INTRACOM
Holdings S.A.

Annual Financial Report
for the year 2019 (1 January - 31 December 2019)
in accordance with Law 3556/2007

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The attached annual financial statements of the Group and the Company were approved for publication by the Board of Directors on 19 June 2020 and have been posted to the website www.intracom.com.

THE CHAIRMAN OF THE BOARD	1ST VICE CHAIRMAN AND CEO
S. P. KOKKALIS **ID Card No. AI 091040/05.10.2009**	**D. C. KLONIS** **ID Card No. AK 121708/07.10.2011**

THE CHIEF ACCOUNTANT

S. V. PETRAKOS
ID Card No. Π 056768/28.01.1993
1ST CLASS LICENCE NO 25195

A) Directors' Statements

(in accordance with Article 4(2) of Law 3556/2007)

1. Sokratis P. Kokkalis, Chairman of the Board of Directors
2. Dimitrios C. Klonis, 1st Vice Chairman and CEO
3. Georgios A. Anninos, 3rd Vice Chairman

DECLARE THAT

as far as we know:

a. the attached financial statements of "INTRACOM HOLDINGS SA" for the year 01/01/2019 to 31.12.2019 which were drawn up in accordance with applicable International Financial Reporting Standards, reflect in a true manner the assets and liabilities, equity and results of the Company and of the undertakings included in consolidation, taken as a whole, and

b. the annual report of the Board of Directors is a true representation of the progress, the performance and the financial position of the Company and of the undertakings included in the consolidation, taken as whole, including a description of the major risks and uncertainties they face.

Peania, 19 June 2020

THE CHAIRMAN OF THE BOARD

S. P. KOKKALIS
ID Card No. AI 091040/05.10.2009

THE 1st VICE CHAIRMAN AND CEO

D. C. KLONIS
ID Card No. AK 121708/07.10.2011

THE 3rd VICE CHAIRMAN

G. A. ANNINOS
ID Card No. AK 760212/28.08.2013

B) Board of Directors' Report

ANNUAL REPORT OF THE BOARD OF DIRECTORS

OF INTRACOM HOLDINGS S.A.

FOR THE PERIOD 1.1.2019-31.12.2019

(in accordance with the provisions of Article 5(6) of Law 3556/2007)

Major events in 2019 - Overview of Subsidiaries and the Group

In January 2019 INTRACOM HOLDINGS S.A. (the parent company) transferred 20% of the share capital of its subsidiary INTRACOM to a third party outside the Company and Group for the sum of € 8 million.

In March 2019 the parent company established the company INTRACOM TECHNOLOGIES Sarl whose registered offices are in Luxembourg, with contributions from its subsidiaries, INTRASOFT International and INTRACOM Defense Electronics.

In July 2019 the remaining 20% stake in K-WIND was acquired and it now holds 100% of its share capital.

In October 2019 100% of Intrablue was transferred by the parent company.

In December 2019 the transfer of a 13.33% stake by the parent company to MOREAS S.A., comprised of 66,862,010 bonds in that company, and a 13.33% stake in MOREAS S.A. to its subsidiary INTRAKAT in accordance with the decision of the General Meeting of Shareholders of the parent company dated 29.6.2018 and the corresponding decision of the subsidiary INTRAKAT dated 28.6.2018 in the context of restructuring the parent company's holdings in the Group was completed.

The business activity of the other companies in the Group during 2019 can be summarised as follows:

In 2019 the INTRAKAT Group implemented its construction work in line with its initial schedule. The main pillars of its projects are:

- Public and private construction works
- Industrial & metal structures relating to industrial facilities
- Special projects, PPP projects and Concession projects and lastly
- Environmental projects relating to the construction and operation of waste treatment plants, biological treatment plants, desalination works and various environmental projects.

