EPALME S.A.

General Commercial Reg. Nr : 003608201000

Annual Financial Report

For the period from

1st January to 31st December 2021

Table of contents

A. Representations of the Members of the Board of Directors

The following members of the Board of Directors of EP.AL.ME. S.A.:

1. Spilios Manias, Chairman and Chief Executive Officer of the Board of Directors
2. Ioannis Boubonaris, Member of the Board of Directors

In our above capacity, we hereby declare that to the best of our knowledge:

a. the accompanying Financial Statements of "EP.AL.ME. S.A." for the fiscal year 01/01/2021 to 12/31/2021, prepared in accordance with the applicable accounting standards, reflect in a true manner assets and liabilities, equity and results of "EP.AL.ME. S.A.",

b. The accompanying Report of the Board of Directors reflects in a true manner development, performance and financial position of "EP.AL.ME. S.A.", including the description of the main risks and uncertainties.

Marousi, 23 February 2022

The designees

Spilios Manias	**Ioannis Boubonaris**
Chairman and Chief Executive Officer	Member of the Board of Directors

B. Annual Board of Directors’ Management Report

The present Board of Directors Annual Report pertains to the fiscal period 2021. The Report has been prepared so as to ensure harmonization with the relevant provisions of Article 150 of Law 4548/2018.

This report includes financial information about the Company "EP.AL.ME. S.A." for 2021 and describes significant events occurred in this period and their effect on the annual financial statements. Moreover, it describes the main risks and uncertainties the Company may face in the coming year as well as significant transactions between the Company and its related parties.

I. GENERAL REVIEW

2021 was a special year, in which Greece is expected to exceed the budget estimate at a growth rate of 6.9%, with the European Commission projecting growth rate of 8.5%, while in 2022 and 2023, growth rate is estimated to stand at approximately 5% and 3.5% respectively, and therefore, cumulative growth rate for a three-year period will stand at approximately 17%.

At domestic and global level, crucial issues such as inflationary pressures stemming mainly from the energy crisis, supply chain disruptions, evolution of the pandemic as well as today’s geopolitical turbulence, with Ukraine being at the center, are expected to remain in the front line and affect the course of the global economy during 2022.

At the same time, the main central banks are becoming more aggressive in respect of interest rate increase. While the ECB remains cautious, the bank is preparing the ground for a potential interest rate increase provided inflation remains high. The knock-on effect on interest rates, on top of the consequential increase in borrowing cost, which could affect a number of under-capitalized companies, could potentially result in portfolio reshuffling and increased volatility in the markets historically benefited from loose monetary policies.

In 2021, EPALME S.A. recorded profit before tax increased by 72.61% compared to the previous year, mainly due to the intense increase in the sales prices of aluminum products (LME & premia) which were not offset by the increase in raw material and energy prices.

II. FINANCIAL SIZES

In 2021, turnover stood at € 67.6 million compared to € 42.4 million in the previous fiscal year, i.e. an increase of 59.69%. The increase in turnover was affected by the sharp increase in the selling prices of the products, with the average price of the LME being close to 2,484/t, marking an increase of 44%, while the quantities sold in 2021 amounted to 39,301 tn against 35,836 tn in 2020, recording an increase of 10%.

In 2021, the Company recorded profit before tax amounting to €2.3 million compared to profit of €1.3 million in 2020. The increase in the Company’s profit compared to 2020 arises mainly from the increase in selling prices.

PERFORMANCE FINANCIAL RATIOS

The Company’s policy is to evaluate its results and performance on a monthly basis, timely and effectively identifying deviations from the objectives and taking the corresponding corrective measures. The Company measures its efficiency using internationally applied financial performance ratios:

- EBITDA (Operating Earnings Before Interest, Taxes, Depreciation & Amortization): The Company defines EBITDA as the profit/(loss) before tax, adjusted for financial and investment results, for total depreciation (of tangible and intangible fixed assets).

- ROCE (Return on Capital Employed): The ratio divides earnings before interest, tax, depreciation and amortization by the Company’s total employed capital, which comprises the sum of Equity, total loans and long-term provisions.

- ROE (Return on Equity): The ratio divides earnings after tax and after Minority Rights by the Equity attributable to the shareholders of the Parent.

In 2021, the aforementioned ratios compared to 2020 changed as follows:

	EP.AL.ME. S.A.	
(Amounts in €)	01/01 -31/12/2021	01/01 -31/12/2020
EBITDA	3.353.700	2.137.249
ROCE	11,08%	11,81%
ROE	19,94%	11,82%

III. RISK MANAGEMENT

Market Risk

(i) Currency risk

The Company operates internationally and is therefore exposed to currency risk arising primarily from the US dollar. This type of risk arises mainly from commercial transactions in foreign currency and is transferred to the selling price of the Company's products it order to be addressed. .

(ii) Price Risk

Goods prices, which are mainly determined by international markets and global demand and supply, result in the Company's exposure to the relevant prices fluctuation risk. The Company covers the risk integrating the change in cost into the final product price, as it is depended on both - its acquisitions and sales on stock market prices/indicators (LME)- for the price of aluminum included in its products and develops its pricing policy based on the acquisition price of the aluminum as well as the “premium” added. The Company's Management monitors on a daily basis the fluctuations in aluminum prices, as formed in the international market, in order to properly plan acquisitions at the best prices.

The Company addresses the risk of fluctuating metal raw material prices only to a portion of its core inventory where any price decrease may adversely affect its results through inventory devaluation.

(iii) Interest rate Risk

The Company’s assets, exposed to interest rate fluctuation, mainly concern cash and cash equivalents. The Group’s policy regarding the financial assets is to invest its cash at floating interest rates so as to maintain the necessary liquidity while simultaneously achieving satisfactory return for its shareholders. In addition, in respect of the total bank borrowing, the Group uses floating interest rate instruments (Euribor). The Company's policy is to minimize its exposure to interest rate cash flow risk with respect to long-term financing.

Credit Risk

The Company has no significant concentration of credit risk in respect of any of its contractual parties. Credit risk arises from cash and cash equivalents, bank deposits and financial institutions, as well as exposures to credit risk from customers.

Regarding trade and other receivables, the Company applies credit control procedures aiming at minimizing bad debts and maintaining high liquidity. The Company's policy is to cooperate with reliable customers and set credit limits to every customer. Such limits are reviewed according to the current conditions and, if required, the terms of sales and collections are adjusted. Credit limits of some customers are determined based on the insurance limits obtained from the insurance companies- while for some customers insurance of specific limits of receivables is performed. “High risk” sales to customers are required to be collected in advance, while depending on the customer's creditworthiness and in order to secure its receivables, the Company, , requests, where possible, encumbrances or other collateral, such as letters of guarantee, customer’s stocks pledge etc.

To minimize the credit risk in cash and cash equivalents, as well as in other short-term financial instruments, the Company sets limits on the extent to which it will be exposed to every separate financial institution cooperating only with recognized financial institutions of high credit rating.

The maturity of the Company's trade receivables as of December 31, 2021 and 2020 is analyzed as follows:

	Past due but not impaired				Non past due but not impaired	Total
(Amounts in €)	0-3 months	3-6 months	6-12 months	> 1 year		
2021	13.749.264	162.549	-	-	-	**13.911.813**
2020	7.114.934	-	-	-	-	**7.114.934**

Liquidity risk

Liquidity risk is linked to the need for adequate financing the Company's operations and development. The relevant liquidity needs are addressed on a daily basis through careful monitoring the payments made.

The Company ensures sufficient available credit facilities in order to be able to cover short-term business needs, after calculating the cash inflows arising from its operation, as well as the cash and cash equivalents available.

The maturity of the Company's financial obligations as of December 31, 2021 and 2020 is analyzed as follows:

Liquidity Risk Analysis - Liabilities 31/12/2021 (Amounts in €)	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	-	-	7.179.993	-	7.179.993
Short Term Loans	10.177.445	-	-	-	10.177.445
Trade and other payables	7.744.835	-	-	-	7.744.835
Other payables	731.690	-	-	-	731.690
Current portion of non - current liabilities	930.000	952.501	-	-	1.882.501
Total	**19.583.969**	**952.501**	**7.179.993**	**-**	**27.716.463**

Liquidity Risk Analysis - Liabilities 31/12/2020 (Amounts in €)	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	-	-	75.000	-	75.000
Short Term Loans	8.177.539	-	-	-	8.177.539
Trade and other payables	3.808.234	137.095	19.238	-	3.964.566
Other payables	422.215	-	-	-	422.215
Current portion of non - current liabilities	243.430	1.030.000	-	-	1.273.430
Total	**12.651.417**	**1.167.095**	**94.238**	**-**	**13.912.750**

IV. ENVIRONMENTAL AND LABOR ISSUES

A. Environmental issues

In respect of environmental issues, the Company applies the principles and policies of Mytilineos S.A. – its parent, in which it is consolidated under the Full Consolidation method.

Effects: The main environmental challenges addressed by the Company in the context of its operations are: (1) waste management, (2) energy consumption and (3) water management.

Management: Identification of environmental objectives, observance of legislative requirements as a minimum obligation, ongoing evaluation and monitoring environmental parameters, cultivation of the environmental consciousness of employees and smooth cooperation with the local community, are key components of the Company's management on environmental issues.

Moreover, the Company's ongoing effort to stabilize and reduce its environmental footprint is not limited to application of rules, required regulations and taking appropriate measures. It is also expressed by its commitment systematically review its operations, according to the specific Environmental Management system.

The Company's Measures and Principles for protecting the Environment:

- Assessing the effects of its operations on the environment, recording and evaluating potential risks, taking the necessary preventive measures, performing regular controls and exercises to confirm implementation and evaluation of the measures.
- Source sorting and management of all waste.
- Preventing any risk of pollution, even accidental or other major accidents (developing, testing and implementing emergency response procedures).
- Studying, maintaining and developing appropriate means of prevention and repression, especially in the case of modification of facilities.
- Correcting any deviation found, with the establishment and implementation of improvement / restoration plans and preventive actions.
- Staff training and information, in a manner adapted to the duties and needs of every employee.
- Implementing regular internal and external inspections to assess performance of the Environmental Management system, achievement of objectives and application of regulations and principles.

Environmental management system

The Company applies a certified environmental management system according to the international standard ISO 14001/2015, accompanied by specific environmental policies.

Non-Financial Performance Indicators

Non-financial performance indicators are analyzed below. The selection was made on the basis of their relevance to the Company's operations and their level of significance in relation to the environmental issues addressed. Indicators are in accordance with the GRI STANDARDS Global Reporting Initiative.

	EP.AL.ME. S.A.	
ENVIRONMENTAL	**2021**	**2020**
Emissions (Scope 1 + Scope 2 tonnes/year)	12.270,07	11.865,83
Other emissions (NOx SOx, tonnes/year)	0,00	0,0
Total Energy Consuption (TJ)	194,50	182,55
Electicity Consumption (% of the total energy consuption) (TJ)	9%	9%
Total Water (m3)	28.900	26.500,0
Total Waste (tonnes)	2.531,27	2.538,9
Total waste rycycled/reused (% of the total waste production)	100%	100%
Environmental expenditure (€)	1.611.393	4.081.359
Incidents of non-compliance with environmental laws and regulations & relevant fines	Not exist	Not exist
ISO 14001 certification	YES	YES

B. Labor & Social Issues

The Company applies labor and social issues principles and policies of Mytilineos S.A., its parent, in which it is consolidated under the Full Consolidation method.

Effects: Health and safety at work has always been a basic foundation of the Company's operations and a primary business objective. The Company recognizes both its responsibility for ensuring the best health and safety conditions in its workplaces and the right of its direct and indirect employees to work without being exposed to risks that could cause injury or illness.

