0	1.516	1.516	0	1.516
Share Capital increase/ (decrease)	0	0	0	0	0	0	0	0	0
Dividends distributed (profits)	0	0	0	0	0	-387	-387	0	-387
Other reserves	0	0	0	0	62	-62	0	0	0
Net income recognized directly in equity	0	0	0	0	-6	0	-6	-1	-7
Change in income tax rate	0	0	153	0	0	0	153	0	153
Treasury shares purchased	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0	0	0	0
Actuarial loss	0	0	0	0	0	-31	-31	0	-31
Actuarial loss tax	0	0	0	0	0	7	7	0	7
Balance at 31st December 2019 (IFRS)	6.973	53	2.329	0	980	6.054	16.389	1	16.390
Balance at 1st January 2020 (IFRS)	6.973	53	2.329	0	980	6.054	16.389	1	16.390
Profit for the year	0	0	0	0	0	1.760	1.760	0	1.760
Share Capital increase/ (decrease)	0	0	0	0	0	0	0	0	0
Dividends distributed (profits)	0	0	0	0	0	-420	-420	0	-420
Other reserves	0	0	0	0	85	-85	0	0	0
Net income recognized directly in equity	0	0	0	0	2	0	2	0	2
Revaluation of buildings	0	0	472	0	0	0	472	0	472
Tax from Revaluation of buildings	0	0	-113	0	0	0	-113	0	-113
Treasury shares purchased	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0	0	0	0
Actuarial loss	0	0	0	0	0	-17	-17	0	-17
Actuarial loss tax	0	0	0	0	0	4	4	0	4
Balance at 31st December 2020 (IFRS)	6.973	53	2.688	0	1.067	7.296	18.077	1	18.078

Note:

Current year

- The amount of € 472 thousand which was recorded directly in equity, concerns the revaluation of real estate based on a study by an independent appraiser with the tax on it amounting to -113 thousand €.
- The amount after taxes -13 thousand € which was recorded directly in equity, relates to actuarial loss recognized in Other Comprehensive Income (IAS 19).
- The amount of € 2 thousand which was recorded directly in equity, concerns a foreign exchange difference of conversion of values into €.
- The amount of 85 thousand € concerns the formation of a regular reserve from the net profits of the year according to the current legislation.

Previous year

- The amount of € 6 thousand € charged directly to equity concerns from exchange rate differences to €.
- The amount after taxes -24 thousand € which was charged directly to equity concerns actuarial loss recognized in the Other Total Revenues (DPL 19)
- The amount of € 153 thousand which was charged directly to equity, concerns the effect of the change of the income tax rate on the deferred tax from the revaluation of buildings..
- The amount of 62 thousand concerns the formation of legal reserve according to the applicable law.

4.4 CASH FLOW STATEMENT

Amounts in € thousand

	Group		Company	
	01.01- 31.12.2020	01.01- 31.12.2019	01.01- 31.12.2020	01.01- 31.12.2019
Cash flows from operating activities				
Profit/(Loss) Before Taxes	2.188	2.151	2.079	1.609
Adjustments for:				
Depreciation & amortization	1.992	1.812	1.971	1.791
Impairment of assets	-472	0	-472	0
Provisions	104	311	104	310
Foreign exchange differences	275	-199	277	-193
Net (profit)/Loss from investing activities	-26	-32	-781	-457
Interest and other financial expenses	2.820	2.346	2.813	2.341
Plus or minus for Working Capital changes:				
Decrease/(increase) in Inventories	-954	-2.209	-954	-2.209
Decrease/(increase) in Receivables	-12.237	-1.878	-12.482	-1.956
(Decrease)/increase in Payables (excluding banks)	14.101	4.689	14.323	4.793
Less:				
Interest and other financial expenses paid	-2.410	-1.816	-2.403	-1.810
Taxes paid	-421	-320	-153	0
Total cash inflow/(outflow) from operating activities (a)	4.960	4.855	4.322	4.219
Cash flow from Investing Activities				
Acquisition of subsidiaries, associated companies, joint ventures and other investments	-1.728	-1.100	-1.728	-1.100
Purchase of tangible and intangible assets	-3.421	-2.726	-3.420	-2.686
Proceeds from sale of tangible and intangible assets	74	42	74	42
Interest received	0	0	0	0
Dividends received	0	0	819	547
Total cash inflow/(outflow) from investing activities (b)	-5.075	-3.784	-4.255	-3.197
Cash flow from Financing Activities				
Proceeds of share capital of subsidiary	18.141	5.818	18.141	5.818
Proceeds from Borrowings	-3.031	-2.109	-3.031	-2.109
Proceeds from leases	-599	-469	-587	-457
Payments of Borrowings	-420	-387	-420	-387
Total cash inflow/(outflow) from financing activities (c)	14.091	2.853	14.103	2.865
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	13.976	3.924	14.170	3.887
Cash and cash equivalents at beginning of period	17.082	13.158	16.281	12.394
Cash and cash equivalents at end of period	31.058	17.082	30.451	16.281

4.5 NOTES ON SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

4.5.1 INFORMATION ON SPACE HELLAS S.A

4.5.1.1 General Information

The company operating under the corporate name "SPACE HELLAS S.A", by virtue of the revised Deed of Association (revision date 08.07.2007) and approved by the Ministry of Development (decision K2-10518), was founded in 1985 (Deed of Association, upon the power of attorney n.86369/15.07.1985, approved by the Prefecture of Attiki, EM 4728/1.8.85, and published in the Official Gazette of Greece, ΦΕΚ 2929/8.8.85 ΤΑΕ & ΕΠΕ). The company's duration has been set to 100 years; its legal address is Mesogion Ave 312, Agia Paraskevi, Attica, Greece. On 30.06.2008, the decision of the General Meeting, approved by the Ministerial Decision K2 9624/1-9-2008 (registered in the Societies Anonymes Register at 01.09.2008) and published in the Official Gazette of Greece (ΦΕΚ 10148/3.9.2008 ΤΑΕ & ΕΠΕ), has extended the company up to 23.7.2049.

The company's S.A. Business Register Number (GE.M.I) is 375501000, and the Tax Identification-VAT Number (ΑΦΜ) is 094149709. The company's shares are ordinary registered shares and have been listed in ASE since 29.09.2000. Its headquarters are in the municipality of Agia Paraskevi, Attica, 312 Messogion Ave. The URL address is <http://www.space.gr>.

4.5.1.2 Operating Activities

For more than 35 years, Space Hellas has consistently confirmed its leading role in the ICT market (Information and Communication Technologies), whether in the design, installation, and configuration of complex Informatics and Security infrastructures or in implementing and completing demanding System Integration projects.

Space Hellas is a leading System Integrator and Value Added Solutions Provider in the field of Telecommunications, Information Technology and Security. It offers complete technological solutions, certified according to the quality assurance standard ISO 9001: 2015 and information security ISO / IEC 27001: 2013, which ensures that its processes include all the necessary controls on issues of confidentiality, integrity and availability of information so that data and resources involved in any commercial activity are protected.

As an innovative company, it pioneers new technology trends such as Cloud-Based Services, Internet Of Things, Smart Cities, Big Data, Blockchain, AI, etc. The wide range of solutions and services available covers all types of needs in ICT and security technologies such as data communications, IT and IT infrastructure, telecommunications, unified communications, information security and physical security, audiovisual systems, etc. Also, remote access services

(managed services) are provided, as well as consulting, training and transfer of know-how, project management, information security management system development services, personal data protection program development services in order to adapt to the requirements of GDPR and DPO Services.

Space Hellas offers an unparalleled quality of technical support services to its customers according to the IT service management standard ISO 20000: 2018 and through the award-winning state-of-the-art Network and Business Support Center, which operates according to the ITILv3 standard, serves the largest companies, financial institutions and public organizations on a 24-hour basis, offering the ability to repair damage within 2 hours for customers who have strict SLAs. Through this, all technical support services are coordinated at a national level and outside Greece.

Its clientele includes the largest banks and private companies, industries, store chains, telecommunications service providers, ministries and government agencies, as well as the Armed Forces.

The superiority of Space Hellas is recognized by its customers who trust it in the course of its many years of presence, the company has entered into strategic partnerships with the most important international high-tech providers, which allows it to successfully carry out large and complex projects for companies of high prestige and organizations in Greece, but also abroad.

Space Hellas' commitment to research and development offers a significant lead in ICT markets (IT and Communication Technologies) and security that revolves around innovation and knowledge activities. The company's ongoing investments, as well as its participation in National and International research and innovative programs in close cooperation with internationally recognized organizations, enable it to identify excellent opportunities for innovation, explore and develop new technologies and implement the acquired knowledge in the direction of meeting the future and ever-changing requirements of its customers.

4.5.1.3 Board of Directors

On 1-7-2020, the Minutes of the Company's Board of Directors of 18th June 2020 was registered in the General Commercial Registry (GEMI) (registration number 2164451) according to which, after the 18-6-2020 Board of Directors Decision (registration number 2164452), the Board of Directors of the company was reconstituted as follows:

- ❑ Spyridon D. Manolopoulos, Chairman of the Board, executive member.
- ❑ Xatzistamatiou N. Theodoros, Vice president non-executive member.
- ❑ Panagiotis C. Mpellos, Vice President executive member.

- Ioannis A. Mertzanis Chief Executive Officer, executive member.
- Ioannis A. Doulaveris, executive member.
- Paparizou K. Anastasia, executive member.
- Patssouras N. Athanasios independent non-executive member.
- Chatiras I. Emmanuel, independent non-executive member
- Gakis Th. Theodoros, independent non-executive member.

The term of office of the members of the Board of Directors is six years, can be extended for extraordinary reasons up to the next General Assembly, that is, at the latest, on 10th September 2026.

4.5.1.4 Group Structure

SPACE HELLAS S.A. is the parent company of the Group. The consolidated financial statements (Group) include the financial statements of the parent company, its subsidiaries, affiliates and joint ventures. A table showing the Group's investments and the method of consolidation as of 31.12.2020 is presented below:

Corporate name	Country	Sector	Ownership percentage		Consolidation method
			Direct	Indirect	
Subsidiaries					
SPACE HELLAS (CYPRUS) LTD	Cyprus	ICT	100%	-	Full Consolidation
SPACE HELLAS SYSTEM INTEGRATOR S.R.L.	Romania	ICT- Investment Properties	-	99,45%	Full Consolidation
SPACE HELLAS Doo Beograd-Stari Grad	Serbia	ICT	-	100%	Full Consolidation
SPACE HELLAS (MALTA) LTD	Malta	ICT	-	99,98%	Full Consolidation
SPACE ARAB LEVANT TECHNOLOGIES COMPANY	Jordan	ICT	-	100%	Full Consolidation
Associates					
Web-IQ B.V.	Netherlands	Specialised applications	32,28%	-	Equity method
AgroApps Private Company.	Greece	Specialised applications in the agricultural sector	35%	-	-
Other investments					
MOBICS S.A.	Greece	Software Development	18,10%	-	-

4.5.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.5.2.1 Basis of Preparation

The accompanying annual financial statements have been prepared according to the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Council (IACS) and their relevant Interpretations, as published by the Standing Committee. Adopted by the European Union and binding on the uses expiring on 31 December 2019, in addition to the new standards and interpretations adopted, the implementation of which has become mandatory for what periods after 1 January 2020.

There are no standards and interpretations of standards that have been implemented before their implementation.

The accompanying annual financial statements have been prepared to comply with the historical cost convention, adjusted with the revaluation of certain assets and liabilities at fair values and with the principle of going concern «going concern».

The Group's comparative advantage is its satisfied customers, its specialized know-how, its excellent organization, continuous investment in modern equipment, its staffing with highly specialized human resources, the development of new products, the recognition of its credibility demonstrated by the excellent relations of the Group with its suppliers and the largest credit institutions in the country and abroad are the guarantee for long-term survival with significant benefits for the shareholders.

The figures in this report are shown in thousands of Euro, except when otherwise indicated. Any differences presented between the amounts in the financial statements and the corresponding amounts in the notes are due to rounding. Where necessary, comparative figures have been classified to conform to changes in the presentation of the elements of this period.

The preparation of financial statements was made in accordance with International Financial Reporting Standards, and the Group Management is required to make assumptions and accounting estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of preparing financial statements as well as the reported revenues and expenses during the reporting period.

Management evaluates these estimates and assumptions on an ongoing basis, which mainly include any pending legal cases, the provision for expected credit losses, the useful life of non-financial assets, the impairment of property, plant and equipment, impairment of goodwill, impairment of intangible assets, impairment of participations, provision for staff compensation

due to retirement, recognition of income and expenses and income taxes. These estimates and assumptions are based on existing experience. Various other considered reasonable factors form the basis for making decisions about the carrying amounts of assets and liabilities that are not readily available from other sources. Actual results may differ from the above estimates under different assumptions or conditions. Significant accounting estimates and assumptions about future and other major sources of uncertainty at the date of preparation of the financial statements, which carry a significant risk of causing material adjustments to the carrying amounts of assets and liabilities in the following financial year, are as follows:

Impairment of goodwill

The Group assesses whether there is impairment of goodwill at least on an annual basis. For this reason, it is necessary to estimate the use-value of each cash-generating unit to which a goodwill amount has been allocated. The valuation of the use requires the Group to estimate the future cash flows of the cash-generating unit and to select the appropriate discount rate, based on which the present value of the above future cash flows will be determined. Additional details on impairment testing are included in note 4.6.11.

Income tax provision

The provision for income tax under IAS 12 "Income Taxes" refers to the amounts of taxes expected to be paid to the tax authorities and includes the provision for current income tax and the provision for any additional taxes that may arise as a result of an audit by the tax authorities. The Group companies are subject to different laws regarding income tax, and therefore, a significant assessment is required by the management in order to determine the Group's provision for income taxes. Income taxes may differ from these estimates due to future changes in tax legislation, significant changes in the laws of the countries in which the Group and the Company operate, or unforeseen consequences from the final determination of the tax liability of each fiscal year by the tax authorities. These changes can have a significant impact on the financial position of the Group and the Company. In the event that the resulting final surcharges are different from the amounts originally recorded, these differences will affect income tax and deferred tax provisions for the year in which the tax differences were determined. Additional details are included in Note 4.6.6..

Deferred tax assets and liabilities

Deferred tax assets and liabilities are recognized in the event of temporary differences between the accounting base and the tax base of the assets and liabilities using the tax rates that have been enacted and are expected to apply in the periods in which those differences are expected to be eliminated. Deferred tax liabilities are recognized for all temporary deductible differences and transferable tax losses, to the extent that it is probable that taxable income will

be available that will be used against the temporary deductible differences and the transferable unused taxable assets. The Group and the Company take into account the existence of future taxable income and follow a continuous conservative tax planning strategy when estimating the recovery of deferred tax assets. Accounting estimates related to deferred tax assets require management to make assumptions about the timing of future events, such as the probability of expected future taxable income and the tax planning options available. Additional details are included in Note 4.6.26.

Provisions for expected credit losses from receivables from customers and contractual assets

The Group and the Company apply the simplified approach of IFRS 9 for the calculation of expected credit losses, according to which the loss forecast is always measured at an amount equal to the expected lifetime credit losses for receivables from customers and contractual assets. The Group and the Company have formed a provision for expected credit losses in order to adequately cover the loss that can be reliably estimated and derived from these receivables. At each financial statement date, all receivables are estimated based on historical trends, statistics, and future expectations regarding the collection of receivables from overdue customers. The formed forecast is adjusted by burdening the results of each year. Any write-offs of receivables from accounts receivable are made through the formed provision. Additional details are included in Note 4.6.16.

Post-employment benefits and other defined benefit plans

Liabilities for staff compensation due to retirement are calculated at the discounted present value of the future compensation benefits accrued at the end of the year. Liabilities for these benefits are calculated on the basis of financial and actuarial assumptions that require management to make assumptions about discount rates, wage increases, mortality and disability rates, retirement ages and other factors. Changes in these key assumptions can have a significant effect on the liability and related costs of each period. The net cost of the period consists of the present value of the benefits incurred during the year, the interest-bearing future liability, the accrued service costs and the actuarial gains or losses. Due to the long-term nature of these defined benefit plans, these assumptions are subject to a significant degree of uncertainty. Additional details are included in Note 4.6.25.

Assessment of the useful life of assets

The Group and the Company must assess the useful life of tangible assets as well as intangible assets, which are recognized either through acquisition or through business combinations. These estimates are reviewed at least annually, taking into account new data and market conditions.

Contingent liabilities

The Group and the Company examine the cases of any legal case or dispute on a periodic basis and assess the potential financial risk based on the opinion of the legal services. If the potential loss from any dispute or legal case is considered probable and the amount can be estimated reliably, the Group and the Company calculate a provision for the estimated loss. Both in determining the probability and in determining whether the risk can be reliably assessed, management judgment is required to a significant degree. When additional information becomes available, the Group and the Company review the contingent liability and litigation and may revise estimates of the likelihood of an adverse outcome and the related estimate of the potential loss. Such revisions to the estimates of the contingent liability may have a material effect on the financial position and results of the Group and the Company.

Impairment of property, plant, and equipment

Determining the impairment of property, plant, and equipment requires estimates but are not limited to the cause, time and amount of the impairment. Impairment is based on a number of factors, such as technological depreciation, service interruption, current replacement costs, and other changes in circumstances that indicate impairment. The recoverable amount is usually determined using the discounted cash flow method. The determination of impairment, as well as the estimation of future cash flows and the determination of the fair values of assets (or groups of assets), require management to make significant estimates regarding the determination and assessment of impairment, expected cash flows, the discount rates to be applied, the useful lives and the residual values of the fixed assets.