The FRAPORT project for the 14 regional airports with a budget of € 357 million is in full swing. 9 of the 14 airports have been completed and delivered, and work is continuing as planned at the airports of Thessaloniki, Corfu, Mykonos, Santorini and Kos. Work is expected to be completed at Corfu airport at the end of June 2020 and at Mykonos airport in July 2020. The project at the 14 Regional Airports overall is expected to be completed at the start of 2021.

During 2019 the Company was declared the lowest bidder in the project entitled "Routing underground of the section of Patriarchou Konstantinou St. and accompanying works in the Municipality of Nea Filadelphia - Halkidona" on behalf of the Attica Region, with a total budget of € 8.1 million.

As far as PPP projects are concerned, construction work was completed in 2019 on the PPP project entitled "Development of broadband infrastructure in rural areas 'without broadband coverage' of the territory of Greece and provision of infrastructure exploitation and utilisation services" on behalf of the InfoSoc, with a budget of € 60.3 million, and the project entitled "Implementation of the

Waste Treatment Plant in the Prefecture of Serres - Phase B.II, with a budget of € 20.6 million and 25 year operating period.

In order to ensure organisational segregation of its business activities to maximise the performance of its business units and to generate economies of scale, INTRAKAT decided to commence the process of spinning off the steel construction sector and to contribute it to its wholly owned subsidiary FRACASSO HELLAS. It is expected that the spin-off will be completed by 2020 and will not affect the INTRAKAT Group's consolidated financials given that FRACASSO HELLAS, as a 100% subsidiary, is fully consolidated.

The **INTRADEVELOPMENT Group** is constantly expanding its operations in the real estate sector. In January 2019 it sold another property, a luxury residence of 650 m2 in Kalo Livadi, Mykonos. After the permitting procedures are completed, construction work is expected to commence on the listed building at 3-5 Kolokotroni St., Athens, which has been leased for 20 years and will be rebuilt to operate as a 45-room boutique hotel. Moreover, the company is developing two hotel complexes in Kalo Livadi, Mykonos, on a privately owned plot of 100,000 m2 in collaboration with London Regional Properties. Building permits were issued in June 2019. The development will be done by INTRADEVELOPMENT.

The INTRASOFT International Group commenced this year by announcing that a new project information and promotion project for the European Commission's DG Energy had been undertaken by a leading joint venture of associates specialised in energy policy, analysis and research and information services.

In February it was declared one of the winners of the European Commission's DIGIT-XM project which covers the provision of IT services to the European Commission and around 30 additional European institutions. The joint venture led by INTRASOFT ranks among the five winners in the public DIGIT-XM tender procedure and consequently is expected to capitalise on its winning position in that contract over the next 4 years.

In April INTRASOFT International announced the successful launch of the pilot phase of the CDEPS (Customs Declaration Processing and Special Taxation System) for the Customs Administration of North Macedonia.

In July, the company undertook to implement the New Social Security Fund (NSSF) pension scheme in Uganda, providing PERSEUS™, the new product for social security and pension services, fully designed and developed by INTRASOFT International.

In July INTRASOFT International also renewed its collaboration with the Publications Office of the European Union, based in Luxembourg, to provide IT services. Over the next 4 years INTRASOFT will be involved in developing and maintaining applications and providing targeted consultancy services. The contract will focus on administrative and financial applications.

In September the company signed a new contract with the European Union Intellectual Property Office (EUIPO). The contract is for 5 years and INTRASOFT will support the preparation of the EUIPO strategic plan by providing technologically advanced IT/software services.

Finally, in October, the company was assigned a new project by the European Chemicals Agency (ECHA), which covers software development and maintenance services, along with the provision of technical and operational support services. INTRASOFT International will head the joint venture for the 4-year project.

Following INTRASOFT International's major successes in the financial services market in Kenya and the wider Eastern African region, the company undertook:

- a new banking software project in Kenya with Kenya Police Sacco Limited, the leading cooperative financial institution (SACCO), to provide Profits® Sacco Core Banking System and i-Profits® Internet Banking Solution solutions and
- a new banking project in Kenya with Mwalimu National, a cooperative financial institution (SACCO) in Kenya to provide SaaS (Software-as-a-Service) Profits® for Sacco solutions.