Management: The Company strictly adheres to the applicable national and European legislation and the national regulatory provisions related to health and safety at work. The company often ensures harmonization of its operation with the relevant legislation through much stricter limits and goals set by Mytilineos S.A. through the relevant Management plans and systems it implements.

Systematic and continuous effort to promote and shape a corporate culture of health and safety that encourages all the employees to behave responsibly for their personal safety, as well as the safety of their colleagues, is a constant daily commitment.

Moreover, planned or extraordinary safety inspections/reviews are performed by internal and independent external inspectors, and their results contribute to developing further safety improvement actions.

The Company's Measures and Principles for labor and social issues

- Mytilineos S.A. Code of Conduct ensures the Company's commitment to respect and protect Human Rights, especially labor rights.
- The Company systematically seeks to develop and improve the competitiveness of its employees through appropriate professional education, training and technical expertise, so that they are at the forefront of the collective effort for a green, energy present and future.
- Finally, the Company following the framework of implementation of Mytilineos S.A. social policy, aiming at strengthening and maintaining social cohesion, focusing both on strengthening local employment, and on actions to support immediate local needs within its proportion.

Health & Safety System: The Company implements a certified OHSAS 18001, occupational health and safety system designed to minimize risks, continuously taking measures to prevent and minimize accidents and occupational diseases.

The system is characterized by the following specific basic practices which are applied in all the Company's Business Segments:

i. Ongoing recognition and evaluation of occupational risks where principle of prevention is applied taking all the necessary measures to address them.
ii. Applying advanced prevention tools and in-depth analysis of all accidents, near accidents and safety incidents.
iii. Ongoing information and systematic participation of staff in special training programs for health and safety at work.
iv. Implementing specialized communication actions to raise employee awareness.
v. Systematic inspection of the organization and applied procedures, aiming at absolute compliance with the rules for safe work in all Mytilineos S.A. operations ensuring employees as well as customers, partners and visitors safety to its facilities.

Non-Financial Performance Ratios

Non-financial performance ratios are analyzed below. The selection was made on the basis of their relevance to the Company's operations and their level of significance in respect of the working issues addressed. Ratios are based on the GRI STANDARDS Global Reporting Initiative.

	EP.AL.ME. S.A.	
SOCIAL	2021	2020
Percentage of employees from local communities	68%	63%
Percentage of women employees	9%	10%
Work-related fatalities	0	0
Lost Time Injury rate per 200.000 working hours	4,40	4
OHSAS 18000 certification	YES	YES
Training man-hours	1,00	2,31
Percentage of employees who received formal performance evaluation reviews	0%	0%
Human Rights violation incidents	0	0
Incidents of non-compliance with laws & regulations in terms of labour and social issues	0	0
Social Investments	0	1.850

VI. TREASURY SHARES

The Company holds no Treasury Shares.

VII. BRANCHES

The Company holds no branches.

VIII. PROSPECTS FOR THE NEW YEAR

Inflationary pressures continue unabated resulting both - in cost pressure arising from the energy, raw material and transportation increased prices and to historical highs recording in all-in prices of aluminum (LME + premia), regarding production operations and sales of EPALME's own products. Certainly, extremely high prices can create a problem in maintaining demand and it is considered likely that we will see a de-escalation of prices especially at the end of the year. Regarding the pillar production activity through processing raw material of EPALME's customers, energy and alloys increased prices are expected to affect this activity.

IX. SIGNIFICANT EVENTS DURING THE CLOSING YEAR

No other significant events occurred concerning the Company, which are required to be reported by the International Financial Reporting Standards (IFRS).

X. DIVIDEND POLICY

Regarding dividend distribution, the Company's Management, taking into account, among other things, future investment planning and liquidity strengthening, proposes not to distribute dividends for the current fiscal year.

XI. RELATED PARTIES TRANSACTIONS

Materials, inventory and services arise from a number of the Company's partners in the course of its operations. In the context of the operational activity. These transactions include associated companies and companies in which the members of the Board of Directors of EPALME S.A. participate. Transactions with these companies are conducted on a clearly commercial basis, and no business transactions are conducted. EPALME S.A. has not participated in any transaction of unusual nature or content that is material to the Group in which it participates, or the companies and individuals closely related, and does not intend to participate in such transactions in the future.

The tables below show the intercompany sales and other intercompany transactions, of the Company and members of the Management, during the current fiscal year, as well as the intercompany balances of receivables and liabilities as of 12/31/2020:

Transactions with members of the Management:

(Amounts in €)	31/12/2021	31/12/2020
Short term employee benefits		
- Wages and Salaries and BOD Fees	738.817	499.790
- Insurance service cost	22.454	38.023
	761.272	**537.813**

Transaction with other related parties:

(Amounts in €)	31/12/2021	31/12/2020
Stock Sales		
Parent	68.076	-
Other Related parties	110.051	-
Total	**178.127**	**-**
Stock Purchases		
Parent	2.430.192	396.167
Other Related parties	140.319	-
Total	**2.570.511**	**396.167**
Services Sales		
Other Related parties	30.445	-
Total	**30.445**	**-**
Services Purchases		
Parent	3.029.119	432.825
Other Related parties	40.310	844.056
Total	**3.069.429**	**1.276.881**
Balance from sales of stock/services receivable		
Other Related parties	241.775	-
Total	**241.775**	**-**
Balance from sales/purchases of stock/services payable		
Parent	3.521.125	163.403
Other Related parties	545.600	86.249
Total	**4.066.726**	**249.652**

XII. POST BALANCE SHEET DATE SIGNIFICANT EVENTS

There are no events subsequent to the financial statements occurred, concerning the Company, to which reference is required under the International Financial Reporting Standards (IFRS).

C. Independent Auditor's Report

To the Shareholders of EP.AL.ME. S.A.

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of EP.AL.ME. S.A. (the Company), which comprise the statement of financial position as at December 31, 2021, income statement and statements of comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company EP.AL.ME. S.A. as at 31 December 2021, its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Basis for Opinion

We concluded our audit in accordance with International Standards on Auditing (ISAs) incorporated into the Greek Legislation. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company, throughout our appointment, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) incorporated into the Greek Legislation and ethical requirements relevant to the audit of financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information is included in the Board of Directors' Report, as referred to the "Report on other Legal and Regulatory Requirements" section, in the Representations of the Board of Directors Members, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the procedures performed, we conclude that there is a material misstatement therein; we are required to communicate that matter. We have nothing to report in this respect.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards that have been 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 financial statements, management is responsible for assessing the Company'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 the management's intention is to proceed with liquidating the Company or discontinuing its operations or unless the management has no other realistic option but to proceed with those actions.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as an aggregate, 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, incorporated into 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 affect the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs, incorporated into the Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 that 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We disclose to the management, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Taking into consideration the fact that under the provisions of Par. 5, Article 2 (part B), Law 4336/2015, management has the responsibility for the preparation of the Board of Directors' Report, the following is to be noted:

a) In our opinion, the Board of Directors' Report has been prepared in compliance with the effective legal requirements of Article 150, L. 4548/2018, and its content corresponds to the accompanying financial statements for the year ended as at 31/12/2021.

b) Based on the knowledge we acquired during our audit, we have not identified any material misstatements in the Board of Directors' Report in relation to the Company EP.AL.ME. S.A. and its environment.

Athens, 23/02/2022

The Certified Public Accountant

Christina Tsironi

Registry Number SOEL: 36671

Grant Thornton

Chartered Accountants Management Consultants
58, Katehaki Av., 115 25 Athens, Greece
Registry Number SOEL 127

D. Annual Financial Statements

The accompanying financial statements were approved by the Board of Directors of "EP.AL.ME S.A." on 23/02/2022 and have been disclosed on the Company's website at www.epalme.gr. .

It is to be noted that the summary of the financial data and information disclosed arising from the financial statements aim at providing the reader with a general information about the Company's financial position and results, but it dose not provide a complete picture of the financial position, financial performance and the Company's cash flows, in accordance with International Financial Reporting Standards (IFRS).

I. Statement of Financial Position

(Amounts in €)		31/12/2021	31/12/2020
Assets			
Tangible Assets	**5.2**	11.235.557	9.361.085
Intangible Assets	**5.3**	3.114	14.193
Other Investments	**5.4**	5.100	5.100
Deferred Tax Receivables	**5.5**	184.625	218.207
Other Long-term Receivables	**5.6**	37.281	23.450
Right-of-use Assets	**5.7**	33.311	78.359
Non current assets		**11.498.987**	**9.700.395**
Inventory	**5.8**	9.285.024	3.605.529
Trade and other receivables	**5.9**	13.911.813	7.114.934
Other receivables	**5.10**	1.386.622	1.590.170
Derivatives	**-**	99.690	-
Cash and cash equivalents	**5.11**	3.517.150	1.845.560
Current assets		**28.200.300**	**14.156.193**
Assets		**39.699.287**	**23.856.589**
Liabilities & Equity			
Share capital	**5.12.1**	4.170.635	4.170.635
Share premium	**5.12.1**	8.268	8.268
Fair value reserves		77.758	(29.169)
Other reserves	**5.12.2**	2.285.127	2.262.623
Retained earnings		4.332.652	2.185.291
Equity		**10.874.440**	**8.597.648**
Long-term debt	**5.17**	7.179.993	75.000
Lease liabilities	**5.7**	3.579	46.308
Lease liabilities	**5.5**	511.760	521.788
Liabilities for pension plans	**5.13**	157.513	154.005
Non-Current Liabilities		**7.852.845**	**797.100**
Trade and other payables	**5.15**	7.744.835	3.964.566
Tax payable	**5.16**	404.855	551.455
Short-term debt	**5.17**	10.177.445	8.177.539
Current portion of non-current debt	**5.7**	30.676	34.255
Current portion of non-current liabilities	**5.17**	1.882.501	1.273.430
Derivatives	**5.18**	-	38.381
Other payables	**5.19**	731.690	422.215
Current Liabilities		**20.972.002**	**14.461.841**
Liabilities		**28.824.847**	**15.258.941**
Liabilities & Equity		**39.699.287**	**23.856.589**

The comparative sizes of the Company's Statement of Financial Position for 2020 have been amended due to the change in the accounting policy of IAS 19 (see Note 2.2.3)

The accompanying Notes constitute an integral part of the annual Financial Statements.

II. Statement of Comprehensive Income

(Amounts in €)		01/01-31/12/2021	01/01-31/12/2020
Sales	**5.1**	67.638.914	42.356.131
Cost of sales	**5.20**	(64.762.401)	(39.379.061)
Gross profit		**2.876.512**	**2.977.071**
Other operating income	**5.21**	95.962	66.567
Distribution expenses	**5.22**	-	(65.386)
Administrative expenses	**5.22**	-	(1.058.029)
Other operating expenses	**5.21**	(190.570)	(204.739)
Earnings before interest and income tax		**2.781.905**	**1.715.485**
Financial income	**5.23**	1.135	822
Financial expenses	**5.23**	(456.559)	(368.485)
Profit before income tax		**2.326.481**	**1.347.822**
Income tax expense	**5.24**	(158.601)	(331.869)
Profit for the period		**2.167.880**	**1.015.953**
Definition of line item: Oper.Earnings before income tax,financ.res,depr&amort			
Profit before income tax		2.326.481	1.347.822
Plus: Financial results		455.424	367.663
Plus: Depreciation		571.795	421.765
Subtotal		**3.353.700**	**2.137.249**
Oper.Earnings before income tax,financial results,depreciation and amortization		**3.353.700**	**2.137.249**

III. Statement of Other Comprehensive Income

(Amounts in €)		01/01-31/12/2021	01/01-31/12/2020
Other Comprehensive Income:			
Net Profit/(Loss) For The Period		2.167.880	1.015.953
Items that will not be reclassified to profit or loss:			
Actuarial Gain / (Losses)	**5.13**	2.545	(8.591)
Deferred tax from actuarial gain/(losses)	**5.5**	(560)	2.062
Cash Flow Hedging Reserve	**5.25**	138.071	(38.381)
Deferred Tax From Cash Flow Hedging Reserve	**5.5**	(31.143)	9.211
Other Comprehensive Income:		**108.913**	**(35.699)**
Total comprehensive income for the period		**2.276.792**	**980.254**

The comparative sizes of the Statement of Comprehensive Income & Other Comprehensive Income of the Company for 2020 have been amended due to the change in the accounting policy of IAS 19 (see Note 2.2.3)

The accompanying Notes constitute an integral part of the annual Financial Statements.