Determining the duration of the lease of contracts with extension or termination rights

The Group and the Company determine the duration of the lease as the irrevocable period of the lease, in combination with the periods covered by the right to extend the lease if it is rather certain that they will be exercised, or the periods covered by the right to terminate the lease if it is rather certain that they will not be exercised. The Group and the Company have certain lease agreements that include extension and termination rights and apply judgment to assess whether the exercise of the extension right or the non-exercise of the right to terminate the lease is more certain. For this reason, all relevant events that create a financial incentive for the lessee to exercise the right to extend the lease or not to exercise the right to terminate the lease are examined. After the start date of the lease term, the Group and the Company reassess the duration of the lease in the event of a significant event or significant change in circumstances that come under their control and affects whether or not they are likely to exercise the lease right of extension or termination (e.g., making significant improvements or significant adjustments to the leased asset, ability to replace leased assets without significant cost or disruption of activities). Additional details are included in Note 4.6.9.

Leases - Estimation of the interest rate increase

The Group and the Company use the Incremental Borrowing Rate (I.B.R.) to determine the lease interest rate so that their lease liabilities can be measured. The incremental interest rate is the interest rate that the Group would bear if it borrowed the necessary funds to purchase an asset of similar value to the asset with a right of use, for a similar period of time, with similar collateral and in a similar financial environment.

In order to determine this interest rate, the following methodological approach is followed:

- ▣ Determination of existing borrowing rate which is defined as the average borrowing rate of the Group.
- ▣ Assessment of the creditworthiness of the company and its credit rating based on the credit rating methodology of the recognized international rating agency Moody's Investors Service.
- ▣ Assessment of the Group's creditworthiness and its credit rating after the Additional Debt based on the credit rating - rating methodology of the recognized international rating agency Moody's.
- ▣ Determination of the change that will occur in the credit rating of the Group due to the increase of the total debt with the total nominal value of all the rents of the Group foreseen for the following years, according to the methodology of Moody's.
- ▣ Calculation of the incremental interest rate (IBR) that will be used to estimate the present value of the projected rents of each professional (operating) lease, which will result from the existing borrowing rate increased by a premium due to the Additional Debt assumed by the Group.

Depreciation of Inventories

Provisions are formed for depreciated, useless and stocks with very low market movement. Reductions in the value of inventories to net realizable value and other impairment losses on inventories are recognized in the income statement during the period in which they are incurred.

Construction contract budgets

The handling of the revenue and expenses of a construction contract depends on whether the final result from the execution of the contractual project can be estimated reliably. When the result of a project contract can be estimated reliably, then the revenue and expenses of the contract are recognized during the contract period, respectively, as revenue and expense. The Group uses the completion stage to determine the appropriate amount of income and output to recognize in a given period. The completion stage is measured based on the contractual cost incurred up to the reporting date in relation to the total estimated construction cost of

each project. Therefore, significant estimates of the management are required regarding the gross margin with which the executed construction contract will be executed (estimated execution cost).

4.5.2.2 New standards, standard revisions, and interpretations

Standards and interpretations mandatory for the current year:

The following new Standards, Interpretations and amendments to Standards have been issued by the International Accounting Standards Board (IASB), have been adopted by the European Union and are mandatory from 01/01/2020 onwards.

Revision of the Conceptual Framework of the Financial Report (applies for annual periods beginning on or after 01/01/2020). In March 2018, the IASB reviewed the Conceptual Framework of the Financial Report, the purpose of which was to integrate which were not covered and update and clarify specific guidance. The revised Financial Reporting Conceptual Framework includes a new chapter on measurement, which analyzes the concept of measurement, including factors to consider when selecting a measurement basis, issues related to presentation and disclosure in the Financial Statements and guidance. Regarding the derecognition of assets and liabilities from the Financial Statements. Furthermore, the revised Financial Reporting Conceptual Framework includes improved definitions of assets and liabilities, guidance to assist in the application of these definitions, updating of criteria for the recognition of assets and liabilities, as well as clarifications on areas such as management roles, conservatism and uncertainty when measuring financial information. The amendments have no effect on the consolidated and corporate Financial Statements.

Amendments to the Reports of the Conceptual Framework of the Financial Report (applies for annual periods beginning on or after 01/01/2020). In March 2018, the IASB issued Amendments to the References of the Conceptual Framework of the Financial Report, following its revision. Some Standards include explicit references to earlier versions of the Financial Reporting Conceptual Framework. The purpose of these amendments is to update the above reports and support the transition to the revised Conceptual Framework of the Financial Report. The amendments have no effect on the consolidated and corporate Financial Statements.

Amendments to IAS 1 and IAS 8: "Definition of Substantive" (effective for annual periods beginning on or after 01/01/2020). In October 2018, the IASB issued amendments to the definition of essential to make it easier for companies to conduct a substantive size crisis. The definition of essential help companies decides what information should be included in their Financial Statements. The new definition amends IAS 1 and IAS 8. The amendments clarify the

definition of essential and how it should be applied, including the definition guidance that has hitherto been included in other Standards. The amendments have no effect on the consolidated and corporate Financial Statements.

[Amendments to IFRS 9, IAS 39 and IFRS 7: "Interest Rate Reference Point Reform"](#) (effective for annual periods beginning on or after 01/01/2020). In September 2019, the IASB issued amendments to certain requirements of specific hedge accounting in order to mitigate any effects arising from the uncertainty arising from the reform of the Interest Rate Point. The amendments were designed to support the provision of useful financial information by companies during the period of uncertainty resulting from the phasing out of interest rate benchmarks, such as interbank rates. In addition, companies are required to provide additional information to investors regarding hedging relationships that are directly affected by these conditions of uncertainty. The amendments have no effect on the consolidated and corporate Financial Statements.

[Amendments to IFRS 3: "Definition of a Business"](#) (effective for annual periods beginning on or after 01/01/2020). In October 2018, the IASB issued limited-purpose amendments to IFRS 3 to improve the definition of a business. The amendments will help companies determine if an acquisition is a business combination or an acquisition of assets. The amended definition indicates that the outflow of a business is to provide goods and services to customers, while the previous definition focused on returns in the form of dividends, lower costs or other financial benefits to investors and third parties. In addition to amending the definition of an enterprise, the IASB provides additional guidance through this version. The amendments have no effect on the consolidated and corporate Financial Statements.

[Amendments to IFRS 16 "Leases" Related to Covid-19 Lease Concessions](#) (effective for annual periods beginning on or after 01/06/2020). In May 2020, the IASB issued amendments to IFRS 16 which allow tenants not to assess whether a Covid-19 lease is classified as a lease amendment. More specifically, the amendments clarify that in the event that certain conditions are met, tenants are not required to assess whether specific leases related to Covid-19 constitute lease amendments. Tenants applying this practice will, on the other hand, adopt an accounting treatment for such leases as non-lease amendments. The above applies to lease concessions related to Covid-19, which reduce lease payments due on or before June 30, 2021. The Group will consider the impact of all of the above on its Financial Statements, although it is not expected to have none. The above have not been adopted by the European Union.

New Standards, Interpretations, Revisions and Amendments to Existing Standards which have not yet entered into force or have been adopted by the European Union.

The following new Standards, Interpretations and amendments to Standards have been issued by the International Accounting Standards Board (IASB), but have either not yet entered into force or have not been adopted by the European Union.

[Amendments to IFRS 4 "Insurance Contracts" - deferral of IFRS 9 \(effective for annual periods beginning on or after 01/01/2021\)](#). In June 2020, the IASB issued amendments amending the date of initial application of IFRS 17 for two years, i.e. it will apply for annual periods beginning on or after the Semi-Annual Financial Report for the period 55 from 1 January to 30 June 2020 on 1 January 2023. As a result, the IASB also extended the set deadline for the temporary exemption from the application of IFRS 9 "Financial Instruments" contained in IFRS 4 "Insurance Contracts", resulting in entities being able to are required to apply IFRS 9 for annual periods beginning on or after 1 January 2023. The Group does not expect any impact on its Financial Statements. The above has not been adopted by the European Union.

[Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: "Interest Rate Reference Point - Phase 2" \(effective for annual periods beginning on or after 01/01/2021\)](#). In August 2020, the IASB completed the assessment and response process to the reform of interbank interest rates and other interest rate benchmarks by issuing a series of amendments to five Standards. The amendments complement those issued in 2019 and focus on the impact on the Financial Statements when a company replaces the old reference rate with an alternative reference rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in contractual cash flows, how it will account for a change in hedging relationships as a result of the restructuring, and related information that it will need to disclose. The Group will consider the impact of all of the above on its Financial Statements, although they are not expected to have any. The above has been adopted by the European Union with a date of entry into force on 01/01/2021.

[Amendments to IAS 1 "Classification of Liabilities as Short-Term or Long-Term" \(effective for annual periods beginning on or after 01/01/2022\)](#). In January 2020, the IASB issued amendments to IAS 1 that affect the presentation requirements. In particular, the amendments clarify one of the criteria for classifying a liability as long-term, 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) clarification that an entity's right to defer settlement should exist at the reporting date; (b) clarification that the liability classification is not affected by

management's intentions or expectations regarding the exercise of the deferral (c) explain how lending conditions affect the classification; and (d) clarify the requirements for the classification of liabilities of an entity that it is or may settle through the issuance of own equity instruments. The Group will consider the impact of all of the above on its Financial Statements, although they are not expected to have any. The above has not been adopted by the European Union.

Amendments to IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment", IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and "Annual Improvements 2018 - 2020" (effective for annual periods beginning on or after on 01/01/2022). In May 2020, the IASB issued a series of amendments, including limited-purpose amendments to three Standards, as well as the Council's Annual Improvements. These amendments provide clarification regarding the wording of the Standards or correct minor consequences, omissions or inconsistencies between the requirements of the Standards. More specifically:

- The amendments to IFRS 3 "Business Combinations" update a reference to IFRS 3 in the Conceptual Framework of the Financial Reporting without amending the accounting requirements relating to business combinations.
- The amendments to IAS 16 Property, Plant and Equipment prohibit a company from deducting from the cost of fixed assets amounts received from the sale of items produced during the preparation of such fixed assets to be ready for use. Instead, the company recognizes these sales revenues and related costs in the Income Statement.
- The amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" determine the costs that a company should include in assessing whether a contract is loss-making.
- The Annual Improvements to IFRS - Cycle 2018-2020 make minor amendments to IFRS 1 "First-time Adoption of International Financial Reporting Standards", IFRS 9 "Financial Instruments", IAS 41 "Agricultural Crop" IFRS 16 "Leases". The Group will consider the impact of all of the above on its Financial Statements, although they are not expected to have any. The above has not been adopted by the European Union.

IFRS 17 "Insurance Contracts" (effective for annual periods beginning on or after 01/01/2023). In May 2017, the IASB issued a new standard, IFRS 17, which replaces an intermediate Standard, IFRS 4. The purpose of the IASB project was to develop a single principle-based standard for accounting for all types of insurance contracts, including reinsurance contracts held by an insurance company. A single principle-based Standard will enhance the comparability of financial reporting between entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply to financial information related to the insurance contracts it issues and its reinsurance contracts. In addition, in June 2020, the IASB issued

amendments which, however, do not affect the fundamental principles introduced when IFRS 17 was first adopted. The amendments are designed to reduce costs by simplifying certain requirements of the Standard, leading to facilitate the transition, as well as to facilitate the transition by postponing the date of application of the Standard for 2023 while providing additional assistance to reduce the effort required during the first application of the Standard. The Group does not expect to have any impact on its Financial Statements. The above has not been adopted by the European Union.

4.5.2.3 Accounting Methods and Changes

There are no changes in the accounting policies applied in relation to those used in the preparation of the financial statements as of 31 December 2019,

4.5.2.4 Tangible Fixed Assets and Intangible Assets

Fixed assets are presented in the financial statements at their acquisition values or at fair value. Fair value is the amount for which a fixed asset can be exchanged between parties having knowledge of the subject matter and acting voluntarily in a purely commercial transaction. The initial registration/recognition of an asset is always done at cost. The acquisition cost of fixed assets includes the directly distributed costs (purchase price, shipping, insurance premiums, non-refundable purchase taxes, etc.) to get the items in working order by the date of preparation of the financial statements.

Land and buildings of the Company and the Group have been valued at their fair value on 30.06.2020, which was determined after a study by an independent house of certified appraisers.

The remaining tangible fixed assets acquired by the company and the Group are shown at cost, less accumulated depreciation. Depreciation is charged to the Income Statement on a straight-line basis over the estimated useful lives of the assets. The land is not depreciated.

Intangible assets include goodwill, concessions and industrial property rights, as well as computer software both acquired and internally generated as well. The cost of internally generated software comprises the cost of materials and the cost of personnel as well as other costs incurred in order to prepare the asset for the intended use. The criteria used in order to recognise the costs incurred as intangible assets are:

- Intention of the Group to proceed in the creation of the asset.
- Technical possibility of completion of the asset to make it ready for use or sale.
- Adequate technical, financial and other resources for the completion of the asset.

- Group's ability to use or sale the asset.
- Capability of the maternally generated asset to create future economic benefits for the Group
- Reliable measurement of the expenditure attributable to the asset during its development.

The cost of purchasing and deploying software recognized as intangible assets is depreciated using the straight-line method over its useful life.

Other intangible assets (acquisition value of a trademark) are not depreciated due to the inability to reliably measure their commercial viability and inflow in the near future.

The estimated useful life, by category of assets, is as follows:

Description	<u>Useful live (in years)</u>
Buildings and buildings installations	50
Buildings and buildings installations in third parties	12
Plant and machinery	16
Plant and machinery Leased	10
Furniture	16
Fittings	10
Office equipment	10
Telecommunication equipment	10
Other equipment	10
Electronics equipment	5
Cars	5
Trucks	10
Other means of transportation	5
Intangible assets (software acquired/internally generated)	5

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

4.5.2.5 Investment property

Investment property is intended to generate rental income or profit from its resale. The properties used for the Group's operating activities are not considered as an investment but operational. This is also the criterion of separation between investment and operating real estate.

Investment properties as long-term assets are disclosed at fair value, which will be revalued at each end of the year. Any changes in fair value, which represents the free market price, are recognized in the other income/expense of the income statement.

4.5.2.6 Impairment of Assets

Assets with an indefinite useful life are not depreciated and are subject to an impairment review annually, and when some events suggest that the book value may not be recoverable, any resulting difference is charged to the period's results.

Assets that are depreciated are subject to an impairment review when there is evidence that their value will not be recoverable. The recoverable value is the greater between the net sales value and the value in use. An impairment loss is recognized by the company when the book value of these assets (or cash-generating unit- CGU) is greater than its recoverable amount.

Net sales value is the amount received from the sale of an asset at an arm's length transaction in which participating parties have full knowledge and participate voluntarily, after deducting any additional direct cost for the sale of the asset, while the value in use is the present value of estimated future cash flows that are expected to flow into the company from the use of the asset and from its disposal at the end of its estimated useful life.

4.5.2.7 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary, joint venture and associate at the date of acquisition.

Goodwill on acquisitions of subsidiaries and joint ventures are included in intangible assets and disclosed at the acquisition cost. This cost equals the consolidation cost that exceeds the company's share of the assets and liabilities of the acquired entity. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. The Group performs its annual impairment test of goodwill as of 31 December. When needed, impairment is determined for goodwill by assessing the recoverable amount of the cash-generating units to which the goodwill relates.

4.5.2.8 Consolidation

▣ Subsidiaries

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries. Note 1.6(a) outlines the accounting policy on goodwill. The cost of an acquisition is measured as the sum of the fair

values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued by the Group, in exchange for control of the acquired plus any costs directly attributable to the acquisition. The acquired identifiable assets, liabilities and contingent liabilities are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interests.

The excess of the cost of acquisition over the fair value of the net assets of the subsidiary acquired is recorded as goodwill. Where the cost of the acquisition is less than the fair value of the Group's share of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.

Inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless cost cannot be recovered. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

Transactions with minority interests

For the accounting treatment of minority transactions, the Group applies the accounting principle in which it treats these transactions as transactions with third parties outside the Group. Minority sales create gains and losses for the Group, which are recorded in the income statement. Minority purchases generate goodwill, which is the difference between the consideration paid and the percentage of the book value of the net worth of the subsidiary acquired.

▣ Associates

Associates are entities over which the Group generally has between 20% and 50% of the voting rights, or over which the Group has significant influence but which it does not control. Investments in associates are accounted for by the equity method of accounting and are initially recognized at cost. The Group's investment in associates includes goodwill (net of any cumulative impairments losses) identified in acquisition. At the end of each year, the cost increases with the ratio of the investing company to the changes of the net position of the invested company and decreases with the dividends received from the associate. In its separate financial statements, the Company records its investments in affiliated companies at cost less any impairment losses.

▣ Joint Ventures

The company's investments in joint ventures are accounted for using the equity method. The equity method is an accounting treatment in which a shareholding in a jointly controlled entity is initially recognized at cost and subsequently adjusted for a change in the consortium's equity

after the net acquisition of the joint venture entity. The results of the consortium member include its share in the profits and losses of the jointly controlled entity.

▣ **Other companies**

Other companies include the value of shares that are not traded on stock markets with a percentage of less than 20%. These companies do not exercise any control by the Group. According to the principles of IAS 32 and 39, these investments are presented in the financial statements at cost less than any provision for impairment.

4.5.2.9 Inventories

Inventories are shown at a lower cost and net realizable value. Net realizable value is the estimated selling price, within the ordinary course of business, less the estimated cost of selling. The cost of inventories is determined by the weighted average method and includes the costs of acquiring inventories and their specific purchase costs (shipping, insurance premiums, etc.). Appropriate provisions are formed for devalued, useless and stocks with very low traffic speed. Reductions in the value of inventories to net realizable value and other impairment losses are recognized in the income statement during the period in which they are incurred.