As part of its strategic development via technological innovation in the data analytics sector, INTRASOFT International announced its collaboration with the start-up Incelligent. Incelligent specialises in developing solutions based on Data Analytics (Predictive & Prescriptive), using the latest technologies in the Artificial Intelligence (AI), Machine Learning (ML) and Deep Learning (DL) sectors.

In February IDE signed a contract with the US company BOEING for the US Air Force (USAF) Airborne Warning and Control System (AWACS) aircraft upgrade programme.

In April it announced that it would extend its collaboration with Raytheon to manufacture subsystems for the PATRIOT air defence system, signing a major new contract relating to a project for third countries. The new project is for $61.5 million and is expected to be completed by June 2021. Then in December it further extended its collaboration with Raytheon to the construction of key arrays for the PATRIOT air defence system by signing a new contract worth $10.8 million which will be completed in 2022.

In September, the company participated in the international exhibition "DSEi 2019", one of the world's largest security and defence fairs, where WiSPR Evolution, the new advanced IP version of the internationally successful WiSPR vehicle interphone system, was presented.

In November IDE and FIMAG Finsterwalder Maschinen und Anlagenbau GmbH signed a collaboration agreement in the field of hybrid power systems for defence and security applications. Through this cooperation, the two companies will develop, produce and supply advanced solutions for power supply for field businesses in Germany and other countries in the wider region. The companies aim at a wide range of hybrid power systems, integrating IDE technology and products into integrated hybrid solutions.

During the first half of the year IDE achieved major distinctions:

- In April 2019 at the CREATIVE GREECE Awards 2019 held in Athens, IDE received an award for the outward-looking stance which it had developed with the result that its exports over recent years accounted for 98% of its turnover. That success is all the more important since these results were achieved in adverse international and national economic conditions and in a strongly competitive environment.
- In May 2019, in Boston Massachusetts, USA, IDE was honoured for the 10th consecutive time by Raytheon Integrated Defense Systems for its excellent performance, quality and timely deliveries at the company's annual awards conference.

Financial results

The INTRACOM HOLDINGS Group's consolidated sales for 2019 stood at € 522.8 million compared to € 470.7 million in 2018, up 11.1%.

INTRAKAT Group sales in 2019 stood at € 286 million compared to € 232.1 million the previous year, up 23% and accounted for 55% of overall sales. The INTRASOFT INTERNATIONAL Group, with sales of € 178.1 million, reported a 4.8% increase in turnover compared to 2018. Starting from a low first half of the year with sales of € 10.1 million, since IDE was facing an exceptionally unbalanced invoicing schedule, with the largest volume of sales at Q4, it has managed to generate an annual volume of sales of € 46.2 million compared to € 59.8 million in 2018. The INTRADEVELOPMENT Group reported sales of € 6.1 million compared to € 4.5 million in 2018 and K-WIND reported sales of € 5.0 million compared to € 6.7 million in 2018.

The Group's operating profits (EBITDA) in 2019 stood at € 37.07 million. INTRAKAT's EBITDA of € 15.7 million was the most important contribution to consolidated EBITDA (39%) followed by INTRASOFT INTERNATIONAL's EBITDA of € 14.5 million.

The Group's consolidated EBT stood at € 4.9 million (EBT in 2018: € 6.8 million). Earnings after tax stood at € 0.5 million compared to losses of € - 2.3 million in 2018.

Group total equity stood at € 259.8 million compared to €263.1 million on 31.12.2018. Parent company equity stood at € 253.6 million compared to € 264.6 million on 31.12.2018.

The Group's total assets stood at € 753.4 million (31.12.2018: € 780 million) while the Company's total assets stood at € 289.7 million compared to € 322.0 million on 31.12.2018.