IV. Statement of Changes in Equity

(Amounts in €)	Share capital	Share premium	Fair value reserves	Other reserves	Retained earnings	Total
Opening Balance 1st January 2021, according to IFRS -as published-	**4.170.635**	**8.268**	**(29.169)**	**2.262.623**	**2.185.291**	**8.597.648**
Change In Equity						
Transfer To Reserves	-	-	-	54.515	(54.515)	-
Transactions With Owners	**-**	**-**	**-**	**54.515**	**(54.515)**	**-**
Net Profit/(Loss) For The Period	-	-	-	-	2.167.880	2.167.880
Other Comprehensive Income:						
Cash Flow Hedging Reserve	-	-	138.071	-	-	138.071
Revaluation Of Tangible Assets	-	-	-	(33.997)	33.997	-
Deferred Tax From Actuarial Gain / (Losses)	-	-	-	(560)	-	(560)
Actuarial Gain / (Losses)	-	-	-	2.545	-	2.545
Deferred Tax From Cash Flow Hedging Reserve			(31.143)	-	-	(31.143)
Total Comprehensive Income For The Period	**-**	**-**	**106.928**	**(32.012)**	**2.201.877**	**2.276.792**
Adjusted Closing Balance 31/12/2021	**4.170.635**	**8.268**	**77.758**	**2.285.127**	**4.332.652**	**10.874.440**

(Amounts in €)	Share capital	Share premium	Fair value reserves	Other reserves	Retained earnings	Total
Opening Balance 1st January 2020, according to IFRS -as published-	**4.170.635**	**8.268**	**-**	**2.198.849**	**996.065**	**7.373.817**
Adjustment due to change in accounting policy IAS 19				12.377	231.200	
Adjusted Opening Balance 1st January 2020, according to IAS 19 - as published-	**4.170.635**	**8.268**	**-**	**2.211.225**	**1.227.266**	**7.617.394**
Change In Equity						
Transfer To Reserves	-	-	-	91.925	(91.925)	-
Transactions With Owners	**-**	**-**	**-**	**91.925**	**(91.925)**	**-**
Net Profit/(Loss) For The Period	-	-		-	1.015.953	1.015.953
Other Comprehensive Income:						
Cash Flow Hedging Reserve	-	-	(38.381)	-	-	(38.381)
Deferred Tax From Actuarial Gain / (Losses)	-	-	-	2.062	-	2.062
Actuarial Gain / (Losses)	-	-	-	(8.591)	-	(8.591)
Revaluation Of Tangible Assets	-	-	-	(33.997)	33.997	-
Deferred Tax From Cash Flow Hedging Reserve	-	-	9.211	-	-	9.211
Total Comprehensive Income For The Period	**-**	**-**	**(29.169)**	**(40.527)**	**1.049.950**	**980.254**
Closing Balance 31/12/2020	**4.170.635**	**8.268**	**(29.169)**	**2.262.623**	**2.185.291**	**8.597.648**

The accompanying Notes constitute an integral part of the annual Financial Statements.

V. Statement of Cash Flows

(Amounts in €)		01/01-31/12/2021	01/01-31/12/2020
Cash flows from operating activities		(4.438.859)	7.466.598
Interest paid		(276.042)	(348.566)
Taxes paid		(604.327)	(333.500)
Net Cash flows continuing operating activities		**(5.319.228)**	**6.784.531**
Net Cash flow from continuing investing activities			
Purchases of tangible assets		(2.484.048)	(4.232.049)
Purchases of intangible assets		-	(1.133)
Derivatives settlement		(18.864)	-
Interest received		1.135	822
Net Cash flow from continuing investing activities		**(2.501.777)**	**(4.232.359)**
Net Cash flow continuing and discontinuing financing activities		-	
Proceeds from borrowings	**5.16**	24.556.161	10.981.462
Repayments of borrowings	**5.16**	(15.017.260)	(12.145.723)
Payment of finance lease liabilities		(46.308)	(70.755)
Payment of finance lease liabilities		**9.492.594**	**(1.235.016)**
Net (decrease)/increase in cash and cash equivalents		**1.671.589**	**1.317.156**
Cash and cash equivalents at beginning of period		1.845.560	528.404
Cash and cash equivalent		**3.517.150**	1.845.560
Net cash at the end of the period		**3.517.150**	**1.845.560**

The comparative sizes of the Statement of Cash Flows of the Company for 2020 have been amended due to the change in the accounting policy of IAS 19 (see Note 2.2.3)

The accompanying Notes constitute an integral part of the annual Financial Statements.

E. Notes to the Financial Statements

1.1 General Information

The Company EP.AL.ME S.A. was founded in 1973. The Company's registered office is in the Municipality of Maroussi, Attica and it is registered at the Ministry of Development, General Secretariat of Trade, Directorate of Limited Companies and Credit, under the Registry Number of Limited Companies 6477/01/B/86/426(99).

The Company's General Electronic Commercial Registry Number (G.E.MI.) is 003608201000 and it is a subsidiary of Mytilineos S.A., through the acquisition of 97.87% of its share capital. The Company's website is www.epalme.gr.

1.2 Scope of operations

The Company operates in the segment of Aluminum casting. It has a production unit of secondary cast aluminum cylinders in the location "Madaro" of the Municipality of Oinophyta, Prefecture of Viotia, while the Company's offices are in the Municipality of Maroussi, Attica. The capacity of the production unit in terms of the outcome stands at 40,000 tons/year. The Company has privately owned properties of total area 5,385.50 sq.m., while its plots amount to 45,114.84 sq.m..

Aluminum scrap processing for production of aluminum cylinders requires high technology and know-how. EP.AL.ME. S.A. is one of the significant units that is able to make full use of aluminum scrap for the production of aluminum raw material suitable for the production of new products. The Company's clients are the largest Greek extrusion companies. In addition to this main activity, EP.AL.ME. S.A. has a Photovoltaic Station, of capacity 500KW, for electricity generation. The Company has a quality management system in accordance with the requirements of the ISO 9001:2015, ISO 14001:2015, OHSAS 18001:2007-EOO 1801:2008 and ISO 50001:2011 standards.

The Company's objective, according to Article 4 of its Articles of Association, is:

Industrial production, processing and trading of metals and especially aluminum, alloys and products of any form, representation in Greece of foreign companies that produce or trade the above products and the Company's participation in other similar companies or in any kind of legal entities and companies, commercial or not, profit or non-profit, related to the general aluminum market and its production procedures, which are currently operating or will be established in the future. The Company ca produce and trade electrical energy from Renewable Energy Sources (RES) a High Efficiency Cogeneration of Electricity and Heat (H.E.C.E.H.).

The Company can create futures accounts with domestic and foreign financial companies for hedging against risks arising from unforeseeable exchange rate fluctuations or fluctuations in prices of aluminum or other raw material.

The Company can partially or fully lease or grant spaces (open or close) and its equipment to third parties, natural person or legal entities.

2. Significant accounting policies

2.1 Basis for preparation of financial statements

The financial statements of "EP.AL.ME. S.A." as at December 31, 2021, covering the entire year 2021, have been prepared in compliance with the historical cost principle as amended by the readjustment of specific assets and liabilities to current values, the going concern principle in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), as well as their interpretations, as issued by IASB's International Financial Reporting Interpretations Committee (IFRIC). The accompanying financial statements are prepared according to the provisions of L. 4548/2018.

The preparation of financial statements in accordance with IFRS requires the use of accounting estimates and management judgment in the application of the Company's accounting principles. Significant assumptions made by the Management for the application of the Company's accounting methods have been analyzed where required.

The presentation currency is Euro (currency of t the Company's parent company domicile) and all the amounts are presented in Euro, unless otherwise stated.

The financial statements of the Company EP.AL.ME. S.A. are included in the consolidated financial statements of Mytilineos Group, which is established in Greece and are consolidated under full consolidation method, as Mytilineos holds 97.87% investment in the Company.

2.2 Changes in Accounting Policies

The accounting policies based on which the Financial Statements were prepared, are in accordance with those used in the preparation of the Annual Financial Statements for the FY 2020, adjusted to the new Standards and revisions imposed by IFRS for the FY started on 1st January 2021, except the following amendments, which were adopted by the Company on 01/01/2021. The nature and effect of all changes are analyzed as follows.

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

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2021.

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

In June 2020, the IASB issued amendments that declare deferral of the date of initial application of IFRS 17 by two years, to annual periods beginning on or after January 1, 2023. As a consequence, the IASB also extended the fixed expiry date for the temporary exemption from applying IFRS 9 "Financial Instruments" in IFRS 4 "Insurance Contracts", so that the entities are required to apply IFRS 9 for annual periods beginning on or after January 1, 2023. The amendments do not affect the Financial Statements.

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

In August 2020, the IASB has finalized its response to the ongoing reform of IBOR and other interest benchmarks by issuing a package of amendments to IFRS Standards. The amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for a change in its hedging relationships as a result of the reform, as well as relevant information required to be disclosed. The amendments do not affect the Financial Statements.

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

In March 2021, the IASB issued amendments to the practical expedient of IFRS 16, that extend the application period by one year to cover Covid-19-related rent concessions that reduce only lease payments due on or before 30 June 2022. The amendments do not affect the Company's Financial Statements.

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

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

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

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

Amendments to IFRS 3 Business Combinations update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

-Amendments to IAS 16 Property, Plant and Equipment prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.

-Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets specify which costs a company includes when assessing whether a contract will be loss-making.

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

The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2022.

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

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. Furthermore, in June 2020, the IASB issued amendments, which do not affect the fundamental principles introduced when IFRS 17 has first been issued. The amendments are designed to reduce costs by simplifying some requirements in the Standard, make financial performance easier to explain, as well as ease transition by deferring the effective date of the Standard to 2023 and by providing additional relief to reduce the effort required when applying the Standard for the first time. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2023.

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

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

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

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

Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates” (effective for annual periods starting on or after 01/01/2023)

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

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

In May 2021, the IASB issued targeted amendments to IAS 12 to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations – transactions for which companies recognise both an asset and a liability. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

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

In December 2021, the IASB issued a narrow-scope amendment to the transition requirements in IFRS 17 to address an important issue related to temporary accounting mismatches between insurance contract liabilities and financial assets in the comparative information presented when applying IFRS 17 “Insurance Contracts” and IFRS 9 “Financial Instruments” for the first time. The amendment aims to improve the usefulness of comparative information for the users of the financial statements. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any The above have not been adopted by the European Union.