4.5.2.10 Trade and other Receivables - provisions

Receivables are initially recognized at their fair value, which is at the same time the transaction value. They are subsequently valued at their amortized cost, reduced by the bad debt provision, which is formed when there is a risk of non-collection of all or part of the amount owed. The Management of the Group periodically reassesses the adequacy of the provision regarding doubtful receivables in relation to its credit policy and taking into account data of the Legal Service of the Group, which arise based on historical data processing and recent developments in the cases it manages. The amount of the impairment provision is the difference between the carrying amount of receivables and the present value of estimated future cash flows and is included in the income statement. If, at a later date, the impairment loss decreases and this decrease may be objectively related to events that occurred after the impairment loss was recognized (for example, the debtor's credit rating improved), the reversal of the loss is recognized in the period results. The fair value of trade and other receivables approximates the carrying amount.

The commercial and other receivables of both the company and the Group are all considered receivable, except for those for which a provision has been made.

4.5.2.11 Cash and Cash Equivalents

Cash and cash equivalents consist of cash and short-term deposits with an initial maturity of less than three (3) months.

4.5.2.12 Statutory Reserves

Legal Reserve: the company is obliged according to the applicable commercial law 2190/1920 art. 44 and 45 to form as a legal reserve of 5% of their annual net profits up to 1/3 of the paid-up share capital. This reserve cannot be distributed during the operational life of the company but can be used to cover losses.

Based on existing Greek tax law, tax-exempt reserves under special laws are exempt from income tax, provided that they are not distributed to shareholders. The Group does not intend to distribute these reserves and has thus not provided for the tax liability that would arise in the event that these reserves were to be distributed. Any distribution from these reserves can only occur following the approval of shareholders in a general meeting and after the applicable taxation is paid by the Company

Tax exempted reserves. These reserves are formed when there are:

Tax exempted Earnings, in accordance with the applicable tax framework in Greece. In case of distribution of these gains, these will be taxable at the corporate tax rate in force at the time of distribution to shareholders or converted to equity after the Annual General Meeting of shareholders, taking into account the restrictions that may apply every time

Partially taxed earnings which are taxed at a lower tax rate than the then-current rate in Greece. In case of distribution of the gains will be taxable at the corporate tax rate in force at the time of distribution to shareholders or converted to equity after the Annual General Meeting of shareholders taking into account the constraints that may apply each time.

4.5.2.13 Share Capital

All the shares are registered and listed for trading in the Securities Market of the Athens Exchange since 29-9-2000. All shares are ordinary and nominal. The Share capital amounts to € 6,973.052,40 and is divided to 6.456.530 ordinary nominal voting shares of nominal value 1,08 € each, and it's fully paid up.

Upon the acquisition of treasury shares, the amount paid, including related expenses, is deducted from the equity in a separate "Equity Reserve". The Own Shares do not incorporate voting rights. The Own Shares of the Group's subsidiaries (which do not relate to shares of the parent company) are treated in the Group as available-for-sale assets.

4.5.2.14 Earnings per Share

The basic earnings per share are calculated by dividing the net earnings attributed to the parent company's shareholders by the weighted average number of shares. Impairment earnings per share are calculated by dividing the net return attributable to the parent company's shareholders by the weighted average number of shares outstanding during the year, adjusted for the effect of the stock option.

4.5.2.15 Dividend distribution

Dividends distributed to shareholders are recognized as a liability at the time they are approved for distribution by the General Meeting of Shareholders.

4.5.2.16 Revenue and Expense Recognition

Revenue: The Group and the Company recognize revenue, excluding interest income, dividends and any other source of financial instruments (recognized under IFRS 9), to the extent that they reflect the price to which the Company is entitled. From the transfer of goods and services based on a five-step approach:

- Recognition of contracts with customers
- Recognition of the terms of execution of the contracts
- Determining the price of the transaction
- Divide the price of the transaction according to the terms of execution of the contracts
- Recognition of revenue when the Company fulfils the terms of execution of the contracts

Revenue includes sales of goods and services, net of Value Added Tax, discounts and rebates. Revenue is recognized when there is a possibility (highly probable) of financial benefits flowing into the Group and can be measured reliably. Revenues from technical projects are recognized in the results of the period, depending on the stage of completion of the contractual activity at the date of preparation of the financial statements (input method). Therefore, the project's cost that has been executed, but has not been invoiced, accordingly to the customer, is recorded in the income statement period together with the corresponding contractual income. Any variable price is included in the contract price, only to the extent that it is highly probable that this revenue will not be reversed in the future and is calculated using either the 'expected value' method or the 'most probable amount' method. ». In the process of assessing the possibility of recovering the variable price, the previous experience adapted to the conditions of the existing contracts is taken into account. Additional claims and additional work are recognized if the recovery negotiations are at an advanced stage of negotiation or are supported by independent professional assessments. Costs such as costs of bidding,

construction of temporary construction sites, relocation of equipment and workers, etc. that arise after the undertaking of a project, according to the new standard, can be capitalized. For the calculation of the costs incurred until the end of the year, any costs related to future work related to the contract are excluded and appear as an ongoing project. The total cost incurred and the profit/loss recognized for each contract are compared with the progressive pricing until the end of the year. Where the costs incurred in addition to the recognized net profit (fewer losses) outweigh the progressive pricing, the difference arises as a receivable from 'Contract assets' in the 'Customer receivables' item in Current Assets. When progressive pricing exceeds the costs incurred in addition to the net profit (fewer losses) recognized, the balance is presented as a "Contractual Liabilities" liability in the "Suppliers and Other liabilities" item.

Interest income: Interest income is recognized in profit or loss on a pro-rata basis, based on time and the use of the effective interest rate.

Dividend Income: Dividend income is recognized when the right to receive payment is established.

Expenses: Expenses are recognized in profit or loss on an accrual basis. Payments made under operating leases are transferred to the Income Statement as an expense at the time of the lease.

Intercompany income/expenses within the Group are completely eliminated.

4.5.2.17 Research & Development Expenses

Continuous progress is an integral part of the Group's role as the market is characterized by rapidly changing developments in the field of technologies. Many software products are based on proprietary technologies. The Group invests significant resources in the R&D sector for the development of innovative products in order to be able to meet the requirements of its customers, but also to be able to compete effectively in the markets.

4.5.2.18 Grants

Government grants are recognized at their fair value when it is expected with certainty that the grant will be received and the Group will comply with all the terms provided.

Government grants related to expenses are deferred and recognized in the results so that they correspond to the expenses intended to reimburse.

4.5.2.19 Financial products - Fair value

The Group and the Company use the following hierarchy to determine and disclose the fair value of financial instruments per valuation technique:

Level 1: Negotiable (non-adjusted) prices in active markets for similar assets or liabilities. The fair value of financial assets traded in active money markets is determined based on the published prices valid at the balance sheet date. An "active" money market exists when prices are readily available and regularly reviewed, published by a stock exchange, stockbroker, industry, rating agency or regulator, representing real and frequently repeated trades under normal trading conditions.

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly. The fair value of financial assets that are not traded in active money markets (e.g. derivatives contracts outside the derivatives market) is determined using valuation techniques, which rely largely on available information for transactions that are performed in active markets while using as few estimates of the entity as possible.

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value and are not based on observable market data.

Techniques used to measure financial assets include:

- Purchase prices or negotiator prices for similar items.
- The fair value of hedging transactions, which is defined as the present value of future cash flows (based on available performance curves).

There were no transfers between Levels 1 and 2 or transfers within and outside Level 3 to measure fair value during the period. The amounts shown in the Financial Statements for cash, trade and other receivables, trade and other current liabilities, as well as short-term bank liabilities, approach their respective fair values due to their short-term maturity.

The valuation method was determined, taking into account all the factors in order to accurately determine the fair value and is measured at Level 3 of the hierarchy to determine the fair value.

There were no changes in the valuation techniques used by the Group during the period.

4.5.2.20 Provisions

Provisions are recognized in accordance with the requirements of IAS 37 when the Group can form a reliable estimate of a reasonable legal or contractual liability, which arises as a result of prior events, and there is a possibility that an outflow of resources may be required to settle that liability. . The Group creates a provision for onerous contracts when the expected benefit that will result from these contracts, is less than the unavoidable costs of compliance with the contractual obligations. Restructuring provisions include penalties for early termination of leases and payment of compensation for employees due to retirement and are recorded in the

period created for the Group legal or contractual obligation to settle the payment. Expenses related to the usual activities of the Group are not recorded as provisions. The long-term provisions of a particular liability are determined by discounting the expected future cash flows relating to the liability, taking into account the relevant risks.

4.5.2.21 Loans

Borrowing costs are recognized as an expense in the period in which they are incurred in accordance with IAS 23 "Borrowing Costs". Loans are initially recognized at cost, which is the fair value of the loan received, less borrowing costs associated with the issue. After initial recognition, they are valued at amortized cost using the effective interest method.

4.5.2.22 Benefits for staff

Current benefits: Current benefits to employees (excluding termination benefits) in cash and in-kind are recognized as an expense in the year in which they are paid. In case of the outstanding amount, at the date of preparation of the financial statements, this amount is recorded as a liability, while in case the amount paid exceeds the number of benefits, the Group recognizes the excess amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a reduction in future payments or a refund.

Post-employment benefits: Post-employment benefits include both defined contribution plans and defined benefit plans.

Defined contributions program: Based on the defined contributions program, the Group's obligation (legal) is limited to the amount determined to contribute to the body (insurance fund) that manages the contributions and provides the benefits (pensions, medical care, etc.). The accrued cost of defined contribution plans is recognized as an expense in the period in question.

Defined benefit plan: The defined benefit plan of the Group concerns its legal obligation to pay the staff a lump sum compensation on the date of departure of each employee from the service. The liability recorded in the balance sheet is calculated based on the expected accrued right of each employee, discounted at its present value, in relation to the time when this benefit is expected to be paid. The commitment of the defined benefit is calculated annually by an independent actuary using the projected unit credit method. The interest rate on long-term Greek government bonds is used to discount it.

4.5.2.23 Leases

At the entry into force of a contract, the Group assesses whether the contract constitutes or contains a lease. A contract is, or contains, a lease if the contract transfers control over the use of an identifiable asset for a specified period of time in return for consideration.

Lease accounting by the lessee

The Group applies a single recognition and measurement approach for most leases, except for short-term (leases less than one year) as well as leases whose underlying asset is of low value (under approximately € 4,500). The Group recognizes lease liabilities for lease payments and usufruct assets that represent the right to use the underlying assets.

▫ Assets with right of use

The Group and the Company recognize the assets with the right of use at the date of the beginning of the lease period (i.e. the date when the underlying asset is available for use). Eligible assets are measured at cost less any accumulated depreciation and impairment losses and are adjusted based on any recalculation of the lease liability. The cost of eligible assets consists of the amount of the lease liability recognized, the initial direct costs and any rents paid at the commencement date of the lease term or earlier, less any lease incentives received. Eligible assets are depreciated on a straight-line basis over the shortest period of time between the term of the lease and its useful life. If the ownership of the leased asset is transferred to the Group or the Company at the end of the lease term or if its cost reflects the exercise of the right to purchase, the depreciation is calculated according to the asset's estimated useful life. The Group and the Company have contracts for means of transport as well as other equipment used in their activities. Assets with the right to use are subject to impairment testing as described in note 4.5.2.6 Impairment of Assets.

▫ Liabilities from leases

At the effective date of the lease, the Group and the Company measure the lease liability at the present value of the leases to be paid during the lease. Leases consist of fixed rents (including substantially fixed rents) less any lease incentives receivable, floating rates that depend on an index or interest rate, and amounts expected to be paid under residual value guarantees. Leases also include the exercise price of the lease if it is probable that the Group or Company will exercise that right and the payment of a lease termination clause if the term of the lease reflects the exercise of a right of termination. Floating rents that do not depend on an index or interest rate are recognized as an expense in the period in which the event of the activation of those payments occurred. For the discounting of rents, the Group and the Company use the Increase rate as the imputed lease rate cannot be easily determined. After the date of commencement of the lease, the amount of the lease liability increases on the

basis of interest on the lease and decreases with the payment of the lease. In addition, the carrying amount of the lease liability is revalued if there are revaluations or modifications to the lease.

▫ **Lease accounting by the lessor**

Substantially, leases in which the lessor does not transfer all the financial benefits and risks arising from the ownership of the leased asset are classified as operating leases. When assets are leased under operating leases, the asset is included in the statement of financial position based on the nature of the asset. Rental income from operating leases is recognized under the terms of the lease using the straight-line method. Substantially a lease that transfers all the financial benefits and risks arising from the ownership of the leased asset is classified as a finance lease. Leased assets are derecognised, and the lessor recognizes a receivable equal to the net investment in the lease. The lease receivable is discounted using the effective interest method, and the carrying amount is adjusted accordingly. Rents receivable increase based on interest on the receivable and decrease with the collection of rents.

4.5.2.24 **Suppliers**

Trade liabilities are liabilities payable for goods or services acquired in the ordinary course of business by suppliers. Accounts payable are classified as current liabilities if the payment is due within one year or less or long-term liabilities if the payment is due for more than one year. Liabilities to suppliers are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method.

4.5.2.25 **Income Tax & Deferred Taxation**

Income tax consists of current taxes, deferred taxes, i.e. tax charges or deductions related to the financial benefits accruing in the period but have already been or will be charged by the tax authorities at different times, and provisions for additional taxes which may arise under the control of the tax authorities. Income tax is recognized in the statement of comprehensive income for the period, relating to transactions recorded directly in equity and relating to the results of the period. The current income tax refers to the tax on the companies' taxable profits included in the consolidation, as amended in accordance with the requirements of the tax laws, and was calculated based on the applicable tax rates of the countries in which the group companies operate. Deferred income tax is calculated using the liability method, in all temporary differences, at the balance sheet date, between the tax base and the carrying amount of the assets and liabilities. Expected tax effects from temporary tax differences are identified and presented as either deferred tax liabilities or deferred receivables. Deferred tax is determined based on the tax rates applicable at the balance sheet date. Deferred tax assets

are recognized in respect of all taxable deductibles and transferable tax losses to the extent that it is probable that future taxable profits will be available against which the deductible taxable amount can be utilized. The carrying amount of deferred tax assets is reviewed at each balance sheet date and decreases to the extent that it is probable that there will be taxable profits against which part or all of the deferred tax assets are used.

4.5.2.26 Foreign Currency Transactions

Amounts of the financial statements of the companies of the Group are measured based on the currency of the primary economic environment in which the Group operates (operating currency). The consolidated financial statements are presented in Euro, which is the operating currency and the presentation currency of the parent company and all its subsidiaries. Gains and exchange differences arising on the settlement of such transactions during the period and on the conversion of foreign currency-denominated currency at the exchange rates ruling at the date of the financial statements are recognized in the Income Statement.

Foreign exchange differences arising from the conversion of financial statements of foreign holdings are recognized in equity reserve through the statement of comprehensive income.

4.5.2.27 Financial Instruments

Financial instruments valued at fair value

Financial assets and liabilities in the balance sheet include cash, securities, other receivables, equity, short-term and long-term liabilities.

Financial instruments are presented as receivables, liabilities or equity items based on the substance and content of the relevant contracts from which they arise. Interest, dividends, gains or losses arising from financial products that are classified as receivables or liabilities are accounted for as income or expense, respectively.

The Group considers that the values at which financial assets and financial liabilities are recognized in the financial statements do not differ materially from fair values.

4.5.2.28 Financial Risk Management

The Group and the Company in the day to day business is exposed to a series of financial and business risks and uncertainties associated with both the general economic situation as well as the specific circumstances typical of the industry.

The Group's expertise, highly trained and skilled staff, and state of strong infrastructures, together with the development of new products, will allow the Group to maintain its competitive advantage and penetrate new markets.

Furthermore, continuously adaptive to the new business environment, our structures, together with the significant amount of ongoing projects, allow the Group to meet the critical needs of the coming year and help minimize uncertainties.

The Group is exposed to the following:

□ **Financial Risk Factors**

The Group is exposed to various financial risks, including unpredictable fluctuations in exchange rates and interest rates, market risks, credit risks and liquidity risks. The overall risk management program of the Group seeks to minimize the possible adverse effects of these fluctuations on the financial performance of the Group.

The Group's management applies risk management policy by assessing the risks associated with the Group's activities and functions and carrying out the design of the methodology by selecting the appropriate financial products to achieve risk reduction.

The financial instruments used by the Group consist mainly of bank deposits, transactions in foreign currency at current prices or short term currency futures, bank overdrafts, accounts receivable and payables.

□ **Foreign Exchange Risk**

The Group's exposure to foreign exchange risk arises from actual or anticipated cash flows in foreign currency (imports - exports). The Group's management constantly monitors the fluctuations and the tendency of foreign currencies and evaluates each case individually, taking appropriate action where necessary through agreements against interest rate risks. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities disclosed in a currency different from the entity's functional currency. The company uses currency futures as required for the foreign exchange risk that arises from future commercial transactions and recognized assets and liabilities.

The main trading currencies of the Group are the Euro and USD.

In the table below, there is a sensitivity analysis of the earnings before taxes due to currency exchange rate changes:

Currency	31.12.2020		31.12.2019	
	Exchange rate variation	Effect on profit before tax	Exchange rate variation	Effect on profit
USD	8%	-500	10%	-510
	-8%	500	-10%	510

□ **Price Risk**

The Group is not exposed to securities price risk. The Group is exposed to risk due to the variations in the value of the goods used for trade and the raw materials used. In order to face the risk of impairment of inventories, rationalized warehouse management aims to minimize the stock according to the progress of the production needs. Our aim is to minimize the warehouse retention time in order to minimize the risk of impairment of inventories.

□ **Interest Rate Risk**

The fluctuations in the interest rate markets can have a modest impact on the Group's income and the Group's operating cash flows.