The Group's total bank borrowing (excluding finance leases) did not change significantly. On 31.12.2019 it stood at € 202 million compared to € 200.5 million on 31.12.2018. Net borrowing stood at € 147.1 million compared to € 124.6 million on 31.12.2018.

Parent company sales stood at € 2.7 million compared to € 2.5 in 2018. Its result was affected by the impairment of the value of a subsidiary of € 8.3 million. The parent company's EBT was € 10.9 million.

The company's total assets on 31.12.2019 amounted to €289.7 million and equity to €253.6 million. The company's total bank borrowing on 31.12.2019 amounted to €18.7 million, while net borrowing was in effect zero.

The financial indicators that reveal the Group and Company's unchanged financial position are as follows:

	GROUP		COMPANY	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Financial Structure ratios				
Current assets/Total assets	57,4%	59,3%	11,4%	21,9%
Equity/Total liabilities	52,6%	50,9%	702,2%	460,9%
Equity/Fixed assets	118,3%	115,6%	440,7%	448,7%
Current assets/Short-term liabilities	114,3%	116,7%	127,7%	153,4%
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Profitability ratios				
EBITDA/Sales	7,1%	6,9%	11,9%	-9,0%
Gross profit/Sales	13,8%	14,9%	42,0%	15,2%
EBT/Sales	0,9%	1,5%	-400,4%	-74,2%

Own Shares

In implementation of the decisions of the Ordinary General Meetings of Shareholders of 30.6.2016 and 29.6.2018, the company purchased own shares whose number on 31.12.2019 was 479,848 ordinary registered shares with a nominal value of € 1 each and acquisition cost of € 485,182.
Those shares account for 0.63% of the company's total paid-up share capital.
Between 1.1.2020 and 16.3.2020, the Company acquired 108,000 additional own shares. Today the Company's total own shares now stands at 587,848 ordinary registered shares (0.77% of its share capital).

The company has no branches.

Important Events after the Balance Sheet Date

On 8.1.2020 the Company signed a binding agreement with Cubico Sustainable Investments Limited to sell and transfer its wholly owned subsidiary K-WIND. The main price was € 19 million, and the final completion date, following an extension due to the Covid-19 pandemic, was 30.6.2020.

In December 2019 the WHO was informed about cases of pneumonia of unknown cause and in January 2020 the Chinese authorities identified a new type of coronavirus (COVID-19) as the cause. The unfolding of events led the WHO to declare the COVID-19 pandemic.

The spread of COVID-19 worldwide, and in our country too, brought economies, markets, the business world and each of us, face to face with one of the greatest challenges we have had to endure.

The first concern of the INTRACOM Group's companies was to safeguard the health of employees and associates, which was achieved by concerted efforts on the part of everyone.

At business level, based on the relevant procedure, priority was given to analysing each activity in detail so as to precisely identify high priority and high risk issues for each company and to effectively address them.

At the same time, we immediately upgraded our technological infrastructure to support tele-working and teleconferencing, to achieve maximum flexibility in our business activities amid an upcoming lockdown.

Today, three months later, and considering that the COVID-19 crisis may not yet be over, we believe that the companies in the INTRACOM Group have entered a new phase of business readiness, with updated procedures and risk management mechanisms, and consequently with an increased ability to react to a new crisis.

The INTRACOM Group's main advantages in terms of risk spread and crisis management are to diversify risk across markets and sectors and to also diversify it across geographical regions in which it operates. Since the consequences and impacts of the crisis differ significantly between markets, sectors and geographical regions, based on the data available to us, we expect that the impact of the pandemic on the INTRACOM Group's fundamentals will not be significant and any loss will be made up for in the following year.

Since we face non-systemic risk, which it should be noted comes after a 10-year crisis, the INTRACOM Group's efforts are to shield subsidiaries with the necessary liquidity.

The situation is being comprehensively re-evaluated on a regular basis.