2.2.3 Change in accounting policy in respect of Attributing Benefits to Periods of Service in accordance with IAS 19 "Benefits to employees"

In May 2021, the International Financial Reporting Interpretations Committee (IFRIC) issued the final agenda decision in, under the title "Attributing Benefits to Periods of Service" (IAS 19), which includes explanatory material regarding distribution of benefits in periods of service following a specific defined benefit plan proportionate to that defined in Article 8 of Law 3198/1955 regarding provision for compensation due to retirement (the "Labor Law Defined Benefit Plan").

This decision differentiates the way in which the basic principles and regulations of IAS 19 have been applied in Greece in the previous years, and therefore, entities that prepare their financial statements in accordance with IFRS are required to amend their Accounting Policy accordingly.

Prior to the issuance of the agenda decision, the Company applied IAS 19 attributing the benefits defined under Article 8, Law 3198/1955, Law 2112/1920, and its amendment by Law 4093/2012 in the period from hiring until the employee retirement date.

The application of this final agenda decision in the accompanying consolidated financial statements has led to attributing benefits in the last 16 years until the date of employee retirement following the scale recorded in Law 4093/2012.

Based on the above, the aforementioned final decision of the Committee's agenda shall be treated as a Change in Accounting Policy, applying the change retrospectively from the beginning of the first comparative period, in accordance with paragraphs 19-22 of IAS 8.

The following tables present the effect of implementing the final agenda decision regarding every affected specific item of the financial statements. The table does not include the items non-affected by the change in accounting policy

(Amounts in €)		EP.AL.ME. S.A.	
Extract Statement of Financial Position	**31/12/2019**	**Adjustment IAS 19**	**1/1/2020**
Other Reserves	2.198.849	12.377	2.211.225
Retained Earnings	996.065	231.200	1.227.266
Liabilities for pension plans	425.878	(294.446)	131.432
Deferred Tax Receivables	226.381	(50.869)	175.512

(Amounts in €)		EP.AL.ME. S.A.	
Extract Statement of Financial Position	**31/12/2020**	**Adjustment IAS 19**	**Adjusted 31/12/2020**
Cost of Goods sold	(39.403.564)	24.503	(39.379.061)
Interest Expenses	(371.871)	3.386	(368.485)
Income tax expense	(305.378)	(26.491)	(331.869)

(Amounts in €)		EP.AL.ME. S.A.	
Extract Statement of Comprehensive Income	**31/12/2020**	**Adjustment IAS 19**	**Adjusted 31/12/2020**
Actuarial Gain Losses	(17.821)	9.229	(8.591)
Deferred tax from actuarial gain/(losses)	4.277	(2.215)	2.062

2.3 Change in foreign currency

(a) Functional and presentation currency

The financial statements items of EP.AL.ME. S.A. are measured based on the currency of the primary economic environment in which the Company operates (functional currency). The Company's financial statements are presented in Euro (€), which is the functional and presentation currency of the parent company.

(b) Transactions and account balances.

Transactions in foreign currencies are converted to the functional currency using the exchange rates (current rates) effective on the transaction date.

Gains and losses from exchange differences arising from the settlement of such transactions during the period and from the conversion of monetary items denominated in foreign currency at the exchange rates prevailing at the balance sheet date are recorded in profit or loss. Exchange differences from non-monetary items measured at their fair value are considered as part of fair value and are therefore recorded at fair value differences.

2.4 Segment reporting

A business segment is defined as a group of assets and operations that provide products and services, which are subject to different risks and returns from other business segments. To facilitate identification of the presented operating segments, Management relies on its business areas of activity, which basically represent the products and services available to the Company. According to IFRS 8 – Operating Segments, the Management monitors the operating results of business segments separately for the purpose of making decisions related to resource allocation and performance evaluation.

A geographical segment is defined as a geographical area in which products and services are provided and is subject to different risks and returns from other areas. Geographically, the Company operates only in Greece.

2.5 Recognition of income and expenses

Income: Income includes the fair value of sales of goods and provision of services, net of Value Added Tax, discounts and returns. Income is recognized as follows:

- **Sales of goods:** Income from sales of goods is recognized when the material risks and rewards of ownership of the goods have been transferred to the buyer, usually upon dispatch and delivery, and when the goods are accepted and collection of receivable is reasonably assured.
- **Services:** Income from rendering services is accounted for in the period in which the services are rendered, based on the stage of completion of the services provided compared to total services provided.
- **Interest income:** Interest income is recognized on a time proportion basis using the effective interest rate**.** When receivables are impaired, their carrying amount is reduced to their recoverable amount which is the present value of the expected future cash flows discounted at the initial effective interest rate. Interest is then calculated at the same interest rate on the impaired (new) book value.
- **Revenue from assigned right-of-use assets (hedging benefits):** Fair value of granted rights is recognized as revenue for future years and is amortized in the income statement depending on the stage of completion of the contracts for which they have been assigned as consideration.
- **Revenue from Dividends:** Dividends are accounted for as income when the right to receive payment is established.

Expenses: Operating expenses are recognized in the Income Statement when the service is used or on the date they are incurred. Expenses for guarantees are recognized and charged against the related provision when the corresponding income is recognized. Interest expenses are recognized on an accrual basis.

Borrowing Cost: Loan liabilities are initially recorded at their current value, including bank charges and commissions.

The Company Management considers that the interest rates paid in relation to the loans are equivalent to the current reasonable market interest rates and, therefore, the conditions for any adjustment of the value in which these obligations are reflected are not met.

Any difference between the proceeds (net of transaction costs) and the repayment value is recorded in the Income Statement during the term of the loan.

Expenses: Operating expenses are recognized in the Income Statement for the year over the use of service or the date generated. Expenditure for warranties is recognized and charged against the related provision when the corresponding revenue is recognized. Interest expenses are recognized on an accrual basis.

Borrowing cost: Borrowings are recognized initially at fair value, including bank charges and commissions.

The Company Management considers that the interest paid in relation to loans is equivalent to the current market interest rates and, therefore, the conditions for any adjustment of the value in which these obligations are reflected are not met.

Any difference between proceeds (net of transaction costs) and redemption value is recognized in the Income Statement over the term of the loan.

Borrowings are classified as current except when the Company has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

2.6 Intangible assets

An intangible asset is initially valued at acquisition cost. After the initial recognition, intangible assets are valued at cost less accumulated amortization and any impairment loss.

Acquired licenses regarding software are capitalized based on acquisition and installation expense. Expenses related to software maintenance are recorded in the expenses of the period when incurred.

Useful lives of intangible assets are either definite or indefinite depending on their nature. Intangible assets with definite useful life are amortized over their useful life and the amortization commences when the asset is available for use and is recognized in the category of operating expenses.

The period and amortization method are reviewed at least at every fiscal year end. If the expected useful life or the expected consumption rate of the future economic benefits integrated in the asset is changed, the amortization period or method changes respectively. Such changes are accounted for as changes in accounting estimates.

(a) Software

Software licenses are carried at acquisition cost less amortization. Amortization is conducted on a straight-line method over the useful lives, from 1 to 5 years.

(b) Research and Development expenses

Research and Development expenses are recognized as expenses when incurred. The expenses arising from developing programs (related to designing and testing new or improved products) are capitalized if it is possible to generated future economic benefit. Other development expenses are accounted for as an expense in profit or loss when they are realized. Previous years' development expenditures recognized as expenses, can not be capitalized in the future fiscal years. Capitalized development expenses are depreciated in the beginning of the product's economic life under the straight line method during the period of the product's future economic benefits.

2.7 Property, plant and equipment

Property, plant and equipment are reported in the financial statements at acquisition cost, less accumulated depreciations and any impairment of obsolete assets. The acquisition cost includes all the directly attributable expenses to acquire the assets.
Subsequent expenditure is added to the carrying amount of the tangible fixed assets or is recorded as a separate fixed asset only if it is probable that future economic benefits will flow to the Group and their cost can be accurately and reliably measured. Repair and maintenance expenses are recorded in profit or loss when they are realized.

Gain or loss on sale of land will be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset and is recorded in the Income Statement.
Depreciation is calculated under the straight-line method over the entire useful life of the assets. Useful lives of tangible assets are summarized below as follows:

Buildings	25 - 35 years
Mechanical Equipment	4 - 30 years
Vehicles	4 - 10 years
Other Equipment	4 - 7 years

Self-constructed tangible fixed assets constitute an addition to the acquisition cost of tangible assets at a value that includes the direct cost of employee's salaries (including the relevant employer's contributions), the cost of materials used and other general costs.
Residual values and useful economic life of tangible fixed assets are subject to reassessment at each balance sheet date. When the book value of tangible fixed assets exceeds their recoverable amount, the difference (impairment) is immediately accounted for as an expense in the Income Statement.
Upon sale of tangible fixed assets, any difference between the proceeds and the book value is accounted for as profit or loss in the results. Repair and maintenance expenditure is accounted for as an expense in the period they occur.

2.8 Leases

Company as Lessee: Leases are recognized in the statement of financial position as a right-of-use asset and a lease liability , the date on which the leased fixed asset becomes available for use. Every rental is divided between the lease obligation and interest, charged to the results throughout the lease, in order to obtain a fixed interest rate for the remainder of the financial liability in each period.
Right-of-use assets are initially measured at cost, and then reduced by the amount of accumulated depreciation and potential impairment. Right-of-use is depreciated in the shortest period between the useful life of the component or its duration, with the fixed method. The initial measurement of the right- of- use of assets consists of:

- The amount of the initial measurement of the lease liability,
- Lease payments made on or before the commencement date, reduced by the amount of discounts or other incentives offered,
- Initial costs, directly linked to the rent,
- Recovery costs.

Finally, right-of-use assets are adjusted to specific recalculations of the corresponding lease liability.

Lease liabilities are initially calculated at the present value of rentals, not paid at the start of the lease. They are discounted at the imputed rate of the lease or, if this interest rate cannot be determined by the contract, at a differential incremental borrowing rate (IBR) which is the cost the lessee would have to pay to borrow the necessary capital in order to obtain an item of similar value as the leased asset, in a similar economic environment and under similar terms and assumptions.

Lease liabilities include net present value of:

- Fixed leases (including any in-substance fixed leases)
- Variable leases, depending on the rate
- Residual value expected to be paid
- The price of an option to purchase the underlying asset, if the lessor is almost certain to exercise it
- Penalties for termination of a lease if the lessor chooses this option.

After their initial measurement, lease liabilities are increased by their financial cost and are reduced by the payment of rentals. Finally, they are reassessed when there is a change: a) to rents due to a change of index, b) to the estimation of the amount of residual value, which is expected to be paid, or c) to the assessment of a choice of purchase or extension, which is relatively Certain that it will be exercised or a right of termination of the contract, which is relatively certain that it will not be exercised.

Under the transition, the Company made use of the following the practical expedients provided in IFRS 16 for leases classified as operating, in accordance with IAS 17.

- Use of previously made assessments under applying IAS 17 and IFRIC 4 to determine whether a contract contains a lease, or whether a contract is a lease on the date of initial application.
- Use of accounting treatment of operating leases for leases with a maturity of under 12 months from 1 January 2019.
- Use of a single discount rate on a lease portfolio with similar characteristics.
- Excluding initial direct costs for measuring the right-of-use asset at the date of initial application.

Company as lessor: When tangible assets are leased under finance lease, the present value of rentals is recorded as a receivable. The difference between the gross amount of the receivables and the present value of the receivable is recorded as deferred financial income. Income from lease is recognized in the income statement during the lease using the net investment method, which represents a constant periodic return.

The Company does not contract as a lessor.

2.9 Financial Assets

i) Initial recognition

A financial asset or financial liability is recognized in the statement of financial position of the Company when it arises or when the Company becomes part of the contractual terms of the financial instrument.