It is the policy of the Group to continuously review interest rate trends and the tenor of financing needs. In this respect, decisions are made on a case by case basis as to the tenor and the fixed versus floating cost of a new loan. Thus, the amount of short term borrowings is variable. All short term borrowings are based on floating rates. Consequently, the impact of the interest rate (EURIBOR) fluctuations is directly related to the number of loans.

The period we are going through is characterized as a period of zero and negative interest rates. Recently, the USA was drawn up in this policy with continuous interest rate cuts. However, careful monitoring and management of interest rate risk reduce the risk of a significant impact of earnings on possible short-term interest rate fluctuations.

Sensitivity analysis of Group's borrowings due to interest rate changes:

Currency	31.12.2020		31.12.2019	
	Interest rate variation	Effect on profit before tax	Interest rate variation	Effect on profit before tax
euro	1%	-335	1%	-230
	-1%	335	-1%	230

▫ **Credit Risk**

Credit risk arises from cash and cash equivalents, bank deposits, derivative financial instruments, and credit risk exposures from customers.

Trade receivables come mainly from large organizations in the private and public sector. The financial position of the customers is closely monitored and redefined according to the new conditions. The Group evaluates the creditworthiness of each customer, either through an independent rating body or internally, taking into account its financial position, previous transactions and other parameters, monitoring the amount of credit provided. Customer credit limits are set based on internal or external ratings in accordance with limits set by the Management.

As the unfavourable economic situation of the domestic market, since the beginning of the economic crisis, creates risks for any doubtful debts, the Group's management has put mechanisms capable of such response, taking into account the structure of the client base of the Group.

Regarding the exposure of the company to the risk of non-recovery of debts by the Public sector, this risk is significantly reduced as the receivable from the Public sector entities has been decreased. In addition, the current legislation favours the offsetting of the companies between their obligations towards the Greek State with overdue receivables. For specific credit risks, provisions for losses from impairment. The backdating of collections is an issue to be managed but is not linked to the good standing of our debtors.

To minimize the credit risk on cash and cash equivalents, the Group, under policies approved by the Board of Directors, sets limits on the amount to be exposed. Also, with regard to money market instruments, the Group only does business with recognized financial rating institutions. Regarding the coronavirus's effect, the Group's estimates are reported below in a special paragraph of the present section.

▫ **Liquidity Risk**

Liquidity risk is addressed both by the steady flow of receipts and by securing sufficient cash from bank financing (focusing on on-the-project basis funding), which is based on the excellent relationship the company has with the largest credit institutions in the country and provides sufficient credit lines to finance our business plans.

In addition, excellent relationships with our suppliers, which are based on long-lasting, reliable and stable relationship, provide us with significant help in trying to smooth cash flow. Capital controls did not materially affect the aforementioned relationships.

The table below summarizes the maturity profile of financial liabilities for 31.12.2020 and 31.12.2019, respectively.

Amounts in € thousand	Group							
	Total		Less than 1 Year		1 to 5 years		>5years	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Borrowings	40.099	24.989	9.777	9.682	23.796	12.277	6.526	3.030
Lease liabilities	1.257	1.375	497	192	760	1.183	0	0
Trade and other payables	38.300	24.800	38.294	24.794	-	-	6	6

Amounts in € thousand	Company							
	Total		Year		1 to 5 years		>5years	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Borrowings	40.099	24.989	9.777	9.682	23.796	12.277	6.526	3.030
Lease liabilities	1.255	1.363	495	182	760	1.181	0	0
Trade and other payables	38.148	24.577	38.142	24.571	0	0	6	6

Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a strong investment-grade credit rating and healthy capital ratios in order to support its operations and expand the Group's activities.

The group's policy is to maintain leverage targets in line with an investment-grade profile. The gearing ratio is calculated by dividing the net borrowing by the total capital employed.

Amounts in € thousand	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Short term Borrowings	9.777	9.682	9.777	9.682
Long term Borrowings	30.322	15.307	30.322	15.307
Less: cash and cash equivalents	<u>-31.058</u>	<u>-17.082</u>	<u>-30.451</u>	<u>-16.281</u>
Net Debt	9.041	7.907	9.648	8.708
Equity	<u>18.078</u>	<u>16.390</u>	<u>17.022</u>	<u>15.391</u>
Total capital employed	27.119	24.297	26.670	24.099
Gearing ratio	33,34%	32,54%	36,18%	36,13%

The leverage ratio shows a marginal increase despite the Company's continuous growth course, leading to an increase in long-term loans.

□ **Risk of COVID-19 spread**

The third wave of the pandemic in February 2021, accompanied by adopting new emergency restrictive measures to protect public health. The stifling pressure on the health system and the uncertainty over the timing of the effective availability of vaccines and drugs create new negative, social and economic conditions for the immediate future and its prospects and significant risks and uncertainties, at least in the short run. However, the prospects of the market's opening, albeit under strict restrictions and in progress in vaccinations, is expected to gradually have a positive effect on expectations.

Governments worldwide have reacted swiftly to prevent the effects of the pandemic and the economic impact of the lockdown crisis by taking fiscal measures to support household and corporate incomes and create liquidity in the economy.

In addition, central banks and regulators have globally streamlined banks' capital requirements and adopted unprecedented measures to support the liquidity of the State banks and businesses.

Thus, the global recession recorded in 2020 was 4.3%, while the Greek economy moved better than the estimates of both the government and the institutions. According to E.L.S.T.A.T. data, the recession was 8.2%, and in Q4 2020, 7.9%.

The relatively better Greek economy's performance compared to other European countries, the effective management of the pandemic and the progress achieved in particularly adverse conditions strengthens confidence in the country's prospects and strengthens its image internationally. The particularly swift reflexes shown by Greece in the management of the health crisis, the acceleration of the digitisation of critical functions of the public administration pushed the modernisation of the State and created the background for the next day. At the same time, a significant part of Greek companies, despite the digital deficit that characterised them in general, showed strong capabilities to adapt to the needs of the pandemic by adopting the practice of teleworking and other digital solutions to continue their operation such as e-commerce.

The government, despite its budget constraints, managed to lift the budget commitments for 2020 and 2021. It undertook and implemented programs to support household and businesses incomes and the liquidity of the economy. In parallel with its successful presence in the negotiations at the European Council, Greece secured an aid package of approximately € 70 billion, € 32 billion from the N.G.E.U. and € 38 billion from the M.F.F. The return to the markets with

the issuance of a 30-year bond and the possibility for Greece to proceed with a gradual debt restructuring, replacing part of what is short-term with longer-term securities (prepaying € 3.3 billion owed to the I.M.F.) demonstrate in the best way the reversal of the climate in its favour and the global recognition of the effective management of the coronavirus crisis.

The interventions to strengthen the economy are intensifying at the European level, and in this context, on 11 February 2021, the European Council approved the regulation establishing the Recovery and Sustainability Mechanism. The € 672.5 billion mechanisms is the main tool in the E.U.'s unprecedented recovery effort through the "Next Generation E.U.": the € 750 billion plan agreed by E.U. leaders in July 2020 to emerge stronger from the COVID-19 pandemic. The Recovery and Resilience Mechanism in the coming years will play a key role in helping the Member States tackle the economic and social impact of the pandemic, while at the same time their economies will go green and digital to become more sustainable and resilient.

Space Hellas Group estimates that there is no significant impact on its fundamentals at this stage as well as on its financial situation. Uncertainty, however, persists, and we will therefore continually review the data and provide further information whenever necessary.

In particular, most Group's activity is carried out with large and medium-sized customers operating in various industries with the different potential impact from Covid-19 in demand for I.T. products and network equipment, but in any case, due to the current situation, needs for communication and interoperability have increased. The Group and the company equally evaluate the ability to respond to both potentially increased demand and reduced lead time to meet increased maintenance and/or infrastructure improvement needs in response to the collective effort to address the pandemic, given that in many cases, telecommunications are the only means of operation and communication, and as such are given priority.

Following the above, the Group closely monitors the developments regarding the spread of COVID-19 coronavirus. Its position as a leading System Integrator and Value-Added Solutions Provider in the field of logistics software and information technology enables it to respond in these difficult times and to implement, as far as possible, the plan at its disposal for the smooth operation of its activities, always in accordance with the applicable legislation and obligations as imposed by the official instructions of the competent authorities at a national or local level.

In this context, it takes precautionary measures for the safety of employees, which is an absolute priority, has established and maintained clear internal and external protocols for regular and urgent communication with employees and other key stakeholders, has already prepared and implemented in full a plan to ensure business continuity.

Business travel is kept to a minimum, and systems for remote work (teleworking) are implemented where possible. Additional human resource planning has also been put in place for staff performing operations critical to business continuity to minimize the risk of downtime.

The following additional actions have also been taken:

- Back-up arrangements in case employees who are responsible for health and safety are unable to perform their roles.
- Special arrangements for employees belonging to vulnerable groups.
- Establish procedures for self-isolation of staff in the event of a symptom compatible with COVID-19 infection at work.
- Establishing procedures for staff to report any symptom compatible with COVID-19 infection that they or someone in their environment has while at the same time away from work. A negative molecular test result is required for staff to return to work.
- Regular disinfections in all workplaces as well as in the company's cars.
- Providing staff with appropriate personal protective equipment (gloves, masks, antiseptics).
- Continuous information - training of staff for the management of health and safety at work by the occupational physician as well as by the manager of "COVID19" appointed by the company.
- For their return to work after a long vacation (summer, Christmas, Easter), the staff undergoes molecular test COVID-19.

In all cases, the cost of the molecular test is borne by the company.

Finally, the company is actively involved in actions that are part of the national effort to address the pandemic.

It is worth noting that the Company not only did not make salary cuts but with the decision of the General Meeting on 18-6-2020 it was decided to distribute profits for the year 2019 to the company's staff amounting to € 360,000.

In addition to the ongoing management of operational risk due to the Covid-19 epidemic, an the increased supervisory system was put in place to protect the Group's financial position.

- The investment plan was carefully re-evaluated and will be re-assessed according to the current situation.
- A new cost reduction program was designed and implemented, where the company's functionality is not significantly affected.

The Group acts with caution regarding the timing of the execution of the projects it has already undertaken or will undertake during the year, as in addition to any other unforeseen factors, the spread of the coronavirus in Greece may affect the domestic I.T. market due to possible delays in the acquisition of equipment from abroad, as well as because some business groups may delay the launch of their investment projects on the technology front for some time and may affect the speed of government mechanisms in promoting public works.

Despite the problems that the coronavirus can cause in the I.T. market, individual activities in the industry may be positively affected as the current conditions will change the way companies, organisations, and working groups operate and create a wider culture of fewer personal contacts and more remote communications.

This is likely to create a culture of more sustainable technology solutions, especially for cloud services which Space Hellas is ready to offer.

The above are important mitigating factors of the risk involved in the uncertainty for the development of the situation but also maintaining the competitive position of the Group in each of its areas of activity.

The above planning reduced the potential financial impact on the results so far.

Any further implications will depend, to a large extent, on future developments.

The specific circumstances we are experiencing affect, at least in the short term, the economic environment and assess whether we have a significant increase in credit risk (S.I.C.R.). The nature of the effects of the economic shock is considered temporary and, combined with the impact of the support and relief measures taken by the government, leads us to conclude that these countervailing forces are being offset.

Using past information and, more specifically, the crisis of 2015 in our country, we can say that the increase in credit risk did not affect our company significantly as credit risk management policies worked satisfactorily. The company's management estimates that there is no need to change the data that affect IFRS 9 and consequently increase the credit risk.

However, since the phenomenon continues to be fully evolving, and although we do not see today a significant impact on the fundamental size of the group, its quantitative and qualitative consequences on the operation of the group and the company cannot fully be estimated at present.

▫ Risk related to United Kingdom's exit from the European Union

The United Kingdom left the European Union on 31 January 2020, and the withdrawal agreement entered into force on 1 February 2020, with a transitional period until 31 December 2020. Negotiations on the future EU-UK partnership began on 2 March 2020 and reached an

agreement on trade, cooperation, and information security on 24 December 2020. On 29 December 2020, the Council adopted the decision to sign the EU-UK Trade and Cooperation Agreement and the Information Security Agreement their provisional application from 1 January 2021 until the end of February, unless the parties have agreed to an extension. Both parties then signed the agreements on December 30, 2020.

On 23 February 2021, the EU-UK Partnership Council decided, at the request of the EU, to extend the provisional application of the agreements until 30 April 2021 to give sufficient time to complete the revision of the 24 language texts by the linguists.

The Trade and Cooperation Agreement covers not only trade in goods and services but also a wide range of other areas of interest to the EU, such as investment, competition, state aid, tax transparency, air and road transport, energy and sustainability, fisheries, data protection and coordination of social security systems.

The agreement also provides zero duties and zero quotas for all goods that meet the appropriate rules of origin.

The EU-UK information security agreement will allow the two parties to exchange classified information, enforcing solid guarantees regarding the handling and protecting of the information exchanged. As the exchange of classified information between partners remains an important tool of cooperation to address common security threats. Greece's trade and economic ties with Britain have a long history and are of great importance.

Greece, aiming to strengthen cooperation with the United Kingdom in areas of mutual interest and in the post-Brexit era, continues its bilateral consultations with the British side. In this context, initiatives have already been taken, such as the Immigration Action Plan and the Defense Action Plan, while the possibility of revising (a) the Greece-UK Education and Culture Agreement of 1953, (b) the Greece-UK Agreement is being assessed. For the shipping sector and (c) the double taxation agreement.

However, the bureaucracy and the increased indirect and direct costs related to the new procedures regarding tax, customs, and/or healthy controls do not affect the Group's transactions.

▫ **Other operational risk**

The company's management has established a reliable internal Control System in order to timely identify potential distortions in the company's commercial activities. The insurance coverage against all risks is deemed to be sufficient. The Group and the Company do not

expect to face significant short term risks. The company's expertise, the continuous investment in human resource and the solid infrastructures combined with the development of new products enable the preservation of its competitive advantage and the skill to penetrate new markets, mitigating the risks.

Furthermore, the amount of the ongoing projects, together with the ability to adjust to new market conditions, allows the Group to efficiently react to challenging years to come efficiently and effectively.

4.6 NOTES TO THE ANNUAL FINANCIAL STATEMENTS OF THE YEAR 2020

4.6.1 OPERATING SEGMENTS

Business segment is a distinct part of the Company and the Group, which provides products and services subject to different grades of risk and performance that is different from those of other business segments.

Geographical segments provide products or services within a particular economic environment that is subject to risks and performances that are different from those of components operating in other economic environments.

The Group and the company's segments are based on the products and services provided.

- Primary segment – Business segments

The Group organizes its activities in three segments:

- Technology providers of solutions and services to the business environment. (Value Added Solutions)
- IT projects (integration)
- Resellers' network for mobile telecommunications.

The consolidated segment results for the current and previous period are as follows:

Amounts in € thousand	Group											
	Technology Solutions and Services			Integration projects			Mobile telecommunications			Total		
	2020	2019	+/-%	2020	2019	+/-%	2020	2019	+/-%	2020	2019	+/-%
Revenue	62.400	57.240	9,01%	17.062	13.600	25,46%	1270	1410	-9,93%	80.732	72.250	11,74%
Gross profit	11.940	12.432	-3,96%	4.028	2.980	35,17%	450	472	-4,66%	16.418	15.884	3,36%
EBIT	5.010	4.553	10,04%	1.563	1.482	5,47%	245	248	-1,21%	6.818	6.283	8,52%
Earnings before taxes	-	-	-	-	-	-	-	-	-	2.188	2.151	1,72%
Earnings after taxes	-	-	-	-	-	-	-	-	-	1.760	1.516	16,09%

- **Secondary segment – Geographical segment**

The Group's main geographical space is Greece, where the parent company's registered office is located.

The subsidiary company «SPACE HELLAS CYPRUS LTD» has its registered offices in Cyprus and is a parent of subsidiaries

- SPACE HELLAS SYSTEM INTEGRATOR SRL headquartered in Romania,
- SPACE HELLAS HELLAS Doo Beograd-Stari Grad based in Serbia,
- SPACE HELLAS (MALTA) LTD based in Malta,
- SPACE AAB LEVANT TECHNOLOGIES COMPANY headquartered in Jordan

with growing activities, though not significant in relation to the totality of the Group.

4.6.2 OTHER OPERATING INCOME

Amounts in € thousand	Group		Company	
	01.01 -	01.01 -	01.01 -	01.01 -
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Service provision	5	14	5	14
Income from property leases	52	52	52	52
Government Grants	1.219	1.073	1.219	1.073
Other extraordinary income	357	162	165	5
Other extraordinary gains	17	8	17	8
Currency exchange gains	408	311	404	304
Prior years' income	11	22	11	22
Total other operating income	2.069	1.642	1.873	1.478

4.6.3 OPERATING EXPENSES

Breakdown of administration expenses:

Amounts in € thousand	Group			Company		
	01.01-	01.01-	+/-%	01.01-	01.01-	+/-%
	31.12.2020	31.12.2019		31.12.2020	31.12.2019	
Payroll expenses	2.966	2.855	3,89%	2.964	2.855	3,82%
Third parties' fees and expenses	806	775	4,00%	750	707	6,08%
Third parties' utilities and services	623	757	-17,70%	621	744	-16,53%
Taxes and dues	258	195	32,31%	226	188	20,21%
Sundry expenses	545	624	-12,66%	507	581	-12,74%
Depreciations	166	398	-58,29%	163	395	-58,73%
Provisions	84	74	13,51%	84	74	13,51%
Total Administrative expenses	5.448	5.678	-4,05%	5.315	5.544	-4,13%

Breakdown of Research and Development costs:

Amounts in € thousand	Group			Company		
	01.01- 31.12.2020	01.01- 31.12.2019	+/--%	01.01- 31.12.2020	01.01- 31.12.2019	+/--%
Payroll expenses	767	694	10,52%	767	694	10,52%
Third parties' fees and expenses	136	57	138,60%	136	57	138,60%
Third parties' utilities and services	8	13	-38,46%	8	13	-38,46%
Taxes and dues	3	3	0,00%	3	3	0,00%
Sundry expenses	10	42	-76,19%	10	42	-76,19%
Depreciations	497	372	33,60%	497	372	33,60%
Total Research and Development costs	1.421	1.181	20,32%	1.421	1.181	20,32%

Breakdown of Distribution and Selling expenses:

Amounts in € thousand	Group			Company		
	01.01- 31.12.2020	01.01- 31.12.2019	+/--%	01.01- 31.12.2020	01.01- 31.12.2019	+/--%
Payroll expenses	4.020	3.625	10,90%	4.020	3.625	10,90%
Third parties' fees and expenses	712	453	57,17%	672	453	48,34%
Third parties' utilities and services	343	374	-8,29%	343	374	-8,29%
Taxes and dues	59	68	-13,24%	59	68	-13,24%
Sundry expenses	362	636	-43,08%	351	628	-44,11%
Depreciations	440	563	-21,85%	440	563	-21,85%
Total Distribution & Selling expenses	5.936	5.719	3,79%	5.885	5.711	3,05%

For the year ended December 31, 2020, the group's administrative expenses include fees for services related to the statutory audit of financial statements € 29 thousand, for the tax compliance report € 10 thousand and fees for other assurance services 3 thousand. €, while for the company the fees related to the statutory audit amount to 19 thousand €, for the tax compliance report 10 thousand € and fees for other assurance services € 3 thousand.