Objectives and Prospects

The development of COVID-19 is an unknown which is now being taken into account in planning each business plan. In addition to their normal activities, companies in the Group also needed to improve crisis management plans and to safeguard the problem-free flow of operations. Increased liquidity and improved cash flows are key priorities for Management of the Company and the subsidiaries in the Group. Having said that, given that digital reform across the entire public administration and investment in infrastructure projects are priorities for the Greek economy, we consider that the size of the markets at which companies in the Group are aimed will be bolstered, thereby generating positive developments for their activities.

In all events, the Group's companies hold a leading position in the markets in which they operate based on specific strategic priorities.

In the field of technology, INTRASOFT INTERNATIONAL seeks to continue its healthy development worldwide by providing innovative products and services, flexible, secure high-quality digital solutions utilising new products, by developing innovative solutions based on new technologies such as Blockchain, Artificial Intelligence and Predictive Analytics, and capitalising on its excellent human resources. In the large enterprises sector, it seeks to further bolster Enterprise sales and its technical departments in Central and Northern Europe and Eastern Africa.

IDE seeks to bolster its export work and to penetrate new markets for innovative products developed by it, utilising partnerships with large defence equipment manufacturers (System Integrators), utilising existing know-how in the security sector and promoting Hybrid Energy Systems developed by it.

In the construction pillar, Intrakat is seeking to develop major new projects in Greece and to expand its operations abroad, striving to systematically increase its sales while also increasing the percentage of projects it has in the pipeline. In addition to private projects, the company also focuses on public works, PPP / concession projects, environmental projects and operating - maintenance services.

The INTRADEVELOPMENT Group seeks to be one of the largest developers in the Greek market by creating high quality projects tailored to the needs of users, while also operating in an environmentally responsible manner. In addition to luxury residences and boutique hotels, the company's immediate objectives are to develop larger hotels with selected partners – operators as well as to develop commercial properties in Athens and other destinations.

In light of the above, given that the activities of companies in the Group did not show experience what could be characterised as 'significant' recession within 2020, Company and Group Management considers that any uncertainty which emerged in the business and wider economic environment due to COVID-19 is not material to its continued operations.

RISKS AND UNCERTAINTIES

Financial risk factors

The INTRACOM HOLDINGS Group is exposed to financial risks such as market risks (changes in exchange rates, cash flow risk and fair value risk from interest rate changes and price risk), credit risk and liquidity risk. The Group's general risk management plan seeks to minimise the potential negative impact of the volatility of financial markets on the Group's financial performance.

The Group's financial liabilities consist of short-term loans, long-term loans, bonded loans and finance leases. Those products fund its working capital requirements, capex investments and the new projects the Group undertakes. In addition, the Group manages financial assets, mainly in the form of short-term deposits generated by its operating and investing activities.

At the end of the current period there was no exposure to derivative financial instruments. In all events, such products are only used to manage interest rate risk and foreign exchange risk since the approved policy does not permit them to be used for speculative purposes.

The types of financial risks which exist are explained in summary form below:

Market Risk

Foreign exchange risk

The Group's foreign exchange risk is considered to be relatively limited because in most cases where there are receivables in foreign currency under a contract, the corresponding liabilities in the same currency also exist. Contracts denominated in a foreign currency are almost entirely in USD, as are the corresponding liabilities.

As a rule physical hedging of foreign exchange risk is employed. If that is not satisfactory due to particularly high liabilities in a foreign currency, the option to use foreign exchange risk hedging mechanisms, via suitable baking products or using a foreign currency loan for the same amount, is examined on a case-by-case basis.

As for cash held in foreign currencies, the Group's policy is to hold the minimum amount required to cover its short-term liabilities in that currency.

Price risk

The Group has limited exposure to changes in the value of shares held as financial assets available for sale.