Financial assets are classified at initial recognition and are subsequently measured at amortized cost, at fair value through other comprehensive income and fair value through profit or loss. If a financial asset is to be classified and measured at amortized cost or at fair value through comprehensive income, it shall generate cash exclusively pertaining to capital and interest repayments of the initial capital. The business model applied by the Company for the purposes of managing financial assets refers to the way in which it manages its financial capabilities in order to generate cash flows.

The business model determines whether cash flows will arise from collecting contractual cash flows, disposal of financial assets, or both. Acquisition or disposal of financial assets that require delivery of assets within a timeframe specified by a regulation or a contract is recognized as at the transaction date, i.e. as at the date when the Company makes a commitment to acquire or to dispose of the asset.

ii) Classification and subsequent measurement

To facilitate subsequent measurement purposes, financial assets are classified into the following categories:

a) Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated at initial recognition at fair value through profit or loss, or financial assets required to be measured at fair value.

Financial assets are classified as held for trading if they are acquired for sale or repurchase in the near future.

Derivatives including integrated derivatives are also classified as held for trading, unless they are defined as hedging instruments.

Financial assets with cash flows referring not only to capital and interest payments are classified and measured at fair value through profit or loss, irrespective of the business model.

b) Financial assets at amortized cost

The Company measures financial assets at amortized cost if both of the following conditions are met: (1) the financial asset is held in order maintain financial assets for the purposes of collecting contractual cash flows; and (2) the contractual terms of the financial asset generating cash flows at specified dates only pertain to capital and interest payments on the balance of the initial capital. Financial assets at amortized cost are subsequently measured under EIR method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

c) Financial assets at fair value through total comprehensive income

Upon initial recognition, the Company may decide to classify its investment participations as equity instruments designated at fair value through total comprehensive income when they meet the definition of equity and are not held for trading. Classification is determined per financial instrument. Profits and losses from these financial assets are never recycled to profits or losses. Equity instruments designated at fair value through total comprehensive income are not subject to impairment test.

iii) Derecognition

A financial asset is derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has undertaken the commitment to fully pay the cash flows received without significant delay to a third party under an arrangement and has either (a) transferred substantially all the risks and the assets of the asset or (b) has neither transferred nor held substantially all the risks and estimates of the asset but has transferred the control of the asset.

iv) Impairment

The Company recognizes provision for impairment for expected credit losses regarding all financial assets not measured at fair value through profit or loss. Expected credit losses are based on the balance between all the payable contractual cash flows and all discounted cash flows that the Company expects to receive.

Regarding trade receivables, the Company applies simplified approach in order to calculate expected credit losses. Therefore, at every reporting date, provision for losses regarding a financial instrument is measured at an amount equal to the expected credit losses over its lifetime.

2.10 Inventory

Inventories include products, raw materials, materials and purchased goods. Cost includes all the costs incurred in bringing the inventories to their present location and condition, which are directly attributable to the production process, as well as a part of general expenses associated with the production, which is absorbed in the normal capacity of the production facilities. The financial cost is not taken into account .

At the balance sheet date, inventories are recorded at the lowest amount between the acquisition cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business operations less estimated cost which is necessary to make the sale. Cost is determined using the weighted average cost method.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and cash available and short term highly liquid investments such as money market securities and bank deposits with original maturities of three months or less. The market values of financial assets are stated at fair value through profit or loss.

2.12 Share capital

Share capital is determined using the nominal value of the shares issued. Ordinary shares are classified as equity.

Expenses incurred for the issuance of shares are presented decreased, after deducting the relevant income tax. Expenses related to the issuance of shares for the purchase of companies are included in the acquisition cost of the company acquired. At the acquisition of equity shares, the consideration paid, including the relevant costs, is presented deducted from equity separately in “Equity shares reserves” item

2.13 Income tax & deferred tax

The income tax burden for the period consists of current tax and deferred tax, that is, tax or tax reliefs related to the economic benefits arising in the period but have already been charged or charged by tax authorities in different periods. Income tax is recognized in profit or loss for the period, except tax related to transactions recorded directly in equity, in this case is recorded directly in equity.

Current income taxes include short -term liabilities and / or receivables to monetary authorities related to payable taxes and any additional income taxes relating to previous years.

Current taxes are measured in accordance with the tax rates and tax laws effective in the related administrative periods , based on the taxable profit for the year. All changes in short -term assets or liabilities are recognized as part of the tax expenses in the Income Statement.

Deferred income tax is determined under the liability method deriving from the temporary differences between the book value and tax base of assets and liabilities. There is no deferred income tax if it derives from the initial recognition of an asset or liability at a transaction, other than at a business combination, and the recognition did not affect either the accounting or the tax profit or loss.

Deferred tax assets and liabilities are measured in accordance with the tax rates in effect in the financial year during which an asset or a liability shall be settled, taking into account the tax rates (and tax regulations) which have been or are effectively in force until the Statement of Financial Position reporting date. In case where it is not possible to clearly determine the time needed to reverse the temporary differences, the tax rate applied is the one in force in the day after the balance sheet reporting date.

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

Most changes in the deferred tax assets and liabilities are recognized as part of the tax expenses in the Income Statement for the financial year. Only those changes in assets and liabilities which affect the temporary differences are recognized directly in the Company’s equity , such as revaluation of real estate, resulting in the relative change in deferred tax assets or liabilities to be recognized in equity

2.14 Employee benefits

2.14.1 Short-term benefits

Short-term employee benefits t (except employment termination benefits) in cash and in kind are recognized as an expense when accrued. Any unpaid amount is recognized as a liability, whereas in case the amount already paid exceeds the benefits’ amount, the entity identifies the excess as an asset (prepaid expense) only to the extent that the prepayment shall lead to a future payments’ reduction or refund.

2.14.2 Retirement benefits

Benefits following end of service include pensions and other benefits paid (life insurance and medical care) to employees after termination of employment in exchange for their service. The Company’s liabilities for retirement benefits cover both defined contribution plans and defined benefit plans. The defined contribution plan’s accrued cost is recognized as an expense in the financial year where it relates. The Company has established defined benefit plans.

Defined benefit plan

Under Laws 2112/20 and 4093/2012, the Company must pay compensation upon retirement or termination to its employees. The amount of compensation paid depends on the years of service, the level of wages and the way of leaving service (dismissal or retirement). The entitlement to participate in these plans is usually implemented through the attributing benefits in the last 16 years until the retirement date of the employees following the scale of Law 4093/2012.

The liability recognized in the Statement of financial Position for defined benefit plans is the present value of the liability for the defined benefit less the plan assets' fair value (reserve from payments to an insurance company), the changes deriving from any actuarial profit or loss and the service cost. The defined benefit commitment is calculated on an annual basis by an independent actuary through the use of the projected unit credit method. Regarding FY 2021, the selected rate follows the tendency of iBoxx AA Corporate Overall 10+ EUR indices, which is regarded as consistent with the provisions of IAS 19, i.e. is based on bonds corresponding to the currency and the estimated term relative to employee benefits as well as appropriate for long-term provisions.

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

- recognition of actuarial gains / losses in other comprehensive income and their permanent exclusion from the Income Statement,
- non-recognition of the expected returns on the plan investment in the Income Statement but recognition of the relative interest on net liability / (asset) of the benefits calculated based on the discount rate used to measure the defined benefit obligation,
- recognition of past service cost in the Income Statement at the earliest between the plan modification date or when the relative restructuring or terminal provision are recognized,
- other changes include new disclosures, such as quantitative sensitivity analysis.

2.15 Provisions

Provisions are recognized when the Company has present legal or imputed obligations as a result of past events, their settlement is possible through resources' outflow and the exact amount can be reliably estimated. The provisions are reviewed on the date of the Financial Statements and are adjusted accordingly to reflect the present value of the expense expected for the settlement of the liability. Contingent liabilities are not recognized in the financial statements but are disclosed except if the probability of an outflow, which encompasses economic benefits, is minimum. Contingent receivables are not recognized in the financial statements, but are disclosed when the inflow of financial benefits is probable.

2.16 Distribution of Dividend

Distribution of dividend to the Company's shareholders is recognized as a liability in the financial statements on the date on which the distribution is approved by the General Meeting of shareholders.

3.1 Judgments

The key judgments made by the Management of the Company (other than judgments associated with estimates presented below) and that have the most significant effect on the amounts recognized in the financial statements mainly relate to:

- **Recoverability of receivables**

Allowances for doubtful receivables are based on historical data on recoverability of receivables and take into account the expected credit risk. The method, applied by Company, facilitates calculating the expected credit losses over the life of its receivables. The methods are based on past experience, but is adapted in order to reflect projections for the future financial condition of customers and economic environment. Balancing historical data and future financial conditions with the expected credit losses requires applying significant estimates. The amount of the allowance is recognized as an expense in other operating expenses in the income statement.

- **Impairment of inventory**

Appropriate provisions are made for obsolete, non-used and slow moving inventory. Inventory is impaired at net realizable value and other losses from inventories are recorded in the income statement in the period in which they occur.

3.2 Assumptions and estimates

Specific amounts included or affecting the financial statements along with the relevant acknowledgments are estimated assuming values or conditions which cannot be known with certainty at the time the financial statements are issued. An accounting estimate is considered significant when it is important for the financial position of the company and fiscal year results and requires the management's most difficult, subjective or complex judgments, often as a result of the need to make estimates regarding the effect of matters that are uncertain. The Company constantly evaluates these estimates , based on past years and experience, through meeting experts, applying trends and other methods considered rational under the specific circumstances along with making provisions for future changes. During the preparation of the financial statements, the significant accounting estimates and judgments adopted by the management for the application of the accounting principles of the Company are consistent with those applied in the annual financial statements of December 31, 2020. Therefore, in particular for the financial statements of 12/31/2021 the following issues are noted:

- **Income tax**

EPALME S.A. is subject to income tax of domestic tax authorities. Determining provisions for income tax requires significant estimates. There are many transactions and calculations for which the exact determination of tax is uncertain in the ordinary course of business. EPALME S.A. recognizes liabilities for expected tax audit matters based on estimates of the amount of additional tax that may be due. When the final result arising from the tax of these cases differs from the amount that was initially recognized in the financial statements, the differences affect the income tax and the provisions for deferred tax of the period in which these amounts are finalized.

- **Contingent events**

The Company is involved in legal claims and damages in the ordinary course of its business. The Management believes that any settlements would not materially affect the Company's financial position as of December 31, 2021. However, determining potential liabilities related to legal claims is a complex process that involves judgments about the potential consequences and interpretations of laws and regulations. Changes in judgments or interpretations are likely to result in an increase or a decrease in the Company's contingent liabilities in the future.

4. Risk management objectives and policies

The Company's operations generate multiple financial risks including foreign exchange and interest rate risks, credit risks and liquidity risks. The Company’s risk management program aims to reduce any potential negative impact on its financial results, which may arise from the inability to forecast how the financial markets will perform and the fluctuations in cost and sales variables.

The main risk management policies are determined by the Company's management and are harmonized with the broader policy of the parent Company. The risk management policy is implemented by the Parent’s Corporate Treasury Department which acts as a service center. The Central Treasury Management service recognizes, quantifies, manages and compensates for the financial risks created by the Company's main operational activities.

4.1 Financial instruments

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

The Company's financial instruments consist mainly of bank deposits, options, bank overdrafts, short-term highly liquid financial products negotiable in the market, trade debtors and creditors, equity investments, dividends payable and lease liabilities.