Furthermore, in the "Remuneration and staff expenses" is included an amount of 360,000 € which concerns the decision of the General Meeting on 18-6-2020 where it was decided to distribute profits for the year 2019 to the staff of the company.

For the year ended December 31, 2019, the group's administrative expenses include fees for services related to the statutory audit of financial statements € 31 thousand, for the tax compliance report € 10 thousand and fees for other assurance services 4 thousand. €, while for the company the fees related to the statutory audit amount to 19 thousand €, for the tax compliance report 10 thousand € and fees for other assurance services 4 thousand €.

4.6.4 OTHER OPERATING EXPENSES

	Group		Company	
	01.01 - 31.12.2020	01.01 - 31.12.2019	01.01 - 31.12.2020	01.01 - 31.12.2019
amounts in € thousand				
Extraordinary expenses	10	67	10	67
Loss from currency exchange	681	111	681	110
Provisions for receivables of doubtful collection	19	236	19	236
Other provisions	0	0	0	0
Extraordinary losses	150	63	150	63
Prior year's expenses	1	0	1	0
Total other operating expenses	861	477	861	476

4.6.5 FINANCIAL RESULTS

	Group		Company	
	01.01 - 31.12.2020	01.01 - 31.12.2019	01.01 - 31.12.2020	01.01 - 31.12.2019
amounts in € thousand				
Gain/Loss from affiliated companies	69	23	0	0
Impairment of goodwill	0	0	0	0
Dividends	0	0	819	449
Total financial results	69	23	819	449

During the current year, the group's investment results show an amount of € 69 thousand, which concerns the income from the consolidation of our affiliate companies WEB IQ and AgroApps with the equity method.

During the previous year, the group's investment results show an amount of € 23 thousand, which concerns the income from the consolidation of our affiliate companies WEB IQ with the equity method.

Both in the current and previous years, the company distributed profits from previous years as a dividend from the subsidiary of SPACE HELLAS CYPRUS LTD.

4.6.6 INCOME TAX

The income tax expense imputed the results as follows:

Amounts in € thousand	note	Group		Company	
		01.01 - 31.12.2020	01.01- 31.12.2019	01.01 - 31.12.2020	01.01- 31.12.2019
Current Income Tax		-221	-259	-167	0
Deferred tax imputed to results	4.6.26	-207	-376	-207	-376
Total income tax charge to income statement (a)		-428	-635	-374	-376
Deferred tax recognized directly in equity (b)	4.6.26	-109	160	-109	160
Total tax (a+b)		-537	-475	-483	-216

From the fiscal year 2011 to the fiscal year 2015, the Greek corporations and the Limited Liability Companies, whose annual financial statements are compulsorily audited, were obliged to receive the "Annual Certificate" provided for in §5 of article 82 of Law 2238 / 1994 and article 65A of N4174 / 2014, issued following a tax audit carried out by the statutory auditor or an audit firm that audits the annual financial statements.

From the year 2016 onwards, the tax certificate is optional. Upon completion of the tax audit, the Statutory Auditor or Audit Office issues to the company a "Tax Compliance Report" and the Auditor or audit firm then submit it electronically to the Ministry of Finance, based on POL 1124/2015, as amended by the POL 1108/2017 by the tenth day of the tenth month following the end of the fiscal year.

For the Company and its Greek subsidiaries, and for the years 2011 to 2019, this audit has been completed with the issuance of the relevant Tax Compliance Reports without qualification.

There is an ongoing tax audit of the company for the year 2020 by statutory auditors, from which no significant additional charges are expected to arise.

From 1 January 2014 onwards, dividends distributed within the same group by companies within the EU are exempt from both income tax and withholding tax, provided, inter alia, that the parent company participates in the company distributing the dividend at a minimum shareholding of 10% for at least two consecutive years.

The basic tax rate for Public Limited Companies in Greece for the fiscal year ended December 31, 2019, and December 31, 2020, according to Law 4646/2019, amounts to 24%.

Income tax reconciliation table:

Amounts in € thousand	Group		Company	
	01.01-31.12.2020	01.01-31.12.2019	01.01-31.12.2020	01.01-31.12.2019
Earnings before taxes	2.188	2.151	2.079	1.609
Tax calculated at the statutory tax rate	-525	-516	-499	-386
Expenses not deductible for tax purposes	-100	-55	-100	-55
Tax impact from tax exempted income	45	0	225	108
Effect of different tax rates in other countries	152	-21	0	0
Deferred tax recognized directly in equity	0	-43	0	-43
Total	-428	-635	-374	-376

4.6.7 PROPERTY, PLANT AND EQUIPMENT

Land and buildings are disclosed in the fair value as a result of their revaluation as of 30.06.2020 carried out by independent evaluators.

On the 28th of July and the 13th of October 2020, SPACE HELLAS proceeded with the purchase of building facilities at 3 Kondylaki Street, of 470sq.m. and the 1st floor on Mesogeion Street 302, of 273sq.m., to cover operational needs within the strategic planning that is part of a broader development plan implemented by the company and aims to strengthen its product mix its customer base and its expansion into new markets.

Amounts in € thousand	Group					Total
	Land	Buildings and buildings installation	Plant and machinery	Motor Vehicles	Furniture's & Fittings	
Opening Balance 01.01.2019	6.935	3.271	10.545	68	2.909	23.728
Plus: Additions	0	52	336	27	213	628
Minus: Disposals	0	0	28	24	4	56
Ending balance 31.12.2019	6.935	3.323	10.853	71	3.118	24.300
Depreciation at 01.01.2019	0	365	4.881	43	2.526	7.815
Plus: Additions	0	140	510	5	104	759
Minus: Disposals	0	0	10	9	4	23
Depreciation at 31.12.2019	0	505	5.381	39	2.626	8.551
Ending balance 31.12.2019	<u>6.935</u>	<u>2.818</u>	<u>5.472</u>	<u>32</u>	<u>492</u>	<u>15.749</u>
Opening Balance 01.01.2020	6.935	3.323	10.853	71	3.118	24.300
Plus: Additions	0	1.180	763	1	235	2.179
Revaluation	329	-173	0	0	0	156
Minus: Disposals	0	0	251	16	53	320
Ending balance 31.12.2020	7.264	4.330	11.365	56	3.300	26.315
Depreciation at 01.01.2020	0	505	5.381	39	2.626	8.551
Plus: Additions	0	81	524	5	121	731
Revaluation	0	-316	0	0	0	-316
Minus: Disposals	0	0	168	15	44	227
Depreciation at 31.12.2020	0	270	5.737	29	2.703	8.739
Ending balance 31.12.2020	<u>7.264</u>	<u>4.060</u>	<u>5.628</u>	<u>27</u>	<u>597</u>	<u>17.576</u>

Amounts in € thousand	Company					Total
	Land	Buildings and buildings installation	Plant and machinery	Motor Vehicles	Furniture's & Fittings	
Opening Balance 01.01.2019	6.935	3.271	10.480	68	2.909	23.663
Plus: Additions	0	52	336	27	213	628
Minus: Disposals	0	0	28	24	4	56
Ending balance 31.12.2019	6.935	3.323	10.788	71	3.118	24.235
Depreciation at 01.01.2019	0	365	4.865	43	2.526	7.799
Plus: Additions	0	140	504	5	104	753
Minus: Disposals	0	0	10	9	4	23
Depreciation at 31.12.2019	0	505	5.359	39	2.626	8.529
Ending balance 31.12.2019	6.935	2.818	5.429	32	492	15.706
Opening Balance 01.01.2020	6.935	3.323	10.788	71	3.118	24.235
Plus: Additions	0	1.180	764	0	235	2.179
Revaluation	329	-173	0	0	0	156
Minus: Disposals	0	0	251	16	53	320
Ending balance 31.12.2020	7.264	4.330	11.301	55	3.300	26.250
Depreciation at 01.01.2020	0	505	5.359	39	2.626	8.529
Plus: Additions	0	81	517	4	121	723
Revaluation	0	-316	0	0	0	-316
Minus: Disposals	0	0	168	15	44	227
Depreciation at 31.12.2020	0	270	5.708	28	2.703	8.709
Ending balance 31.12.2020	7.264	4.060	5.593	27	597	17.541

4.6.8 INTANGIBLE ASSETS

Intangible assets of the Group and the Company include third party Software, other intangible assets and owned software. Investments in intangible assets include the cost of software development in the form of integrated software for use within our operating area of Technology Solutions and Services. The item on other intangible assets relates to the acquisition value of a brand, but due to the inability to reliably measure their commercial viability and their inflow in the near future, no depreciation has been made.

Amounts in € thousand	Group		
	Software	Other intangibles	Total Intangibles
Opening Balance 01.01.2019	5.128	714	5.842
Plus: Additions	1.274	49	803
Minus: Disposals	0	0	0
Ending balance 31.12.2019	6.402	763	6.645
Depreciation at 01.01.2019	3.440	303	3.743
Plus: Additions	556	14	272
Minus: Disposals	0	0	0
Depreciation at 31.12.2019	3.996	317	4.015
Ending balance 31.12.2019	2.406	446	2.630
Opening Balance 01.01.2020	6.402	763	7.165
Plus: Additions	762	0	762
Minus: Disposals	1	4	5
Ending balance 31.12.2020	7.163	759	7.922
Depreciation at 01.01.2020	3.996	317	4.313
Plus: Additions	659	4	663
Minus: Disposals	0	0	0
Depreciation at 31.12.2020	4.655	321	4.976
Ending balance 31.12.2020	2.508	438	2.946

Amounts in € thousand	Company		
	Software	Other intangibles	Total Intangibles
Opening Balance 01.01.2019	5.118	714	5.832
Plus: Additions	1.274	0	803
Minus: Disposals	0	0	0
Ending balance 31.12.2019	6.392	714	6.635
Depreciation at 01.01.2019	3.430	303	3.733
Plus: Additions	556	2	272
Minus: Disposals	0	0	0
Depreciation at 31.12.2019	3.986	305	4.005
Ending balance 31.12.2019	2.406	409	2.630
Opening Balance 01.01.2020	6.392	714	7.106
Plus: Additions	762	0	762
Minus: Disposals	1	0	1
Ending balance 31.12.2020	7.153	714	7.867
Depreciation at 01.01.2020	3.986	305	4.291
Plus: Additions	659	2	661
Minus: Disposals	0	0	0
Depreciation at 31.12.2020	4.645	307	4.952
Ending balance 31.12.2020	2.508	407	2.915

4.6.9 RIGHTS OF USE

Amounts in € thousand	Group		
	Buldings	Transportation vehicles	Total rights of use
Opening Balance 01.01.2019	346	717	1.063
Plus: Additions	6	776	782
Minus: Disposals	0	0	0
Ending balance 31.12.2019	352	1.493	1.845
Depreciation at 01.01.2019	0	0	0
Plus: Depreciation expense	80	412	492
Minus: Depreciation of disposed elements	0	0	0
Depreciation at 31.12.2019	80	412	492
Ending balance 31.12.2019	272	1.081	1.353
Opening Balance 01.01.2020	352	1.493	1.845
Plus: Additions	45	437	482
Minus: Disposals	51	150	201
Ending balance 31.12.2020	346	1.780	2.126
Depreciation at 01.01.2020	92	400	492
Plus: Depreciation expense	94	506	600
Minus: Depreciation of disposed elements	33	150	183
Depreciation at 31.12.2020	153	756	909
Ending balance 31.12.2020	193	1.024	1.217

Amounts in € thousand	Company		
	Buldings	Transportation vehicles	Total rights of use
Opening Balance 01.01.2019	322	717	1.039
Plus: Additions	6	776	782
Minus: Disposals	0	0	0
Ending balance 31.12.2019	328	1.493	1.821
Depreciation at 01.01.2019	0	0	0
Plus: Depreciation expense	80	400	480
Minus: Depreciation of disposed elements	0	0	0
Depreciation at 31.12.2019	80	400	480
Ending balance 31.12.2019	248	1.093	1.341
Opening Balance 01.01.2020	328	1.493	1.821
Plus: Additions	43	437	480
Minus: Disposals	51	150	201
Ending balance 31.12.2020	320	1.780	2.100
Depreciation at 01.01.2020	80	400	480
Plus: Depreciation expense	82	506	588
Minus: Depreciation of disposed elements	33	150	183
Depreciation at 31.12.2020	129	756	885
Ending balance 31.12.2020	191	1.024	1.215

4.6.10 INVESTMENT PROPERTIES

During the current period, there were no assets that should be classified as an investment property.

4.6.11 GOODWILL

The Goodwill, amounting to € 597 thousand, included in the noncurrent assets, resulted from the following operations.

Amounts in € thousand	Group- Company		
	SPACEPHONE S.A.	SPACE TECHNICAL CONSTRUCTION BUILDING SA	Total
Opening Balance 01.01.2019	428	169	597
Additions	0	0	0
Impairments	0	0	0
Ending balance 31.12.2019	428	169	597
Opening Balance 01.01.2020	428	169	597
Additions	0	0	0
Impairments	0	0	0
Ending balance 31.12.2020	428	169	597

Goodwill is subject to impairment testing when there is evidence of impairment and is measured at cost less any accumulated impairment losses. At each balance sheet date, the Group conducts an analysis to assess whether the carrying amount of goodwill is recoverable.

- the amount of € 428 thousand comes from the acquisition of the remaining 50% of the 29/6/2007 after the absorption of the subsidiary "SPACEPHONE SA".
- the amount of € 169 thousand comes from the acquisition of 100% of our 15/10/2012 subsidiary "SPACE TECHNICAL CONSTRUCTION BUILDING SA"

Goodwill is allocated to cash-generating units for impairment testing purposes. Allocation is made to cash-generating units that are expected to benefit from the acquisition from which goodwill originated. The recoverable value of a cash-generating unit is determined using its value in use calculation. This calculation uses cash flow forecasts derived from budgets that the management has approved.

Below are the main assumptions adopted by Management in cases where there was a need for impairment, taking into account the specific characteristics:

Discount rate of discount at present value: 3.9%, Growth rate in perpetuity: 2%

An impairment decision is made after an examination of the change in the underlying assumptions and if it is deemed to be material and more than 10% of the carrying amount.

4.6.12 LIENS AND PLEDGES

There are no other real liens on non-current assets or property, except, at the Company level, the underwriting, amounting to € 1.200 thousand, on the property situated at 6 Loch. Dedousi St., Cholargos, Athens, and the underwriting was amounting to € 4.000 thousand, on the property situated at 302 Ave. Mesogeion, Cholargos, Athens and, at the Group level, the underwriting, amounting to € 7.540 thousand, on the property situated at 312 Ave. Mesogeion, Cholargos, Athens, the underwriting, amounting to € 1.200 thousand, on the property situated at Giannitson-I.Kariofylli & Patr. Kyrillou St., Thessaloniki.

4.6.13 SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The company's shareholding in subsidiaries, associates and investments as of 31.12.2020, is disclosed at their acquisition cost less provisions for impairment.