Cash flow risk and risk of change in fair value due to interest rate changes

Interest rate risk has been partially hedged by converting the majority of borrowing to floating rates exploiting the negative Euribor values. The weighted average interest rate for 2019 was at the same level as in 2018. During the current period it is expected that the specific risk will be limited since it is considered that it is most probable that the interest rates will remain stable for the near future.

Credit risk

The Group's commercial transactions are almost entirely entered into with reliable public and private sector organisations. In many cases there is also a long-term satisfactory trading history. However, in all events, given the conditions on the Greek market, companies in the Group carefully monitor all receivables from customers and, where necessary, take immediate judicial and extrajudicial steps to ensure that receivables are collected, with the result that any credit risk is limited to a minimum. Consequently, it is considered that the risk from bad debt is particularly limited.

As far as credit risk associated with the placement of cash assets is concerned, note that the Group only collaborates with financial organisations that have a high credit rating.

Liquidity risk

Each month the Group prepares and monitors a cash flow programme which includes both operating and investing cash flows. All companies in the Group submit a detailed cash flow and credit report each week to INTRACOM HOLDINGS so that it can effectively monitor and coordinate things at Group level.

Prudent liquidity management is achieved by employing a suitable mix of liquid cash assets and approved bank credit facilities. The Group manages the risks which could arise from the lack of adequate liquidity by ensuring that there are always secured bank credit facilities in place ready for use. Existing unused approved bank credit limits available to the Group are adequate to confront any possible shortfall in cash assets.

On 31.12.2019 the Group had cash assets of € 55 million.

On 31.12.2019 the Group's short-term borrowing stood at 65% (2018: 52%) and long-term borrowing at 35% (2018: 48%) respectively of total borrowing.

NON FINANCIAL ASSETS

Description of the business model

Via international investments and strategic partnerships INTRACOM HOLDINGS seeks to hold a leading role in developing countries in the wider geographical region comprised of Central and SE Europe, the Middle East, the Eastern Mediterranean and North Africa. Core pillars driving the company to the top are innovation, unparalleled services, a leading position in technology, investments in knowledge and constantly seeking out growth opportunities.

INTRACOM HOLDINGS' main concern when doing business is to ensure high standards of corporate governance, high levels of transparency and corporate responsibility, total respect for the environment, quality assurance, preventative measures to protect the environment, and it strives to ensure excellent working conditions and raise awareness among society as a whole about issues of concern to it.

In its attempt to satisfy its key stakeholders (customers, shareholders, employees) INTRACOM HOLDINGS implements a quality management system which guarantees an unwavering focus on those principles and full compatibility with the ISO 9001:2008 standard. This system is in line with the relevant Greek and European legislation and is fully compatible with international conventions.

Human Resources

One of the INTRACOM HOLDINGS Group's main advantages is the quality of its personnel who are the driving force behind its growth, to which a large share of its success thus far can be attributed. For that reason it attaches particular importance to personnel selection, training, evaluation and remuneration processes. The Group's policy is to attract high calibre personnel to meet its needs, to create a safe, fair working environment, to adopt objective evaluation criteria and also promote employee growth and development. It offers satisfactory pay and benefits and additional outpatient and inpatient insurance for all employees.

On 31.12.2019 the Group employed 2,788 staff (compared to 2,672 in 2018) and the Company employed 17 (compared to 16 in 2018). Scientific staff account for the majority of employees.