Financial assets as well as financial liabilities at the date of the financial statements can be categorized as follows:

(Amounts in €)	31/12/2021	31/12/2020
Non current assets		
Other Long-term Receivables	37.281	23.450
Total	**37.281**	**23.450**
Current assets		
Trade and other receivables	13.911.813	7.114.934
Cash and cash equivalents	3.517.150	1.845.560
Total	**17.428.963**	**8.960.494**
Non-Current Liabilities		
Long-term debt	7.179.993	75.000
Lease liabilities	3.579	46.308
Total	**7.183.572**	**121.308**
Current Liabilities		
Short-term debt	10.177.445	8.177.539
Current portion of non-current debt	1.882.501	1.273.430
Current portion of non-current liabilities	30.676	34.255
Trade and other payables	7.744.835	3.964.566
Total	**19.835.457**	**13.449.790**

4.2 Market Risk

(i) Currency risk

The Company operates internationally and is therefore exposed to currency risk arising primarily from the US dollar. This type of risk arises mainly from commercial transactions in foreign currency and and is transferred to the selling price of the Company's products it order to be addressed.

(ii) Price risk

Goods prices, which are mainly determined by international markets and global demand and supply, result in the Company's exposure to the relevant prices fluctuation risk. The Company covers the risk integrating the change in cost into the final product price, as it is depended on both - its acquisitions and sales on stock market prices/indicators (LME) for the price of aluminum included in its products and develops its pricing policy based on the acquisition price of the aluminum as well as the "premium" added. The Company's Management monitors on a daily basis the fluctuations in aluminum prices, as they are formed in the international market, in order to properly plan acquisitions at the best prices.

The Company addresses the risk of fluctuating metal raw material prices only to a portion of its core inventory where any price decrease may adversely affect its results through inventory devaluation.

(iii) Interest rate risk

The Company's assets that are exposed to interest rate fluctuation mainly concern cash and cash equivalents. The Group's policy regarding the financial assets is to invest its cash at floating interest rates so as to maintain the necessary liquidity while simultaneously achieving satisfactory return for its shareholders. In addition, in respect of the total bank borrowing, the Group uses floating interest rate instruments (Euribor). The Company's policy is to minimize its exposure to interest rate cash flow risk with respect to long-term financing.

4.3 Credit risk

The Company has no significant concentration of credit risk in any of its contractual parties. Credit risk arises from cash and cash equivalents, bank deposits and financial institutions, as well as exposures to credit risk from customers.

Regarding trade and other receivables, the Company applies credit control procedures aiming at minimizing bad debts and maintaining high liquidity. The Company's policy is to cooperate with reliable customers and to set credit limits to every customer. Such limits , which are reviewed according to the current conditions and, if required, the terms of sales and collections are adjusted. Credit limits of some customers are determined based on the insurance limits obtained from the insurance companies, while for some customers insurance of specific limits of receivables is performed. “High risk” sales to customers are required to be collected in advance, while depending on the customer's creditworthiness, the Company, in order to secure its receivables, requests, where possible, encumbrances or other collateral, such as letters of guarantee, customer’s stocks pledge etc.

To minimize the credit risk in cash and cash equivalents, as well as in other short-term financial instruments, the Company sets limits on on the extent to which it will be exposed to every separate financial institution cooperating only with recognized financial institutions of high credit rating.

The maturity of the Company’s trade receivables as of December 31, 2021 and 2020 is analyzed as follows:

	Past due but not impaired				Non past due but	Total
(Amounts in €)	0-3 months	3-6 months	6-12 months	> 1 year	not impaired	
2021	13.749.264	162.549	-	-	-	**13.911.813**
2020	7.114.934	-	-	-	-	**7.114.934**

4.4 Liquidity risk

Liquidity risk is linked to the need for adequate financing of the Company's operations and development. The relevant liquidity needs are managed on a daily basis through careful monitoring of the payments made.

The Company ensures sufficient available credit facilities in order to be able to cover short-term business needs, after calculating the cash inflows arising from its operation, as well as the cash and cash equivalents available.

The maturity of the Company’s financial obligations as of December 31, 2021 and 2020 is analyzed as follows:

Liquidity Risk Analysis - Liabilities 31/12/2021 (Amounts in €)	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	-	-	7.179.993	-	7.179.993
Short Term Loans	10.177.445	-	-	-	10.177.445
Trade and other payables	7.744.835	-	-	-	7.744.835
Other payables	731.690	-	-	-	731.690
Current portion of non - current liabilities	930.000	952.501	-	-	1.882.501
Total	**19.583.969**	**952.501**	**7.179.993**	**-**	**27.716.463**

Liquidity Risk Analysis - Liabilities 31/12/2020 (Amounts in €)	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	-	-	75.000	-	75.000
Short Term Loans	8.177.539	-	-	-	8.177.539
Trade and other payables	3.808.234	137.095	19.238	-	3.964.566
Other payables	422.215	-	-	-	422.215
Current portion of non - current liabilities	243.430	1.030.000	-	-	1.273.430
Total	**12.651.417**	**1.167.095**	**94.238**	**-**	**13.912.750**

5.1 Financial information per segment

EPALME S.A. recognizes one business segment (aluminum scrap) as its operating segment. The above operating sector is the one used by the Company's management for internal purposes and the management's strategic decisions are made based on the operating results of this segment, which are used to measure its performance.

Information per geographical area

The Company's sales and non-current assets (excluding financial instruments, investments, deferred tax assets, post-employment benefit plans) are classified by geographical area as follows:

	Sales		Non current assets	
(Amounts in €)	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Hellas	67.528.863	41.579.199	11.238.670	9.375.278
European Union	-	776.932	-	-
Elimination	110.051	-	-	-
Regional Analysis	**67.638.914**	**42.356.131**	**11.238.670**	**9.375.278**

The total amounts presented in the Company's operating segments reconcile with the main financial assets presented in the Financial Statements as follows:

(Amounts in €)	01/01-31/12/2021	01/01-31/12/2020
Sales of Goods	4.465.950	-
Product sales	59.968.323	38.698.226
Sales of Other Inventories	257.341	214.748
Revenue from services	2.947.300	3.443.158
Total	**67.638.914**	**42.356.131**

5.2 Property, plant and equipment

Property, plant and equipment presented in the Financial Statements are analyzed as follows:

(Amounts in €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Gross Book Value	6.874.870	11.816.506	250.228	345.951	19.287.555
Accumulated depreciation and/or impairment	(3.107.309)	(10.360.601)	(231.915)	-	(13.699.825)
Net Book Value as at 1/1/2020	**3.767.561**	**1.455.905**	**18.313**	**345.951**	**5.587.730**
Gross Book Value	6.906.986	12.018.921	254.655	4.222.714	23.403.276
Accumulated depreciation and/or impairment	(3.175.969)	(10.625.970)	(240.252)	-	(14.042.191)
Net Book Value as at 31/12/2020	**3.731.017**	**1.392.951**	**14.403**	**4.222.714**	**9.361.085**
Gross Book Value	6.950.570	12.539.724	2.080.406	4.222.714	25.793.415
Accumulated depreciation and/or impairment	(3.251.357)	(11.060.753)	(245.749)	-	(14.557.858)
Net Book Value as at 31/12/2021	**3.699.214**	**1.478.972**	**1.834.657**	**4.222.714**	**11.235.557**

(Amounts in €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Net Book Value as at 1/1/2020	**3.767.561**	**1.455.905**	**18.313**	**345.951**	**5.587.730**
Additions	32.116	202.415	4.427	3.876.763	4.115.721
Depreciation	(68.660)	(265.369)	(8.337)	-	(342.366)
Net Book Value as at 31/12/2020	**3.731.016**	**1.392.951**	**14.403**	**4.222.714**	**9.361.085**
Additions	43.585	520.803	1.825.751	-	2.390.139
Depreciation	(75.388)	(434.783)	(5.496)	-	(515.667)
Net Book Value as at 31/12/2020	**3.699.213**	**1.478.972**	**1.834.657**	**4.222.714**	**11.235.557**

Mortgages and liens

There are no mortgages and liens, or any other encumbrances, on the fixed assets against borrowing, except mechanical equipment amounting to 629 thousand euro, concerning the Company's photovoltaic park, which is pledged to secure the bank loan related to financing its construction.

5.3 Intangible assets

The analysis of the book value of the Company's intangible assets is summarized in the following tables:

(Amounts in €)	Other intangible assets	Total
Gross Book Value	255.194	255.194
Accumulated depreciation and/or impairment	(238.428)	(238.428)
Net Book Value as at 1/1/2020	**16.766**	**16.766**
Gross Book Value	261.177	261.177
Accumulated depreciation and/or impairment	(246.984)	(246.984)
Net Book Value as at 31/12/2020	**14.193**	**14.193**
Gross Book Value	261.177	261.177
Accumulated depreciation and/or impairment	(258.063)	(258.063)
Net Book Value as at 31/12/2020	**3.114**	**3.114**

(Amounts in €)	Other intangible assets	Total
Net Book Value as at 1/1/2020	**16.766**	**16.766**
Additions	5.983	5.983
Depreciation	(8.556)	(8.556)
Net Book Value as at 31/12/2020	**14.193**	**14.193**
Depreciation	(11.079)	(11.079)
Net Book Value as at 31/12/2020	**3.114**	**3.114**

5.4 Other investments

(Amounts in €)	31/12/2021	31/12/2020
Total Opening	**5.100**	**2.600**
Additions	-	2.500
Total	**5.100**	**5.100**

In 2020, additions concern the Company's participation in the Business Park Management Company ("EDEP SA") currently under establishment. EDEP SA will be established exclusively with the participation of companies established in the Oinofita Informal Industrial Concentration, as owners or lessees of land.

5.5 Deferred Tax Assets and Liabilities

Deferred income tax is calculated on temporary differences, using the tax rates effective in the Company's domiciled country. The amounts presented in the balance sheet are estimated to be recovered or settled after December 31, 2021. The changes in the Company's deferred tax assets and liabilities before their offsetting are as follows:

	1/1/2020			31/12/2020		
(Amounts in €)	Opening Balance	Recognised In Profit Or Loss	Recognised In Other Comprehensive Income	Closing Balance	Deferred Tax Asset	Deferred Tax Liability
Non - Current Assets						
Intangible Assets	(4.541)	7.216	-	2.675	2.675	-
Tangible Assets	(532.089)	11.940	-	(520.149)	-	(520.149)
Right-of-use Assets	(1.969)	20.501	-	18.532	18.532	-
Current Assets						
Receivables	143.968	6.859	-	150.828	150.828	-
Short-Term Liabilities						
Provisions	-	(1.638)	-	(1.638)	-	(1.638)
Employee Benefits	31.544	3.356	2.062	36.961	36.961	-
Liabilities From Derivatives	-	-	9.211	9.211	9.211	
Total	**(363.086)**	**48.233**	**11.273**	**(303.580)**	**218.207**	**(521.788)**
Deferred Tax (Liability)/Receivables	**(363.086)**	**48.233**	**11.273**	**(303.580)**	**218.207**	**(521.788)**

	1/1/2021			31/12/2021		
(Amounts in €)	Opening Balance	Recognised In Profit Or Loss	Recognised In Other Comprehensive Income	Closing Balance	Deferred Tax Asset	Deferred Tax Liability
Non - Current Assets						
Intangible Assets	2.675	1.249	-	3.924	3.924	-
Tangible Assets	(520.149)	30.321	-	(489.828)	-	(489.828)
Right-of-use Assets	18.532	(10.470)	-	8.062	8.062	-
Current Assets						
Receivables	150.828	(16.472)	-	134.356	134.356	-
Long-term Liabilities						
Long-Term Loans	-	3.630		3.630	3.630	
Short-Term Liabilities						
Provisions	(1.638)	1.638	-	-	-	-
Employee Benefits	36.961	(1.748)	(560)	34.653	34.653	-
Liabilities From Derivatives	9.211	-	(31.143)	(21.932)		(21.932)
Total	**(303.580)**	**8.148**	**(31.703)**	**(327.135)**	**184.625**	**(511.760)**
Deferred Tax (Liability)/Receivables	**(303.580)**	**8.148**	**(31.703)**	**(327.135)**	**184.625**	**(511.760)**

5.6 Other long-term receivables

The Company’s other long-term receivables are analyzed in the table below:

(Amounts in €)	31/12/2021	31/12/2020
Given Guarantees	37.021	23.295
Other long term receivables	260	155
Other Long-term Receivables	**37.281**	**23.450**

5.7 Right-of-use assets and lease liabilities

Leases are recognized in the Statement of Financial Position as a right-of-use assets and a lease liability on the date the leased asset becomes available for use.