Corporate name	Ownership percentage		Ownership percentage		Consolidation method
	Direct	Indirect	Direct	Indirect	
Subsidiaries	31.12.2020		31.12.2019		
SPACE HELLAS (CYPRUS) LTD	100%	-	100%	-	Full Consolidation
SPACE HELLAS SYSTEM INTEGRATOR S.R.L.	-	99,45%	-	99,45%	Full Consolidation
SPACE HELLAS Doo Beograd-Stari Grad	-	100%	-	100%	Full Consolidation
SPACE HELLAS (MALTA) LTD	-	99,98%	-	99,98%	Full Consolidation
SPACE ARAB LEVANT TECHNOLOGIES COMPANY	-	100%	-	100%	Full Consolidation
Associates					
Web-IQ B.V.	32,28%	-	32,28%	-	Equity method
AgroApps Private Company.	35,00%	-	-	-	Equity method
Other investments					
MOBICS S.A.	18,10%	-	18,10%	-	-

Subsidiaries' activities

- Space Hellas (Cyprus) Limited was incorporated in Cyprus on September 8, 2005, as a private limited company in accordance with the provisions of the Cyprus Companies Law, Cap. 113. The main activities of the company are the provision of telecommunications services and investments property. The share capital of the company consists of 20 thousand shares with a nominal value of 1.71 each. Space Hellas participates with 100%.
- SPACE HELLAS SYSTEM INTEGRATOR S.R.L. was founded in 2010 and owned by the subsidiary SPACE HELLAS CYPRUS Ltd. The company was established to serve the group's strategy for penetrating new markets. The company's main activities are the provision of telecommunications services, security systems, information technology, trade, and investment property. The share capital consists of 418.3 thousand shares worth € 2,247 each. Space Hellas (Cyprus) Limited participates with a percentage of 99.45%.
- SPACE HELLAS (MALTA) LTD was founded at the end of 2012 and owned by the subsidiary SPACE HELLAS CYPRUS Ltd. The company was established to serve the group's strategy for penetrating new markets. Because of the conditions and commercial practices prevailing in the telecommunications sector in Malta, it was decided to operate through a subsidiary. This new company has installed telecommunications hub and node services offered in the local market. Its share capital consists of 5 thousand shares worth € 1 each. Space Hellas (Cyprus) Limited participates with a percentage of 99.98%.
- SPACE HELLAS Doo Beograd-Stari Grad was founded at the end of 2012 and owned by the subsidiary SPACE HELLAS CYPRUS Ltd. The company was established to serve the group's strategy for penetrating new markets. Because of the conditions and commercial practices prevailing in the telecommunications sector in Serbia, it was decided to operate through a subsidiary. This new company has installed telecommunications hub and node services offered in the local market. Its share capital amounts to Rsd 1,172 thousand. Space Hellas (Cyprus) Limited participates in the capital with 100%.
- SPACE ARAB LEVANT TECHNOLOGIES COMPANY was founded at the end of 2017 and owned by the subsidiary SPACE HELLAS CYPRUS Ltd. The share capital consists of 50 thousand shares of 1JD each. The company was established to serve the group's strategy for penetrating new markets. Because of the conditions and commercial practices prevailing in the telecommunications sector in Jordan, it was decided to operate through

a subsidiary. This new company has installed telecommunications hub and node services offered in the local market.

- Web-IQ B.V. is a Dutch technology company active in the international Web-Intelligence specialized applications market and Big Data analytics for businesses and organizations. Web-IQ is actively working with many security authorities around the world to combat online child abuse. The total share capital of Web-IQ B.V after the share capital increase that took place on 13.6.2019 consists of 284.137 shares. Space Hellas participates with a percentage of 32.28%.
- Founded in 2015, AgroApps specializes in developing digital solutions for the agricultural sector, including farming monitoring and management systems, high-resolution weather forecasting, water resources monitoring and control services, and agricultural insurance services, well as personalized solutions for companies and public bodies. The company is based in Thessaloniki. The total company shares of the company amount to 10,000 with a nominal value of € 1 per company share. Space Hellas participates with a percentage of 35%.
- Mobics Telecommunication and Consulting Services AE was founded in 2006 as a spin-off of the National University of Athens (Department of Informatics and Telecommunications), based in Athens. The Mobics specializes in the design, development and provision of value-added services for mobile and pervasive computing environments and the Internet, focusing on geographical and information and generally aware framework (context-aware services).

4.6.14 OTHER LONG TERM RECEIVABLES

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Amounts in € thousand				
Rental guarantees	31	31	31	31
Long term receivables from related parties	903	0	903	0
Total Other Long term receivables	934	31	934	31

On November 27, 2020, SPACE HELLAS signs an agreement (SPA) for the acquisition, by the investment scheme consisting of SPACE HELLAS and EPSILON NET SA (participation of 50% for each company) (the "Buyers"), of the total shareholding of 99.67% held by the company

"MARFIN INVESTMENT GROUP SA. HOLDINGS ", directly and indirectly (through its 100% subsidiary" TOWER TECHNOLOGY HOLDINGS (OVERSEAS) LIMITED " in SINGULARLOGIC SA INFORMATION SYSTEMS AND INFORMATION APPLICATIONS (" SINGULARLOGIC "). The total consideration of the transaction, including the price for the transfer of the shares and the price for the transfer of SINGULARLOGIC loan obligations to PIRAEUS BANK, will amount to € 18,050,000. From the agreed price, the amount of € 1,805,000 was prepaid to MIG equally by the buyers, i.e. € 902,500 paid each.

4.6.15 INVENTORIES

The Group takes all necessary measures (insurance, safekeeping) to minimize the risk and possible losses due to loss of inventories from natural disaster theft, etc. Management also continuously reviews the net realizable value of inventories and makes appropriate provisions for impairment of obsolete and slow-moving stocks.

For the current year, the value of obsolete and slow-moving stocks amounts to € 97 thousand, charged in the Group and the Company results. The amount of inventory reflects the company's strategy to achieve the goal of proper warehouse management without degrading the customer's trustworthy service.

Amounts in Euro thousands	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Goods	5.373	4.700	5.373	4.700
Materials	1.338	1.062	1.338	1.062
Consumables	868	863	868	863
Total inventories	7.579	6.625	7.579	6.625

4.6.16 TRADE RECEIVABLES

Trade receivables are recognized at their acquisition cost (invoice value) less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all of the amounts due according to the original terms of receivables. The provisions formed are then used for the cancellation of the receivables of doubtful liquidation.

Amounts in Euro thousands	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Trade receivables	30.564	20.199	30.653	20.116
Less: Provisions for doubtful liquidation	5.408	5.408	5.408	5.408
Less: cummulative effect IFRS 9	88	69	88	69
Trade receivables	25.068	14.722	25.157	14.639
Plus: Contract receivables	2.115	0	2.115	0
Total trade receivables	27.183	14.722	27.272	14.639

The provision for doubtful liquidation has been formed taking into account the maturity of the receivables in line with the credit policy, as well as historical data and information on clients' solvency

The above table contains the item "Contract Receivables" of € 2,115 thousand and refers to non-invoiced project receivables which took place at the end of 2020 and are expected to be invoiced in 2021.

The company during the year started the execution of projects totalling 3,623 thousand €. At the end of the current year, the company had completed some of these projects. The executed part is monitored based on the periodic certifications that follow the execution of the project. At the end of the year, the executed part and the corresponding income appear as follows:

Group-Company		
Amounts in Euro thousands	31.12.2020	31.12.2019
Contract Receivables	2.115	0
	31.12.2020	31.12.2019
Contractual Cost occurred	1.404	0
Plus profit recognised (cummulative)	711	0
Minus Loss recognised (cummulative)	0	0
Minus Invoices (cummulative)	0	0
Contract Receivables	2.115	0

For the calculation of costs incurred until the end of the year, any costs related to future work related to the contract are excluded and appear as an ongoing project. The total cost incurred and the profit/loss recognized for each contract are compared with progressive invoicing until the end of the year. Where the costs incurred in addition to the recognized net profit (less losses) outweigh the progressive pricing, the difference is recognized as a receivable from 'Contract

Receivables' in the 'Trade receivables' item in Current Assets. When progressive invoicing exceeds the costs incurred in addition to the net profit (less losses) recognized, the balance is presented as a "Contractual Liabilities" liability in the "Suppliers and Other liabilities" item.

The fair value of customer receivables approximates the book value. Receivables from customers of both the company and the Group, except for those for which a provision has been made, are all considered receivable.

	Group		Company	
	2020	2019	2020	2019
Amounts in Euro thousands				
Opening balance	5.408	5.172	5.408	5.172
Additions	0	236	0	236
Write offs	0	0	0	0
Total charge	0	236	0	236
Closing balance	5.408	5.408	5.408	5.408

Cumulative effect of IFRS 9:

	Group		Company	
	2020	2019	2020	2019
Amounts in Euro thousands				
Opening balance	69	72	69	70
Additions	19	-3	19	-1
Write offs	0	0	0	0
Total charge	19	-3	19	-1
Closing balance	88	69	88	69

In the context of working capital management, the Group uses factoring services for the earliest collection of receivables from its customers in Greece

The trade receivables accounts are not bearing any interest. And are usually arranged as follows: Group 1 - 180 Days, Company 1 - 180 days. The collection of receivables related to projects depends on the completion stage.

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Amounts in Euro thousands				
1 - 90 days	19.174	11.785	19.263	11.728
91 - 180 days	3.030	1.335	3.030	1.309
181 - 360 days	1.034	637	1.034	637
> 360 days	1.830	965	1.830	965
Total trade receivables	25.068	14.722	25.157	14.639

Ageing for receivables from related parties:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Amounts in Euro thousands				
1 - 90 days	4	21	156	174
91 - 180 days	0	0	0	0
181 - 360 days	0	0	0	0
> 360 days	0	0	0	0
Total trade receivables	4	21	156	174

Clearly, the specific conditions we are experiencing affect, at least in the short term, the economic environment and assess whether we have a significant increase in credit risk (SICR). The nature of the effects of the economic shock is considered temporary and, combined with the impact of government support and relief measures, lead us to conclude that these counterbalanced forces are offset.

Using past information and, more specifically, the crisis of 2015 in our country, we can say that the increase in credit risk did not significantly affect our company as credit risk management policies worked satisfactorily.

The management estimates that at this time, there is no need to change the data affecting IFRS 9 and consequently the increase in credit risk.

4.6.17 OTHER RECEIVABLES

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Amounts in Euro thousands				
Cheques receivable	291	46	291	46
Cheques overdue*	1.709	1.709	1.709	1.709
Deducted Taxes & other receivables	1.133	972	718	805
Salary prepayments	9	7	9	7
Advances to account for	11	10	11	10
Amounts owed by affiliated undertakings	0	0	0	0
Deferred charges	2.930	2.341	2.918	2.326
Income earned	486	1.069	486	1.069
Other receivables**	306	130	205	63
Total other receivables	6.875	6.284	6.347	6.035
Less: provisions for doubtful liquidation	1.738	1.738	1.738	1.738
Total other receivables	5.137	4.546	4.609	4.297

* For the account in the "Checks overdue", a provision of equal amount has been made.

** For the amount appearing in the Group's Other Receivables, "Other Debtors" amounting to € 306 thousand, mainly concerns Other receivables, a provision of € 29 thousand has been made.

"Deferred charges " comprise the following:

- Approximately 98% of the costs are related to foreign firm contractual obligation to cover maintenance contracts of our customers, where such obligations are not in line with the customers' demands having different maturation beyond the year and
- Approximately 2% of the costs are operating costs (rent, insurance, etc.).

Expenses are recognised on an accrual basis.

The trade receivables' fair value is approximately equal to the book value. The trade receivables after impairment, for both the Group and the company, are fully collectable

4.6.18 PREPAYMENTS

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Amounts in Euro thousands				
Orders placed abroad	2.301	883	2.301	883
Prepayments to other creditors	135	2.560	96	2.540
Total prepayments	2.436	3.443	2.397	3.423

4.6.19 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less:

Amounts in Euro thousands	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Cash on hand	54	35	54	35
Short term Bank deposits	31.004	17.047	30.397	16.246
Total Cash and Cash equivalents	31.058	17.082	30.451	16.281

4.6.20 SHARE CAPITAL

The company's shares are ordinary registered shares and have been listed in ASE since 29.09.2000. No changes have occurred during the current period.

Number of shares and nominal value	31.12.2020	31.12.2019
Paid up capital	6.973.052,40	6.973.052,40
Number of ordinary shares	6.456.530	6.456.530
Nominal value each share	1,08 €	1,08 €

Earnings per share were calculated based on the weighted number of shares, which is 6.456.530.

4.6.21 RESERVES

Amounts in € thousand	Group					Total
	Share premium	Fair value reserves	Legal Reserve	Special reserve	Currency exchange	
Balance at 1 January 2019	53	2.176	489	492	-57	3.153
Legal reserve formation	0	0	62	0	0	62
Effect on deferred tax due to change of income tax rate	0	153	0	0	0	153
Currency exchange	0	0	0	0	-6	-6
Balance at 31 December 2019	53	2.329	551	492	-63	3.362
Balance at 1 January 2020	53	2.329	551	492	-63	3.362
Legal reserve formation	0	0	85	0	0	85
Revaluation of buildings	0	472	0	0	0	472
Tax from Revaluation of buildings	0	-113	0	0	0	-113
Currency exchange	0	0	0	0	2	2
Effect on deferred tax due to change of income tax rate	0	0	0	0	0	0
Balance at 31 December 2020	53	2.688	636	492	-61	3.808

Amounts in € thousand	Company				Total
	Share premium	Fair value reserves	Legal Reserve	Special reserve	
Balance at 1 January 2019	53	2.176	486	492	3.207
Legal reserve formation	0	0	62	0	62
Effect on deferred tax due to change of income tax rate	0	153	0	0	153
Balance at 31 December 2019	53	2.329	548	492	3.422
Balance at 1 January 2020	53	2.329	548	492	3.422
Legal reserve formation	0	0	85	0	85
Revaluation of buildings	0	472	0	0	472
Tax from Revaluation of buildings	0	-113	0	0	-113
Balance at 31 December 2020	53	2.688	633	492	3.866

4.6.22 LONG TERM LOANS

The Group's long term loans amount to € 30.322 thousand compared to € 15.307 thousand the year 2019.

The loans comprise:

- The mortgage loan ending in 2022, of initial amount € 1.500 thousand, served business needs and after interest and principal payments amounting to € 188 thousand.

- The mortgage loan ending in 2022, of initial amount € 1.500 thousand, served business needs and after interest and principal payments amounting to € 375 thousand.
- The mortgage loan ending in 2022, of initial amount € 2.000 thousand, served business needs and after interest and principal payments amounting to € 2.000 thousand.
- The mortgage loan ending in 2022, of initial amount € 1.000 thousand, served business needs and after interest and principal payments amounting to € 71 thousand.
- The mortgage loan ending in 2022, of initial amount € 2.000 thousand, served business needs and after interest and principal payments amounting to € 1.700 thousand.
- The mortgage loan ending in 2023, of initial amount € 2.000 thousand, served business needs and after interest and principal payments amounting to € 1.200 thousand.
- The mortgage loan ending in 2023, of initial amount € 500 thousand, served business needs and after interest and principal payments amounting to € 219 thousand.
- The mortgage loan ending in 2024, of initial amount € 2.000 thousand, served business needs and after interest and principal payments amounting to € 1.700 thousand.
- The mortgage loan ending in 2024, of initial amount € 2.700 thousand, served business needs and after interest and principal payments amounting to € 1.157 thousand.
- The mortgage loan ending in 2025, of initial amount € 6.500 thousand, served business needs and after interest and principal payments amounting to € 5.900 thousand.
- The mortgage loan ending in 2025, of initial amount € 4.000 thousand, served business needs and after interest and principal payments amounting to € 4.036 thousand.
- The mortgage loan ending in 2025, of initial amount € 2.000 thousand, served business needs and after interest and principal payments amounting to € 2.030 thousand.
- The mortgage loan ending at 2025, of initial amount € 400 thousand, served business needs and after interest and principal payments amounting to € 400 thousand.
- The mortgage loan ending in 2025, of initial amount € 800 thousand, served business needs and after interest and principal payments amounting to € 800 thousand.
- The mortgage loan ending in 2025, of initial amount € 2.000 thousand, served business needs and after interest and principal payments amounting to € 2.000 thousand.
- The mortgage loan ending in 2026, of initial amount € 4.000 thousand, served business needs and after interest and principal payments amounting to € 4.001 thousand.
- The mortgage loan ending in 2026, of initial amount € 5.976 thousand, served business needs and after interest and principal payments amounting to € 2.525 thousand.

The fair value of the short and long term borrowings approximates the book value. The rate used in the company's and the Group's borrowings is floating and renegotiable within a six-month period. The average interest rate applied is 4,01 %.

4.6.23 OTHER LONG TERM LIABILITIES

Liabilities are characterized as long term when they are due over 12 months; otherwise, they are considered short-term liabilities.

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Amounts in Euro thousands				
Guarantees received	6	6	6	6
Total Other long term liabilities	6	6	6	6

4.6.24 FAIR VALUE MEASUREMENT

The financial assets measured by the Group and the Company, at the fair value as of the balance sheet date are classified under the following levels, in accordance with the method used for determining their fair value:

Level 1: for assets traded in an active market and whose fair value is determined by the market prices (unadjusted) of similar assets.

Level 2: for assets whose fair value is determined by factors related to market data, either directly (prices) or indirectly (prices derivatives).

Level 3: for assets whose fair value is not determined by observations from the market but is mainly based on internal estimates.

There were no transfers between Levels 1 and 2, nor transfers within and outside Level 3 for the measurement of fair value during the period. The amounts presented in the Financial Statements for cash, trade and other receivables, trade and other short-term liabilities and Bank short-term liabilities approximate their respective fair values due to their short-term maturity.

The method used for the fair value measurement considers all possible parameters in order to approximate the fair value, and the financial assets are classified at level 3 except for banking loans classified a level 2.

4.6.25 PERSONNEL EMPLOYED - EMPLOYEE BENEFITS

The personnel employed at 31.12.2020 for the Group have reached 424 persons, and for the company has reached 422 persons, while as at 31.12.2019 amounted to 372 and 370 respectively.

4.6.25.1 Provisions for employees benefits

The Group's management engaged an independent actuary to conduct a study to investigate and calculate the actuarial amounts, based on the specifications set by International

Accounting Standards (IAS 19), which prescribe for their mandatory disclosure in the balance sheet and statement of comprehensive income. This actuarial valuation has taken into account all economic and demographic parameters related to the Group's employees.