Innovation - Research and Development

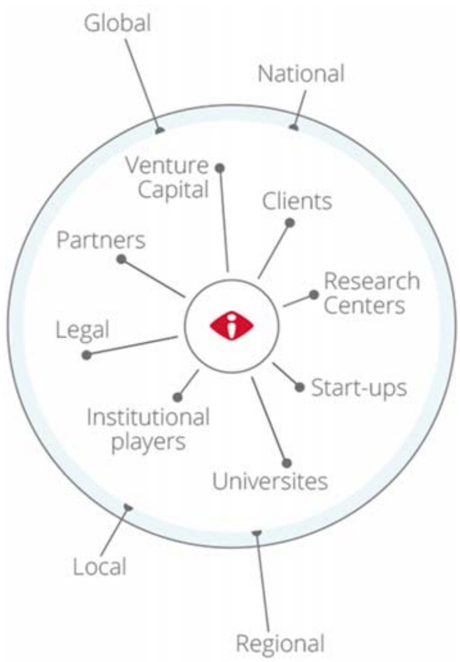
Companies in the Group have over the years invested significant amounts in R&D both for new innovative products and the development of integrated, turnkey solutions. The R&D divisions employ high calibre scientists in the fields of telecommunications, engineering and IT.

For almost 40 years, innovation has lain at the heart of Intracom's development model, and is consistently supported via major investments in R&D and multilateral partnerships with educational institutions and local research teams.

The valuable experience amassed by companies in the Group in research and managing innovation allows them to dynamically move towards sustainable development, to capitalise on new opportunities, to utilise innovative technologies and to develop smart environments in key sectors from industry to banking, and from education to health.

Via strategic partnerships with innovative trailblazers worldwide in various areas of expertise, from electronic systems and IT to cutting-edge green tech, we are constantly improving our products and services, capitalising on our experience in technology integration and proven skill in outsourcing services.

In addition, companies in the Group are actively involved in developing innovation networks, such as the European Enterprise Network (EN) and consistently support broad ties between the industrial sector and key innovation centres and recognised foundations for excellence.



Environmental issues

The INTRACOM HOLDINGS Group attaches primary importance to the value of environmental responsibility. That belief is also confirmed by the fact the since its early years of operation the Group has shown itself to be particularly socially aware, playing a leading role in initiatives to contribute to environmental protection in practical terms.

It is common cause that high tech companies play a major role in protecting ecosystems because they offer a sustainable, alternative solution to physical transport processes. The INTRACOM HOLDINGS Group is committed to maintaining an environmentally aware and responsible position and to managing its activities accordingly, implementing preventative measures to protect the environment and minimising any negative environmental impacts that may arise.

To that end, companies in the Group have developed and put in place Environmental Management Systems (EMS) that offer a well-structured approach to environmental issues and ensure continuous improvements in environmental performance by adopting specific environmental targets and documenting and monitoring programmes designed to achieve those targets.

In that context, methods for identifying and evaluating all environmental issues that arise from the Group's operations and their relevant environmental impacts have specified and documented. Evaluation is done using predefined criteria, that include the applicable legislation and regulatory requirements. Continuous information about developments and future trends in national and EU environmental laws is provided thanks to access to legal databases.

Environmental activities

- Waste Management
- Recycling
- Use of more environmentally friendly materials
- Natural resource savings
- Eco product design
- Environment and local communities

Corporate responsibility

INTRACOM HOLDINGS is fully aligned with the 10 principles of the UN Global Compact relating to human rights work, the environment and anti-corruption. Unwavering in its principles and values, the Company pursues business in a rational, sustainable manner, and offers an excellent working environment, provides practical support to the local communities it operates in, and places emphasis on innovation and life-long learning.

As one of the first Greek companies to attain SA 8000 (social accountability) certification, the Company guarantees the existence of a safe work environment, implements non-discrimination policies and offers equal opportunities to all employees irrespective of gender, age or nationality. In addition, employees' trade union rights are fully respected, H&S rules are strictly adhered to, and open door policies are implemented in a consistent fashion. Shareholders' rights and stakeholder interests are also safeguarded via transparency and accountability for all our actions and business transactions. Since 2001 INTRACOM HOLDINGS has been a member of the Hellenic Network for Corporate Social Responsibility, contributing to the development and promotion of corporate responsibility in Greece.

In order to meet immediate needs and bolster the National Health System so it could cope with COVID-19, in the context of corporate social responsibility, the Intracom Group donated 50 pressure respirators, 8 mobile healthcare units as well as sanitary equipment and materials.