Recognized right-of-use assets relates to the following categories of fixed assets and is presented in the item "Right-of-use assets":

(Amounts in €)	31/12/2021	31/12/2020
Right of use machinery	30.630	69.478
Right of use vechicles	2.680	8.881
Other Long-term Receivables	**33.311**	**78.359**

The Company presents lease liabilities in the items "Long-term Lease Liabilities" and "Long-term Lease Liabilities carried forward" in the Statement of Financial Position.

On 12/31/2021 the Company recognized € 33,311 right-of-use assets and € 34,255 lease liabilities. For the period ended on 31/12/2021 the Company recognized € 45,049 depreciation and € 2,455 financial expenses.

Below is the analysis of the lease liabilities for the following years as well as the recognized right-of-use assets per fixed asset category:

(Amounts in €)	to 1 year	1 to 5 years
Additions	30.013	3.556
Depreciation	663	22
Balance as at 31/12/2021	**30.676**	**3.579**

(Amounts in €)	Right of use vechicles	Right of use machinery	Total
Balance as at 31/12/2020	**69.478**	**8.881**	**78.359**
Depreciation	(38.848)	(6.201)	(45.049)
Balance as at 31/12/2021	**30.630**	**2.680**	**33.311**

5.8 Inventory

The Company's inventory is analyzed as follows:

(Amounts in €)	31/12/2021	31/12/2020
Raw materials	4.362.736	3.298.486
Semi-finished products	92.720	92.720
Finished products	209.482	199.642
Others	43.153	14.682
Total Stock	**9.285.024**	**3.605.529**

To facilitate determination of net realizable value of inventories, the Management takes into account the most reliable data available on the valuation date. The main part of the business activity is not subject to continuous technological changes which may lead to obsolescence of its inventory. Future recovery of inventory's book value is not affected by product prices of other sectors. The two aforementioned events shall not constitute factors that may significantly affect the value of the Company's inventory in the next fiscal year.

5.9 Trade and Other Receivables

Trade and other receivables are analyzed as follows:

(Amounts in €)	31/12/2021	31/12/2020
Customers	14.494.168	8.060.591
Checks receivable	1.511.069	1.147.766
Less: Impairment Provisions	(2.093.423)	(2.093.423)
Total	**13.911.813**	**7.114.934**

The total aforementioned receivables are considered short-term. Fair value of these short-term financial assets is not independently determined, as the book value is considered to approximate their fair value. For all the Company's receivables, an assessment of indications for possible impairment has been carried out. The Company has overdue receivables for which it has formed a corresponding provision in case they become uncollectible.

5.10 Other Receivables

The Company's other receivables are analyzed as follows:

(Amounts in €)	31/12/2021	31/12/2020
Other Debtors	1.052.876	696.834
Receivables from the Greek State	334.765	868.790
Accrued income - Prepaid expenses	6.768	32.332
Less: Provision for Bad Debts	(7.786)	(7.786)
Total	**1.386.622**	**1.590.170**

5.11 Cash and cash equivalents

Cash and cash equivalents include the following:

(Amounts in €)	31/12/2021	31/12/2020
Cash	575	602
Bank deposits	3.516.574	1.844.958
Total	**3.517.150**	**1.845.560**

5.12 Equity

5.12.1 Share Capital

On December 31, 2021, the Company's share capital is divided into 142,100 nominal voting shares of nominal value 29.35 euro each amounting to 4,170,635 euro and share premium amounting to 8,268 euro.

5.12.2 Other reserves

The change in other reserves is analyzed as follows:

(Amounts in €)	Regular Reserve	Special & Extraordinary Reserves	Tax-free and Specially taxed Reserves	Revaluation reserves	Actuarial Gain/Losses Reserve	Total
Opening Balance 1st January 2020, according to IFRS -as published	**169.957**	**372.874**	**287.243**	**1.386.678**	**(17.902)**	**2.198.849**
Adjustment due to change in accounting policy IAS 19					12.377	
Adjusted Opening Balance 1st January 2020, according to IAS 19	**169.957**	**372.874**	**287.243**	**1.386.678**	**(5.525)**	**2.211.225**
Transfer To Reserves	91.925	-	-	-	-	91.925
Deferred Tax From Actuarial Gain / (Losses)	-	-	-	-	(8.591)	(8.591)
Actuarial Gain / (Losses)	-	-	-	-	2.062	2.062
Revaluation Of Tangible Assets	-	-	-	(33.997)	-	(33.997)
Closing Balance 31/12/2020	**261.881**	**372.874**	**287.243**	**1.352.681**	**(12.054)**	**2.262.623**
Opening Balance 1st January 2021, according to IFRS -as published	**261.881**	**372.874**	**287.243**	**1.352.681**	**(12.054)**	**2.262.623**
Transfer To Reserves	54.515	-	-	-	-	54.515
Deferred Tax From Actuarial Gain / (Losses)	-	-	-	-	(560)	(560)
Actuarial Gain / (Losses)	-	-	-	-	2.545	2.545
Revaluation Of Tangible Assets	-	-	-	(33.997)	-	(33.997)
Closing Balance 31/12/2021	**316.397**	**372.874**	**287.243**	**1.318.683**	**(10.069)**	**2.285.127**

Statutory reserves: According to the Greek commercial legislation, companies are required, from the profits of the year, to form 5% as statutory reserve until it reaches one third of their paid-up share capital. During the Company's term distribution of statutory reserve is prohibited.

Special and extraordinary reserves: They pertain to non-distributed profits which are tax exempted under special provisions of development laws (provided that there are sufficient profits to form). These reserves mainly concern investments and are not distributed.

Tax-exempted and specially taxed reserves: Tax-exempted reserves and specially taxed reserves pertain to income from interest and sales of shares of listed and unlisted companies which are tax-exempted or tax has been withheld at source. In addition to any prepaid tax, these reserves are subject to taxation in the event of their distribution.

Real estate value adjustment reserves: They refer to the positive difference formed between the book value and the fair value of real estate. The reserve was generated in 2019 from valuation of the Company's real estate fair value located in Dambasi region in Oinophyta, Viotia prefecture, using IFRS 1 and IAS 16 par. 31, according to which the Company recognized as an imputed cost the fair value of the real estate according to an independent appraiser's report with transition date 31/05/2019.

5.13 Employees' end-of-service Benefits

The amount of liabilities on the balance sheet relating to employees' compensation is analyzed as follows:

(Amounts in €)	31/12/2021	31/12/2020
Current employment cost	157.513	154.005
Closing Balance	**157.513**	**154.005**

The current cost part of these obligations represents the obligations of EPALME S.A. to current and former employees which are expected to be settled during 2021. These obligations mainly arise from accrued holiday entitlements and pension payments at the balance sheet date. Since none of the employees are entitled to early settlement of pension arrangements, the remaining amount of pension liabilities is considered long-term.

The amounts recognized in the Income Statement and other comprehensive income are as follows:

	Defined Contributions Plans	
(Amounts in €)	31/12/2021	31/12/2020
Current employment cost	17.583	15.339
Past employment cost	(1.845)	-
Settlement Cost	17.322	4.464
Financial cost	924	1.511
Amount to Income Statement	**33.985**	**21.314**
Actuarial (Gain)/Losses immediate recognise in profit and loss statement	(2.545)	8.591
Amount through Other Comprehensive Income	**(2.545)**	**8.591**

Changes in the present value of the liability for the defined benefit plans are as follows:

	Defined Contributions Plans	
(Amounts in €)	31/12/2021	31/12/2020
Total Opening	**154.005**	**131.432**
Current Employment Cost	17.583	15.339
Financial Cost	924	1.511
Actuarialy (Profits)/ Losses	(2.545)	8.591
Past employment cost	(1.845)	-
Settlement Cost	17.322	4.464
Contributions Paid	(27.931)	(7.333)
Closing Balance	**157.513**	**154.005**

To determine the retirement liability, the following actuarial assumptions were used:

Actuarial Assumptions	31/12/2021	31/12/2020
Discount Rate	0,60%	0,60%
Future Salary increases	2,00%	2,00%
Inflation	1,80%	1,50%

The results of the sensitivity analysis performed for the liability for personnel compensation are as follows:

Sensitivity Analysis	31/12/2021	31/12/2020
Increase in the discount rate by 0,5%	153.316	-
Discount rate reduction by 0,5%	161.900	-
Expected wage growth up 0,5%	161.708	-
Expected wage growth cut 0,5%	153.458	-

5.14 Suppliers and Other Liabilities

Total liabilities are considered short-term. Fair values of trade and other liabilities are not presented separately as, due to their short-term duration, Management considers that the book values, recognized in the balance sheet, are a reasonable approximation of the fair values. The analysis of trade and other payables is presented in the following table:

(Amounts in €)	31/12/2021	31/12/2020
Suppliers	7.744.835	3.964.566
Total	**7.744.835**	**3.964.566**

5.15 Current Tax Obligations

The Company's current tax obligations are analyzed as follows:

(Amounts in €)	31/12/2021	31/12/2020
Tax liabilities	404.855	551.455
Total	**404.855**	**551.455**

5.16 Loan Liabilities

(Amounts in €)	31/12/2021	31/12/2020
Bank Bonds	7.179.993	75.000
Total	**7.179.993**	**75.000**
(Amounts in €)	**31/12/2021**	**31/12/2020**
Short Term Loans	10.177.445	8.177.539
Current portion of lease liabilities	1.882.501	1.273.430
Total	**12.059.946**	**9.450.969**
(Amounts in €)	**31/12/2021**	**31/12/2020**
Long-term debt	7.179.993	75.000
Lease liabilities	3.579	46.308
Short-term debt	10.177.445	8.177.539
Current portion of non-current debt	30.676	34.255
Current portion of lease liabilities	1.882.501	1.273.430
Total	**19.274.194**	**9.606.531**

Long-term loan liabilities include a long-term loan received by the Company, amounting to 600 thousand euro, in order to cover the bank loan at a percentage up to 70% of the total investment cost for the construction of a 500 KW Photovoltaic Station on a plot of land owned by the Company in Oinophyta Viotia. As collateral for the loan, the Company has pledged the mechanical equipment financed by the bank and created a pledge in favor of the bank of the rights arising from the contract for the sale and purchase of electricity between the Company and DAPEEP (formerly LAGIE).