Amounts in Euro thousands	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Present value of unfunded obligations	945	885	945	885
Not recognized actuarial gains\ losses	0	0	0	0
Reserves to be formed	945	885	945	885
Provisions for employers benefits recognized in the income statement				
Current service cost	60	56	60	56
Cost of interest	12	11	12	11
Actuarial loss / (gain)	0	0	0	0
Past service cost	12	7	12	7
Net periodic cost	84	74	84	74
Liability recognized in the Statement of financial position				
Net liability – opening balance as at 01.01	885	804	885	804
Benefits paid	-41	-24	-41	-24
Cost recognized in the income statement	84	74	84	74
Gains/Losses recognized in Equity	17	31	17	31
Net liability	945	885	945	885
Present value of the liability				
Net liability – opening balance as at 01.01	885	804	885	804
Current service cost	60	56	60	56
Cost of interest	12	11	12	11
Past service cost	12	7	12	7
Benefits paid	-41	-24	-41	-24
Actuarial loss / (gain)	0	0	0	0
Gains/Losses recognized in Equity	17	31	17	31
Present value of the liability	945	885	945	885

The assumptions used are the following:

Actuarial assumptions	
1. Discount interest rate	1,3% as at 31.12.2020
2. Average annual long term inflation rate	2% (according to EU, Lisbon convention).
3. Average annual long term salary growth	2,00%
4. Valuation date	31.12.2020
5. Regular retirement age :	According to the social security fund of each employee
6. General assumption fro actuarial purpose:	The going concern principle according to IAS (IAS1 para 23)
7. Valuation method :	Projected Unit Credit Method (IAS19)

4.6.26 DEFERRED INCOME TAX

According to the liability method, taxes are calculated on temporary differences, using the tax rates applicable in the countries in which the Group companies operate.

The calculation of the deferred taxes of the Group and the Company is re-examined in each fiscal year in order for the balance that appears in the financial statements to be in accordance with the applicable tax rates.

The movement of deferred taxes after set-off is as follows:

Amounts in € thousand	Group - company			
	31.12.2019	Amounts recognised through income statement	Amounts recognised through equity	31.12.2020
Deferred tax liabilities				
Depreciation rate difference effect	-573	-89	0	-662
Fair value adjustments Property, plant and equipment	-736	0	-113	-849
Total Deferred tax liabilities	-1.309	-89	-113	-1.511
Deferred tax assets				
Provisions for Trade and other receivables	415	38	0	453
Post-employment and termination benefits	213	10	4	227
Impairment of Receivables	36	0	0	36
Impairment of Inventories	5	4	0	9
Tax deductible previews years' losses	0	-170	0	-170
Share premium capitalization expenses	0	0	0	0
Total Deferred tax assets	669	-118	4	555
Total Deferred tax	-640	-207	-109	-956

Deferred tax assets are offset against deferred tax liabilities when there is a legal right to set off, and both are subject to the same tax authority.

4.6.27 TRADE AND OTHER PAYABLES

Liabilities are characterized as long term when their due is less than 12 months, otherwise considered long-term liabilities.

Amounts in € thousand	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Trade payables	21.184	19.244	21.075	19.068
Checks payables	1.781	971	1.781	971
Customer down payments/advances	6.417	322	6.417	322
Social security	618	591	618	591
Wages and salaries payable	0	0	0	0
Short term liabilities to factors	971	270	971	270
Other payables	78	144	74	142
Amounts due to related parties	0	0	0	0
Next year's Income	6	6	6	6
Accrued expenses	243	214	204	169
Purchases under arraignment	2.234	224	2.234	224
Total Trade and other payables	33.532	21.986	33.380	21.763

4.6.28 PROVISIONS

The Group has formed provisions for doubtful trade receivables for the amount of € 5.496 thousand, for doubtful sundry debtors for the amount of € 1.738 thousand. The provisions are disclosed compensated among the trade and other receivables and the inventories, respectively.

Amounts in € thousand	Group - Company				
	31.12.2019	New Provisions	Used Provisions	Decreases	31.12.2020
Provisions for tax unaudited years	61	0	0	0	61
Provisions for employers benefits	885	101	41	0	945
Other provisions	0	0	0	0	0
Total	946	101	41	0	1.006

Using tax audit data from past tax audited fiscal years, the Company reserves an amount of € 61 thousand to cover the possibility of additional taxes being imposed in the event of an audit by the tax authorities.

4.6.29 DISPUTED CLAIMS

There are no disputed claims that might have a significant impact on the financial position both of the Group and the Company.

4.6.30 UNAUDITED FISCAL YEARS BY THE TAX AUTHORITIES

Company	Tax Unaudited Years
SPACE HELLAS (CYPRUS) LTD	2011 – 2020
SPACE HELLAS Doo Beograd-Stari Grad	2012 - 2020
SPACE HELLAS (MALTA) LTD	2012 - 2020
SPACE HELLAS INTEGRATOR SRL	2010 - 2020
SPACE ARAB LEVANT TECHNOLOGIES LLC	2017 - 2020

For the unaudited tax years of the Group companies, there is the possibility of imposing additional taxes and surcharges at the time of their examination and finalization by the competent tax authorities. The company has formed a cumulative provision of € 61 thousand in order to cover the possibility of imposing additional taxes in the event of an audit by the tax authorities. For the other Group companies, no provision has been made for unaudited tax years as it is estimated that the charge for the imposition of additional taxes will be insignificant.

Greek tax law and related provisions are subject to interpretation by the tax authorities and the administrative courts. Income tax returns are filed on an annual basis. Profits or losses declared for tax purposes remain temporary until the tax authorities examine the taxpayer's tax returns and books, at which time the relevant tax liabilities are settled. According to the current tax legislation (article 36, law 4174/2013), the Greek tax authorities may impose additional taxes and fines upon tax audits within the prescribed limitation period, which, in principle, is five years from the end of the next year in which the deadline for submitting the income tax return expires. Based on the above, in principle and based on the general rule, the years up to 2014 are considered, finalised

There is no statutory tax audit system for subsidiaries based abroad. Audits are carried out exceptionally where appropriate by the tax authorities of each country on the basis of specific criteria. Tax liabilities resulting from the submission of the annual tax return remain under audit of the tax authorities for a certain period of time, in accordance with the tax laws of each country.

From the fiscal year 2011 to the fiscal year 2015, the greek corporations and the Limited Liability Companies, whose annual financial statements are compulsorily audited, were obliged to receive the "Annual Certificate" provided for in §5 of article 82 of Law 2238 / 1994 and article 65A of N4174 / 2014, issued following a tax audit carried out by the statutory auditor or an audit firm that audits the annual financial statements.

From the year 2016 onwards, the tax certificate is optional. Upon completion of the tax audit, the Statutory Auditor or Audit Office issues to the company a "Tax Compliance Report" and the Auditor or audit firm then submit it electronically to the Ministry of Finance, based on POL 1124/2015, as amended by the POL 1108/2017 by the tenth day of the tenth month following the end of the fiscal year.

For the Company and its Greek subsidiaries, and for the years 2011 to 2019, this audit has been completed with the issuance of the relevant Tax Compliance Reports without qualification.

There is an ongoing tax audit of the company for the year 2020 by statutory auditors, from which no significant additional charges are expected to arise.

From 1 January 2014 onwards, dividends distributed within the same group by companies within the EU are exempt from both income tax and withholding tax, provided, inter alia, that the parent company participates in the company distributing the dividend at a minimum shareholding of 10% for at least two consecutive years.

When necessary, the Group forms a provision by case and by a company against possible additional taxes that the tax authorities may impose.

4.6.31 CONTINGENT EVENTS

4.6.31.1 Commitments -Guarantees

The Group has contingent liabilities in respect of banks, other guarantees and other matters arising in the ordinary course of business. No substantial changes are expected to arise from contingent liabilities. No additional payments are expected after the date of preparation of these financial statements.

The contingent liabilities for letters of guarantee for the Company and the Group in the ordinary course of business are:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Amounts in € thousand				
Guarantee letters to secure good performance of contract terms	7.960	5.886	7.960	5.886
Total Contingent Liabilities	7.960	5.886	7.960	5.886

As of 31.12.2020 and 31.12.2019, there were no outstanding letters of guarantee issued in favour of subsidiaries.

4.6.31.2 Excess clause provisions and Disputed claims

There are no cases (note. 4.6.29) that might significantly impact the financial position both of the Group and the Company.

4.6.31.3 Other contingent liabilities

The tax framework and tax practices in Greece, which determine the tax base for the transactions of Group companies, may give rise to uncertainties inherent in their complexity and the fact that they are subject to changes and alternative interpretations by the competent authorities at different times. Therefore, there may be categories of costs or handling of various issues for which a company may have evaluated on a different basis from that applied during the preparation of the tax returns or the preparation of the financial statements. It is customary for tax inspections to be carried out by Tax Authorities, on average 5-7 years after filing the tax return. All of this leads to inherent difficulties in identifying and accounting for tax liabilities. As a result, the management aims to define its policy based on the legislation available at the time of accounting for a transaction by obtaining specialized legal and tax advice.

For the unaudited tax years of the Group companies, as mentioned in note 4.6.28, there is the possibility of imposing additional taxes and surcharges at the time of their examination and finalization by the competent tax authorities. The company has formed a cumulative provision of € 61 thousand in order to cover the possibility of imposing additional taxes in the event of an audit by the tax authorities. For the other Group companies, no provision has been made for unaudited tax years as it is estimated that the charge for the imposition of additional taxes will be insignificant.

4.6.31.4 Capital commitments

As of 31.12.2020, there were no capital commitments for the Group and the Company

4.6.32 CASH FLOWS

	Group		Company	
	01.01- 31.12.2020	01.01- 31.12.2019	01.01- 31.12.2020	01.01- 31.12.2019
Amount ins € thousand				
Total cash inflow/(outflow) from operating activities	4.960	4.855	4.322	4.219
Total cash inflow/(outflow) from investing activities	-5.075	-3.784	-4.255	-3.197
Total cash inflow/(outflow) from financing activities	14.091	2.853	14.103	2.865

Cash flow from operating activities is positive amounting to € 4.960 thousand. Despite the continuous increase in the turnover, the cash flows from operating activities remain strongly positive.

Cash flow from investing activities is negative amounting to € -5.075 thousand attributable to the execution of the investment plans.

The cash flow from financing activities is positive amounting to € 14.091 thousand. This result confirms the Group's ease of access to financial institutions for the financing of both investments and working capital.

4.6.33 **CONTINGENT EVENTS - TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES (I.A.S. 24) FROM 01-01-2020 TO 31-12-2020**

Each affiliated company follows the rules regarding transparency, independent financial management, accuracy and correctness of its transactions, as required by law. Transactions between the Company and its affiliated companies are made at a price or exchange, which is proportional to whether the transaction was made with any third party, natural or legal person, under the conditions prevailing in the market at transaction time.

The transactions below relate to transactions with related parties as defined in IAS 24, cumulatively from the beginning of the financial year to the end of the period, as well as the balances of the receivables and liabilities of the company and the group at the end of the current fiscal year, have arisen from the specific transactions of the related parties.

The sales to and purchases from related parties during 2019 are made at normal market prices.

There are no unusual nature or content transactions with significant impact on the Group or the subsidiaries or related parties. All of the transactions with related parties are free of any special condition or clause.

The tables below summarize the transactions and the account balances with related parties carried out during the year 2020 and 2019, respectively.

Amounts in € thousand	Revenue from dividends		Sales		Income from investment property		Total income-Parent company		Total income-Group	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
SPACE HELLAS (CYPRUS) LTD	819	449	146	146	-	-	965	595	-	-
SPACE HELLAS (MALTA) LTD	-	-	3	2	-	-	3	2	-	-
SPACE HELLAS D.o.o. BEORGRAD	-	-	3	3	-	-	3	3	-	-
SPACE ARAB LEVANT TECHNOLOGIES LLC	-	-	-	-	-	-	0	0	-	-
Total Subsidiaries	819	449	152	151	0	0	971	600	0	0
Web-IQ B.V.	-	-	167	131	-	-	167	131	167	131
AgroApps P.C.	-	-	-	-	-	-	0	0	0	0
Total Associates	0	0	167	131	0	0	167	131	167	131
MOBICS S.A.	-	-	-	0	-	-	0	0	0	0
Total other related parties	0	0	0	0	0	0	0	0	0	0
	819	449	319	282	0	0	1.138	731	167	131

Amounts in € thousand	Total Company expenses		Total Group expenses	
	2020	2019	2020	2019
SPACE HELLAS (CYPRUS) LTD	12	-	-	-
SPACE HELLAS (MALTA) LTD	-	-	-	-
SPACE HELLAS D.o.o. BEORGRAD	7	-	-	-
SPACE ARAB LEVANT TECHNOLOGIES LLC	5	-	-	-
Total Subsidiaries	24	0	0	0
Web-IQ B.V.	-	54	-	5
AgroApps P.C.	-	-	-	-
Total Associates	0	54	0	5
MOBICS S.A.	-	11	-	11
Total other related parties	0	11	0	11
	24	65	0	16

Amounts in € thousand	Total Receivables - Company		Total Receivables - Group	
	2020	2019	2020	2019
SPACE HELLAS (CYPRUS) LTD	146	146	-	-
SPACE HELLAS (MALTA) LTD	3	2	-	-
SPACE HELLAS D.o.o. BEGRAD	3	3	-	-
SPACE ARAB LEVANT TECHNOLOGIES LLC	-	-	-	-
Total Subsidiaries	152	151	0	0
Web-IQ B.V.	4	22	4	22
AgroApps P.C.	-	-	-	-
Total associates	4	22	4	22
MOBICS S.A.	-	-	-	-
Total other related parties	0	0	0	0
	156	173	4	22

Amounts in € thousand	Total Liabilities - Company		Total Liabilities - Group	
	2020	2019	2020	2019
SPACE HELLAS (CYPRUS) LTD	12	-	-	-
SPACE HELLAS (MALTA) LTD	-	-	-	-
SPACE HELLAS D.o.o. BEGRAD	7	-	-	-
SPACE ARAB LEVANT TECHNOLOGIES LLC	2	-	-	-
Total Subsidiaries	21	0	0	0
Web-IQ B.V.	20	-	20	-
AgroApps P.C.	-	-	-	-
Total associates	20	0	20	0
MOBICS S.A.	-	-	-	-
Total other related parties	0	0	0	0
	41	0	20	0

- Both the services from and towards the related parties, as well as the sales and purchase of goods, are contracted with the same trade terms and conditions as for the non-related parties.
- The transactions between the Company and related parties have been eliminated from the consolidated financial statements.

Table of Key management compensation:

Amounts in € thousand	Group		Company	
	2020	2019	2020	2019
Salaries and other employee benefits	1,245	1,242	1,245	1,242
Receivables from executives and members of the Board	2	2	2	2
Payables to executives and member of the Board	0	33	0	33

- No loans have been given to members of the Board or other executive members nor to their family members.

Tables of Guarantees to third parties:

Amounts in € thousand	Group		Company	
	2020	2019	2020	2019
Guarantees to third parties on behalf of subsidiaries and joint ventures	27	33	27	33
Used guarantees to third parties on behalf of subsidiaries	0	0	0	0

- The company has granted guarantees to banks in favour of the subsidiary SPACE HELLAS (CYPRUS) LTD., amounting to € 27 thousand

4.7 ALTERNATIVE PERFORMANCE MEASURES (APMs)

The European Securities and Markets Authority (ESMA / 2015 / 1415el) published the final guidelines on Alternative Performance Measures (APMs) applicable from 3 July 2016 to companies listed in organized exchange systems. ALPs are disclosed by publishers when publishing regulated information and are intended to enhance transparency and promote the investing public's usefulness and fair and full information.

The Alternative Performance Measurement Score (ALP) is an adjusted economic measurement of historical or future economic performance, financial position or cash flow, other than the economic measurement set out in the applicable financial reporting framework. That is to say, ALP does not rely exclusively on the standards of financial statements but provides substantial additional information, excluding elements that may differ from operating results or cash flows. Transactions with non-functional or non-cash valuation with a significant effect on the Statement of Comprehensive Income are considered as factors influencing the adjustment of

the indicators to EMMA. These non-recurring items, in most cases, could arise, among others, from:

- impairment of assets
- Restructuring measures
- consolidation measures
- sale of assets or concessions
- changes in legislation, damages for damages or legal claims.

ALPs should always be taken into account in conjunction with the financial results prepared under IFRSs and should be considered replacing them under no circumstances. The Group uses the adjusted indicators to better reflect the financial and operating performance related to the Group's activity as such in the reference year and the corresponding comparable period last year.

The definition, analysis and basis of calculation of the ALPs used by the Group are set out below.

Elements Affecting Adaptation

Figures influencing the adjustment of the indices used by the Group to extract the SNAUs according to the first half financial statements 2020 and the corresponding financial statements of the prior period are the provisions of doubtfulness.

The data that affect the adjustment of the indicators (SEMCs) on 31.12.2020 and 31.12.2019 are shown in the table below:

	Group	
	31.12.2020	31.12.2019
Amounts in € thousand		
Comprehensive Income Statement		
Provisions for impairment	19	233
Total	19	233

Adjusted EBITDA

Adjusted EBITDA is defined as the sum of Earnings Before Taxes, Financials, Investments and Depreciation, minus the items that affect the adjustment (payments of voluntary retirement plans, doubtful debts, reimbursement fees and non-recurring legal cases).

The definition, analysis and basis of calculation of the EMMA used by the Group are set out below:

$$\text{EBITDA adjusted} = \text{EBITDA} - \text{Adjusting elements}$$

Amounts in € thousand	Group		
	31.12.2020	31.12.2019	Divergence
EBITDA	6.818	6.283	8,52%
Provisions for impairment	19	233	
EBITDA adjusted	6.837	6.516	4,93%
Divergence %	0,28%	4%	

The adjusted EBITDA of the current period increased by 0,28% compared to EBITDA, while compared to the previous period, the adjusted EBITDA is increased by 4,93%.

Adjusted EBIT

Adjusted EBITDA is defined as the sum of Earnings Before Taxes, Financials and Investments results, minus the items that affect the adjustment (payments of voluntary retirement plans, doubtful debts, reimbursement fees and non-recurring legal cases).

$$\text{EBIT adjusted} = \text{EBIT} - \text{Adjusting elements}$$

Amounts in € thousand	Group		
	31.12.2020	31.12.2019	Απόκλιση %
EBIT	4.826	4.471	7,94%
Provisions for impairment	19	233	
EBIT adjusted	4.845	4.704	3,00%
Divergence %	0,39%	5%	

The adjusted EBIT for the year 2020 is 0,39%, slightly higher than EBIT, while compared to the previous period, results to be increased by 3%.

Adjusted Cash Flows After Investments

Adjusted cash flows after Investments are defined as the sum of net cash inflows from operating activities less the components that affect the adjustment (payments of voluntary retirement plans, doubtful debts, reimbursement costs and non-recurring legal cases) and by suggesting net cash flows from investing activities, as shown in the table below.

$$\text{Cash Flows After Investments adjusted} = \text{Net operating Cashflow} - \text{Adjusting elements} - \text{Net Cash flow from investing activity}$$

Amounts in € thousand	Group		
	31.12.2020	31.12.2019	Divergence
Net Cash flow from operating activities	4.960	4.855	2,16%
Net Cash flow from investing activity	-5.075	-3.784	34,12%
Cash Flows After Investments	-115	1.071	-110,74%
Provisions for impairment	29	233	-87,55%
Cash Flows After Investments adjusted	-86	1.304	-106,60%
Divergence %	-25%	22%	

The Adjusted Cash Flows after investments for the current and the previous period as well are increased by 25% compared to Cash Flows after investments. While compared to the previous period, results to be decreased by 106,60% due to the increase of investing activities of the Group.

Adjusted Net Borrowing

Adjusted net borrowing is defined as net borrowing, which includes other financial assets as these are relatively readily convertible assets. The calculations are presented in the table below.

$$\text{Adjusted Net Borrowing} = \text{Net Borrowing} - \text{Other financial Assets}$$

Amounts in € thousand	Group		
	31.12.2020	31.12.2019	Divergence
Long term loans	30.322	15.307	98,09%
Shor term loans	9.777	9.682	0,98%
Cash and Cash equivalents	-31.058	-17.082	81,82%
Net Borrowing	9.041	7.907	14,34%
Other financial Assets	-13	-13	0,00%
Adjusted Net Borrowing	9.028	7.894	14,37%
Divergence %	-0,14%	-0,16%	

Both in the current and the previous period, the adjusted Net borrowing almost equal to the net borrowing.

4.8 SIGNIFICANT POST-BALANCE SHEET EVENTS

- On January 11, 2021, the successful completion of the purchase process was announced of the direct and indirect shareholding (through the 100% subsidiary of "TOWER TECHNOLOGY HOLDINGS (OVERSEAS) LIMITED") of "MARFIN INVESTMENT GROUP SA" HOLDINGS" (MIG) of 99.67%, in "SINGULARLOGIC SA INFORMATION SYSTEMS AND INFORMATION APPLICATIONS" (SINGULARLOGIC) from the investment scheme "EPSILON

NET" and "SPACE HELLAS" (participation of 50% for each company). The total consideration for the transaction, including the price for the transfer of the shares and the price for the transfer of SINGULARLOGIC loan obligations to PIRAEUS BANK, amounted to € 18,050,000, of which € 9,025,000 was paid by SPACE HELLAS for the acquisition of shares corresponding to 49.835% of the share capital of SINGULARLOGIC. From the agreed price, the amount of € 1,805,000 was already paid on 27.11.2020 in compliance with the sale contract between the parties and MIG.

SINGULARLOGIC was transferred free of all its loan obligations to PIRAEUS BANK and MIG, while on 31/12/2020, its cash and cash equivalents amounted to approximately 2 million euros. According to the above, SPACE HELLAS, acquired 49.835% of the paid-up share capital of SINGULARLOGIC for a total price of € 4,525,000, an amount less than 30% of the equity of 30 June 2020 of SPACE HELLAS. Also, in the context of the redemption of the shares, the buyers agreed to acquire from Piraeus Bank all the common bonds of SINGULARLOGIC issued by Piraeus Bank, for a total price of € 9,000,000 from which SPACE HELLAS paid to Piraeus Bank the amount of 4,500,000.

- On January 20, 2021, the purchasing companies proceeded to the establishment of a company under the name "EPSILON SINGULARLOGIC INFORMATION COMPANY" based in Thessaloniki, in which SPACE HELLAS participate with 42.40% and EPSILON NET participates with 57.60%. With the establishment of this company, a commercial arm in the field of proprietary accounting software for businesses and ERP systems, the acquiring companies aim to ensure the unified communication and management strategy of the network of partners for the most efficient service delivered to end customers. This is a very important fact and is a key element of strategic planning to take advantage of important business opportunities opened by the digital transformation of companies. The opportunities created to give solutions to the whole range of products and services of the new scheme, adding added value and fully covering the needs of the clientele. It should be emphasized that the two companies, Space Hellas and Epsilon Net, do not separate their business strategy in any case, as both will participate in all actions and initiatives that will be undertaken with the aim of expanding the overall market share. The acquiring companies, through their mutual participation and commitment, achieve both entity-specific operational performance, but at the same time, the maximum of the synergies of the three companies.
- On March 1, 2021, the companies SPACE HELLAS SA and EPSILON NET SA announce the next steps of their business planning with the ultimate goal of exploiting the business opportunities created by the challenge of digital transformation in the public and private sectors. The central parameter of the business plan is the utilization of the important

advantages that SingularLogic SA has, in products, in the level of provided services and in the know-how of its human resources. The companies' management teams take the area of responsibility in which each one has a high level of specialization and can contribute in an integrated way.

- On the 21st of January 2021, the company proceeded, through the Stock Company Merit Securities SA, to purchase the first 1,350 treasury shares, and after the transaction on March 24, 2021, the company holds 21,725 treasury shares, a percentage of 0.336481% of its total shares.
- On February 2, 2021, Space Hellas was pleased to announce the scholarships of the 2nd annual program, based on the announced honorary scholarship for the academic year 2020 - 2021.
- On April 14, 2021, SPACE HELLAS announces to the investing public that with the decision of the Board of Directors dated 13-04-2021, it was decided to grant a special license, in accordance with articles 99 et seq. of law 4548/2018 and in relation to the associated Societe Anonyme under the name "SINGULARLOGIC INFORMATION SYSTEM AND INFORMATION APPLICATIONS SOCIETE ANONYME", as follows: (1) Provision of guarantee to the Bank of Attica and in favour of "SINGULARLOGIC A.E." a) for the granting of a long-term loan up to the amount of seven hundred thousand euros (€ 700,000.00), for the purpose of refinancing a loan of "SINGULARLOGIC A.E." and repayment of a loan of its subsidiary, and b) for the conclusion of a credit agreement with an open mutual account of "SINGULARLOGIC A.E." after the approval of a credit line for the issuance of letters of guarantee for participation and good execution, amounting to three hundred thousand euros (€ 300,000.00). (2) Granting an interest-bearing loan of "SPACE HELLAS" to "SINGULARLOGIC A.E." in the form of a precautionary financing line for an amount of capital up to € 1,000,000.00
Pursuant to article 101 para. 1 of Law 4548/2018, the above decision of the Board of Directors was taken based on the report of the Certified Auditor - Accountant dated 12/04/2021, with which the above transactions were assessed as fair and reasonable for the company and its non-affiliated shareholders, including the company's minority shareholders, and this report provides an explanation of the assumptions on which it is based, together with the methods used.

Given the spread of the coronavirus, it is difficult to predict the range of potential effects on the global economy at this point. The results can range from successful virus control and small short-term effects to a prolonged impact that can lead to a possible recession. In addition, the

government is implementing policy and budgetary actions aimed at mitigating the potential negative economic impact.

However, the future impact should be assessed in the light of the basis of accounting continuity used in the preparation of these Financial Statements. Regarding the activities of the Group, the Management closely monitors the developments since the outbreak of the coronavirus, follows the guidance of the local health authorities and observes the requirements and actions implemented by the authorities. The Group has implemented emergency plans to limit the potential adverse effects on the Group's employees and businesses.

Following the clarifications provided in the above relevant paragraphs for the spread of the coronavirus, which is a non - adjusting event, there are no events subsequent to the financial statements that concern either the Group or the company and in which a reference to International Financial Reporting Standards is required.

5 FIGURES AND INFORMATION FROM 1ST JANUARY TO 31ST DECEMBER 2020

		SPACE HELLAS S.A. GEMI:375501000 Mesogion Av. 312 Ag. Paraskevi Financial statement and information for the period 1 January 2020 to 31 December 2020			
The following results and information that arise from the financial statements provide a general picture of the financial position and financial results of the SPACE HELLAS S.A. Thus we suggest the reader, before entering into any sort of investment decision or other transaction with the company, to gain access to the company's website, where the financial statements can be downloaded, as well as the Independent Auditor's Report.					
Company Information					
Prefecture Company's web site Date of approval by the Board of Directors Certified Auditor Accountant Auditing Company Type of Auditor's report	Ministry of Development, Department of Commerce http://www.space.gr 23 April 2021 Andreas G. Pournos (S.O.E.L. Reg. No 35081) PKF Euroauditing S.A. Without qualification	Board of Directors Manolopoulos Spyridon Chairman, executive member Chatzistamatou Theodoros Vice President, non executive member Apellos Christos Vice President, executive member Merizanis Ioannis CEO, executive member Doulaveris Ioannis Executive member Papanizou Anastasia Executive member Patsouras Athanasios Independent - non executive member Chalfas Eimmanouil Independent - non executive member Grakis Theodoros Independent - non executive member			
1.1 STATEMENT OF FINANCIAL POSITION			1.4 CASH FLOW STATEMENT FOR THE YEAR		
(consolidated and non consolidated) Amounts in € thousand			(consolidated and non consolidated) Amounts in € thousand		
	GROUP		COMPANY		
	31.12.2020	31.12.2019	31.12.2020	31.12.2019	01.01.-31.12.2020
					01.01.-31.12.2019
ASSETS					
Property, plant and equipment	17,576	15,749	17,541	15,706	2,188
Rights of Use	1,217	1,353	1,215	1,341	2,151
Intangible assets	3,543	3,449	3,512	3,412	2,079
Other non current assets	3,954	2,158	3,897	2,169	1,609
Inventory	7,579	6,625	7,579	6,625	
Receivables (trade debtors)	27,183	14,722	27,272	14,639	
Other current assets	7,586	8,002	7,019	7,733	
Cash and Cash equivalents	31,058	17,082	30,451	16,281	
TOTAL ASSETS	99,696	69,140	98,486	67,906	
EQUITY AND LIABILITIES					
Share capital	6,973	6,973	6,973	6,973	
Other components of equity	11,104	9,416	10,049	8,418	
Total equity attributable to owners of the parent (a)	18,077	16,389	17,022	15,391	
Non controlling interests (b)	1	1	-	-	
Total Equity (c) = (a)+(b)	18,078	16,390	17,022	15,391	
Long term borrowings	30,322	15,307	30,322	15,307	
Long term provisions / Non current liabilities	2,728	2,775	2,728	2,773	
Short term borrowings	9,777	9,682	9,777	9,682	
Other current liabilities	38,791	24,986	38,637	24,753	
Total Liabilities (d)	81,418	52,750	81,464	52,515	
TOTAL EQUITY AND LIABILITIES (c)+(d)	99,696	69,140	98,486	67,906	
1.3 STATEMENT OF CHANGES IN EQUITY					
(consolidated and non consolidated) Amounts in € thousand					
	GROUP		COMPANY		
	31.12.2020	31.12.2019	31.12.2020	31.12.2019	01.01.-31.12.2020
					01.01.-31.12.2019
Total equity in the beginning of the year (01.01.2020 and 01.01.2019 accordingly)	16,390	15,139	15,391	14,416	
Total comprehensive income after taxes (continued and discontinued operations)	2,108	1,639	2,051	1,362	
Increase / (Decrease) of Share Capital	0	0	0	0	
Cancellation of own shares	0	0	0	0	
Other Changes	0	0	0	0	
Non controlling interests	0	-1	0	0	
Dividends distributed	-420	-387	-420	-387	
Total equity of the end of the year (31.12.2020 and 31.12.2019)	18,078	16,390	17,022	15,391	
1.2 STATEMENT OF COMPREHENSIVE INCOME					
(consolidated and non consolidated) Amounts in € thousand					
	GROUP		COMPANY		
	01.01.-31.12.2020	01.01.-31.12.2019	01.01.-31.12.2020	01.01.-31.12.2019	
Turnover	80,732	72,250	78,170	69,602	
Gross Profit	16,423	15,884	15,568	14,932	
Profit before taxes, financing and investing	4,826	4,471	3,959	3,498	
Profit before taxes	2,151	2,081	1,609	1,532	
Profit after taxes (A)	1,760	1,516	1,705	1,233	
- Owners of the parent	1,760	1,516	1,705	1,233	
- Non controlling interests	0	0	-	-	
	1,760	1,516	1,705	1,233	
Other comprehensive income after taxes (B)	348	123	346	129	
Total comprehensive income after taxes (A)+(B)	2,108	1,639	2,051	1,362	
- Owners of the parent	2,108	1,639	2,051	1,362	
- Non controlling interests	0	0	-	-	
Earnings (after taxes) per share - basic in €	0.2726	0.2348	0.2641	0.1910	
Profit before taxes, financing and investing activity and depreciation	6,818	6,283	6,930	5,289	
Additional Information					
1. The shares of the company were listed on the Athens Stock Exchange on 29-9-2000. The earnings per share were calculated based on the weighted average number of ordinary shares in the issue amounting to 6,456,530. 2. The companies of the Group, the percentage ownership and the consolidation method for the ending period are disclosed in note 4.6.13 of the annual financial report of 2020. 3. The tax un-audited years of the Company and the Group are disclosed in note 4.6.30 of the annual financial report of 2020. 4. The company has formed a provision for the un-audited tax years, for the amount of € 61 thousand. In order to cover the possibility of additional taxes (note 4.6.30). No other reserves are formed (note 4.6.28). 5. There are no other disputed or under arbitration cases of national or administrative courts that may have a material effect on the financial position of the Company. 6. There are no other real liens on non-current assets or property, except, at the Company level, the underwriting, amounting to € 1,200 thousand, on the property situated at 6 Loch, Dedouli St., Chologaras, Athens, and the underwriting is amounting to € 4,000 thousand, on the property situated at 302 Ave. Mesogion, Chologaras, Athens and, at the Group level, the underwriting, amounting to € 7,540 thousand, on the property situated at 312 Ave. Mesogion, Chologaras, Athens, and the underwriting, amounting to € 1,200 thousand, on the property situated at Giannitsou-I.Karolyi & Patr. Kyrriou St., Thessaloniki. 7. The personnel employed at 31.12.2020 for the Group amounted to 424 persons and for the Company amounted to 422 while as at 31.12.2019 amounted to 372 and 370 respectively. 8. The same Accounting Policies have been followed as for the financial statements as of 31.12.2019. 9. Note 4.3 of the annual financial report of 2020 refers to the comprehensive income after taxes for the company and the Group. 10. Intercompany transactions for the period from 1 January 2020 to 31 December 2020 according to I.A.S. 24 are as follows:					
	GROUP		COMPANY		
a) Sales of goods and services	167	1,138			
b) Purchases of goods and services	0	24			
c) Receivables from related parties	4	156			
d) Payables to related parties	20	41			
e) Key management compensations	1,245	1,245			
f) Receivables from key management	2	2			
g) Payables to key management included in above	0	0			
The company has guaranteed to financial institutions for bank credit limits for the subsidiary SPACE HELLAS (CYPRUS) Ltd up to the amount of € 27 thousand, through the issuance of letters of guaranty.					
Agla Paraskevi, 23 April 2021					
CHAIRMAN OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER		CHIEF FINANCIAL OFFICER AND EXECUTIVE MEMBER OF THE BOARD		CHIEF ACCOUNTANT AND EXECUTIVE MEMBER OF THE BOARD
SPYRIDON MANOLOPOULOS	IOANNIS MERIZANIS		IOANNIS DOULAVERIS		ANASTASIA PAPANIZOU

6 GROUP'S WEB SITE AND AVAILABILITY OF THE PUBLISHED FINANCIAL REPORT

The attached Financial Statements of 31.12.2020 of the Group and the Company were approved by the Board of Directors of SPACE HELLAS on 23.04.2021 and have been published with their posting on the Company's website www.space.gr as well as on the website of Athens Stock Exchange where they shall remain at the disposal of the investing public for a period of at least five years from the date of their publication. The published financial data and information resulting from the Financial Statements depict in a true and concise but essential way all relevant and legally necessary information to offer substantial and detailed information on the company's activity and the Group to the investing public. The reader can refer to the company's website www.space.gr where the financial statements of the company's subsidiaries are uploaded. The auditors of the consolidated and corporate Financial Statements of SPACE HELLAS, both for the fiscal year that ended on 31.12.2020 and for the previous fiscal year, are the auditing company PKF Euroauditing SA.

We certify that the attached annual financial report, from pages 1 to 200, includes the annual financial statements of the Group and company SPACE HELLAS SA for the financial year from January 1, 2020, to December 31, 2020, which have been approved by the Board of Directors of SPACE HELLAS SA on April 23rd, 2021 and have been published by posting them on the internet, at the address <http://www.space.gr>, and have been signed by the following:

CHAIRMAN OF
THE BOARD OF
DIRECTORS

CHIEF EXECUTIVE
OFFICER

CHIEF FINANCIAL
OFFICER AND
MEMBER OF THE
BOARD

CHIEF
ACCOUNTANT

**SPYRIDON
MANOLOPOULOS**

**IOANNIS
MERTZANIS**

**IOANNIS
DOULAVERIS**

**ANASTASIA
PAPARIZOU**