5.16.1 Changes in loan liabilities

(Amounts in €)	31/12/2021 Short term Loan Liabilities	31/12/2021 Long term Loan Liabilities	31/12/2021 Total	31/12/2020 Short term Loan Liabilities	31/12/2020 Long term Loan Liabilities	31/12/2020 Total
Opening Balance	**9.450.969**	**75.000**	**9.525.969**	**9.408.769**	**1.322.500**	**10.731.269**
Repayments	(15.006.954)	(58.570)	(15.065.525)	(9.743.707)	(2.402.015)	(12.145.723)
Proceeds	15.555.561	9.000.000	24.555.561	10.981.462	-	10.981.462
Other	177.869	46.065	223.934	25.922	(66.962)	(41.040)
Reclassification	1.882.501	(1.882.501)	-	(1.221.477)	1.221.477	-
Closing Balance	**12.059.946**	**7.179.993**	**19.239.939**	**9.450.969**	**75.000**	**9.525.969**

5.17 Derivatives

	31/12/2021		31/12/2020	
(Amounts in €)	Asset	Liability	Asset	Liability
Derivatives	99.690	-	-	38.381
Total	**99.690**	**-**	**-**	**38.381**

Fair values of derivatives are based on observable market data. For all swap agreements, realized values are confirmed by the credit institutions with which the Company has signed the relevant agreements.

The Company manages its exposure to foreign exchange risk making use of forward contracts and currency options by "locking in" exchange rates that ensure liquidity and profit margins. Subsequently, the Company manages its exposure to price risk using forward contracts, through which it hedges the change in fair value of the goods.

5.18 Other Short-term Liabilities

Other short-term liabilities are analyzed as follows:

(Amounts in €)	31/12/2021	31/12/2020
Accrued expense	490.795	123.217
Social security insurance	134.373	107.252
Others Liabilities	106.521	191.746
Total	**731.690**	**422.215**

5.19 Cost of sales

The analysis of the Company’s expenses per category is analyzed as follows:

(Amounts in €)	01/01-31/12/2021	01/01-31/12/2020
Other employee benefits	2.495.186	1.999.313
Cost of materials & inventories	55.408.722	34.113.748
Third party expenses	911.343	49.307
Third party benefits	3.369.955	1.428.633
Assets repair and maintenance cost	684.012	469.793
Operating leases rent	19.080	5.573
Taxes & Duties	58.149	33
Other expenses	1.244.160	907.790
Depreciation - Tangible Assets	522.357	334.029
Depreciation - Right-of-use Assets	45.049	70.843
Total	**64.762.401**	**39.379.061**

In 2021, the Management re-assessed the way the Company's expenses are attributed to operations (cost of sales, administrative expenses, and distribution expenses) in order to more appropriately reflect the allocation of expenses to each operation based on its activities. As a result of the above process, and starting in fiscal year 2021, expenses will be allocated to cost of sales.

5.20 Other operating Income and Expenses

(Amounts in €)	01/01-31/12/2021	01/01-31/12/2020
Other operating income		
Profit from foreign exchange differences	39.949	26.348
Operating income from services	37.548	28.166
Other	18.215	12.053
Total	**95.962**	**66.567**
Other operating expenses		
Losses from foreign exchange differences	6.808	56.278
Other taxes	123.843	97.491
Compensations	59.918	50.970
Total	**190.570**	**204.739**

5.21 Administrative / Distribution Expenses

(Amounts in €)	01/01-31/12/2021	01/01-31/12/2020
Distribution expenses		
Other employee benefits	-	11.489
Third party benefits	-	16.424
Other expenses	-	37.472
Total	**-**	**65.386**

(Amounts in €)	01/01-31/12/2021	01/01-31/12/2020
Administrative expenses		
Other employee benefits	-	321.704
Third party expenses	-	562.491
Third party benefits	-	70.173
Operating leases rent	-	5.572
Taxes & Duties	-	35.642
Other expenses	-	45.553
Depreciation - Tangible Assets	-	12.942
Depreciation - Intangible Assets	-	3.952
Total	**-**	**1.058.029**

In 2021, the Management re-assessed the way the Company's expenses are attributed to operations (cost of sales, administrative expenses, and distribution expenses) in order to more appropriately reflect the allocation of expenses to each operation based on its activities. As a result of the above process, and starting in fiscal year 2021, expenses will be allocated to cost of sales.

5.22 Financial Income and Expenses

Financial expenses include all income and expenses related to interest, except interest arising from financial assets at fair value through profit or loss. The following amounts have been included in the Income Statement and are analyzed as follows:

(Amounts in €)	01/01-31/12/2021	01/01-31/12/2020
Financial income		
Bank deposits	1.135	822
Total	**1.135**	**822**
Financial expenses		
Discounts of Employees' benefits liability due to service termination	924	1.511
Bank Loans	393.621	336.753
Letter of Credit commissions	632	592
Financial Leases	2.455	4.599
Other Banking Expenses	58.926	25.029
Total	**456.559**	**368.485**

5.23 Income Tax

The balance between the expected tax expense, based on the Company's effective tax rate and the tax expense recognized in the Income Statement, is as follows:

(Amounts in €)	01/01-31/12/2021	01/01-31/12/2020
Income Tax	166.749	380.102
Deferred taxation	(8.148)	(48.233)
Total	**158.601**	**331.869**
Earnings before tax	**2.326.481**	**1.347.822**
Nominal Tax rate	22%	24%
Tax calculated at the statutory tax rate	511.826	323.477
Non tax deductible expenses	61.850	(20.400)
Non recognition of deferred tax assets on tax loss carryforwards	(25.298)	
Other	(389.776)	28.792
Effective Tax Charge	**158.601**	**331.869**

As at 31/12/2021, tax rate for societe anonyme companies in Greece stood at 22%, following the amendment of the tax rate for profits from business activity of legal entities according to Law 4646/2019. For the comparative period the tax rate for the Company stood at 24%.

5.24 Cash flows from operating activities

(Amounts in €)	01/01-31/12/2021	01/01-31/12/2020
Cash flows from operating activities		
Profit for the period	**2.167.880**	**1.015.953**
Adjustments for:		
Tax	158.601	331.869
Depreciation of property,plant and equipment	515.667	346.970
Depreciation of intangible assets	11.079	3.952
Depreciation Right-of-use Assets	45.049	70.843
Interest income	(1.135)	(822)
Interest expenses	456.559	368.485
	1.185.820	**1.121.296**
Changes in Working Capital		
(Increase)/Decrease in stocks	(5.691.774)	301.277
(Increase)/Decrease in trade receivables	(6.607.162)	3.980.440
Increase / (Decrease) in liabilities	4.534.309	987.941
Pension plans	(27.931)	59.691
	(7.792.559)	**5.329.349**
Cash flows from operating activities	**(4.438.859)**	**7.466.598**

5.25 Fair value measurement

The Company adopted IFRS 13 "Fair Value Measurement". Financial assets and liabilities presented in the Statement of Financial Position are measured at fair value and are classified according to a three-level fair value hierarchy. These three levels depend on how its significant measurement parameters are defined. As a result, these three levels are as follows:

- Level 1: Quoted prices in an active market
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability,
- Level 3: Unobservable inputs for the asset or liability.

The following table presents three Levels of the Company's financial assets and liabilities classification measured at fair value as at 12/31/2021 and 12/31/2020:

(Amounts in €)	31/12/2021	Level 1	Level 2	Level 3
Stock Shares	5.360	260	5.100	-
Financial Assets	**5.360**	**260**	**5.100**	**-**
Commodity Futures	80.826	-	80.826	-
Foreign Exchange Contracts For Cash Flow Hedging (Forward)	18.864	-	18.864	-
Financial Liabilities	**99.690**	**-**	**99.690**	**-**

(Amounts in €)	31/12/2020	Level 1	Level 2	Level 3
Stock Shares	5.255	155	5.100	-
Financial Assets	**5.255**	**155**	**5.100**	**-**
Commodity Futures	29.833	-	29.833	-
Foreign Exchange Contracts For Cash Flow Hedging (Forward)	8.548	-	8.548	-
Financial Liabilities	**38.381**	**-**	**38.381**	**-**

5.26 Related Parties Transactions

Materials, inventory and services arise from a number of the Company's partners in the course of its operations.. These transactions include companies associated and companies in which the members of the Board of Directors of EPALME S.A. participate. Transactions with these companies are conducted on a purely commercial basis, and no business transactions are conducted. EPALME S.A. has not participated in any transaction of unusual nature or content that is material to its Group, or the companies and individuals closely related to it, and does not intend to participate in such transactions in the future.

The following tables present intercompany sales and other intercompany transactions of the Company and members of the management, during the current fiscal year, as well as intercompany balances of receivables and liabilities as of 12/31/2021:

Transactions with members of the Management:

(Amounts in €)	31/12/2021	31/12/2020
Short term employee benefits		
- Wages and Salaries and BOD Fees	738.817	499.790
- Insurance service cost	22.454	38.023
	761.272	**537.813**

Transactions with other related parties:

(Amounts in €)	31/12/2021	31/12/2020
Stock Sales		
Parent	68.076	-
Other Related parties	110.051	-
Total	**178.127**	**-**
Stock Purchases		
Parent	2.430.192	396.167
Other Related parties	140.319	-
Total	**2.570.511**	**396.167**
Services Sales		
Other Related parties	30.445	-
Total	**30.445**	**-**
Services Purchases		
Parent	3.029.119	432.825
Other Related parties	40.310	844.056
Total	**3.069.429**	**1.276.881**
Balance from sales of stock/services receivable		
Other Related parties	241.775	-
Total	**241.775**	**-**
Balance from sales/purchases of stock/services payable		
Parent	3.521.125	163.403
Other Related parties	545.600	86.249
Total	**4.066.726**	**249.652**

5.27 Number of Headcount

The number of the Company's headcount is as follows:

	31/12/2021	31/12/2020
Employees	37	44
Workers	35	27
Total	**72**	**71**

5.28 Contingent Assets and Contingent Liabilities

There are no contingent third-party claims against the Company for which provision has not been made. According to IAS 37.14: " A provision shall be recognised when: a) an entity has a present obligation (legal or constructive) as a result of a past event; b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and c) a reliable estimate can be made of the amount of the obligation. If these conditions are not met, no provision shall be recognised."

No provision has been recognized for these third-party claims, as according to the relevant opinions of the Company's legal advisors and the assessment of the Company's Management: a) the existence of an obligation has not yet been finalized and b) it is not likely that there will be outflow of financial resources.

In addition, there are claims of the Company against third parties which amount to a total of € 599 thousand, for which a contingency provision of the same amount has been formed.

5.29 Non-inspected tax years from the authorities

For the years 2011 to 2020, the Company, meeting the relevant criteria for being subject to the tax audit by Chartered Accountants, in accordance with par. 5 of Article 82 of Law 2238/1994 and Article 65A par. 1 of Law 4174/2013, received unqualified conclusion Tax Compliance Certificate.

Under the circular POL. 1006/2016, the companies that have been subject to this special tax audit, are not exempted from statutory audits of the competent tax authorities.

Regarding the fiscal year 2021, the tax audit of the Certified Public Accountants is in progress. The Management does not expect any significant tax liabilities to arise upon the completion of the tax audit, except those recorded and presented in the financial statements.

5.30 Liens

To secure the fixed asset loan for the Company's Photovoltaic Park, the mechanical equipment of the photovoltaic park has been pledged in favor of the National Bank of Greece up to the amount of 629 thousand euro and the rights arising from the agreement with DAPEEP (formerly LAGIE), the mechanical damage and loss of income insurance policies and the construction company's guarantee for the good operation of the station have been transferred.

5.31 Post balance sheet date events

No events occurred subsequent to the financial statements, concerning the Company, to which reference is required by the International Financial Reporting Standards (IFRS).

Z. Financial Statements Publication

The Annual Financial Statements, the Independent Auditor's Report and the Report of the Board of Directors of the Company have been published on the Company's website www.epalme.gr.

Spilios Manias | **Ioannis Boubonaris**

Chairman and Chief Executive Officer | Member of the Board of Directors

Efthimios Thanasas

Accounting Manager