Transparency

INTRACOM HOLDINGS adopts modern corporate governance principles, and adheres to a system of laws, rules, procedures and best practices for company management and control in accordance with applicable Greek legislation and international best practices. Our corporate governance policies seek to safeguard shareholders' rights and the interests of all stakeholders, in a transparent manner, to take responsible decisions, to have effective internal and accounting audits, to suitably manage financial risk and to provide timely, proper information to all stakeholders.

The corporate governance policies we have put in place reflect our unwavering focus on rules of ethics and responsibility which govern how our executives take decisions, to ensure not just the company's sustainable development but also the interests of shareholders and all stakeholders over the long term.

Issues relating to internal and accounting audits, the transfer of information and reduction of business and financial risks are managed in accordance with the Greek Code of Corporate Governance for listed companies developed by the Hellenic Council for Corporate Governance.

IMPORTANT TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

The Company's most important transactions with related parties, as defined in IAS 24, were transactions with subsidiaries and affiliates, and companies in which the main shareholder, INTRACOM HOLDINGS, participates. These are presented in the tables below:

Income & Receivables Period 1/1-31/12/2019
(amounts in thousands €)

SUBSIDIARIES	SERVICES	RENTAL INCOME	OTHER	RECEIVABLES
INTRAKAT SA	879	296	21.192	219
INTRADEVELOPMENT SA	68	-	158	3.284
INTRASOFT INTERNATIONAL SA (GR)	1.170	832	321	9.422
INTRACOM DEFENSE SA	188	-	-	41
INTRACOM OPERATIONS LTD	-	-	264	5.446
OTHER SUBSIDIARIES	104	2	-	76
Sum	**2.409**	**1.130**	**21.935**	**18.488**
OTHER RELATED PARTIES				
INTRALOT	248	557	-	2.119
OTHER RELATED PARTIES	-	3	-	3
Sum	**248**	**560**	**0**	**2.122**
TOTAL	**2.657**	**1.690**	**21.935**	**20.610**

Income & Receivables Period 1/1-31/12/2018
(amounts in thousands €)

SUBSIDIARIES	SERVICES	RENTAL INCOME	OTHER	RECEIVABLES
INTRAKAT SA	816	270	823	3.221
INTRADEVELOPMENT SA	-	3	43	3.039
INTRASOFT INTERNATIONAL SA (GR)	1.148	784	267	8.040
INTRACOM DEFENSE SA	194	-	-	18
INTRACOM OPERATIONS LTD	-	-	182	5.182
OTHER SUBSIDIARIES	-	13	51	51
Sum	**2.158**	**1.070**	**1.366**	**19.551**
OTHER RELATED PARTIES				
INTRALOT	303	556	3	1.539
OTHER RELATED PARTIES	-	4	-	2
Sum	**303**	**560**	**3**	**1.541**
TOTAL	**2.461**	**1.630**	**1.369**	**21.092**

Expenses & Liabilities Period 1/1-31/12/2019
(amounts in thousands €)

SUBSIDIARIES	SERVICES	PURCHASES OF FIXED ASSETS	OTHER	LIABILITIES
INTRAKAT SA	-	-	-	-
INTRAPOWER	134	36	-	19
INTRADEVELOPMENT SA	-	-	-	40
OTHER SUBSIDIARIES	7	-	-	5
Sum	**141**	**36**	**0**	**64**
OTHER RELATED PARTIES				
INTRALOT	-	-	-	5.463
OTHER RELATED PARTIES	18	-	-	-
Sum	**18**	**0**	**0**	**5.463**
TOTAL	**159**	**36**	**0**	**5.527**

Expenses & Liabilities Period 1/1-31/12/2018
(amounts in thousands €)

SUBSIDIARIES	SERVICES	PURCHASES OF FIXED ASSETS	OTHER	LIABILITIES
INTRAKAT SA	-	-	22.086	22.086
INTRAPOWER	134	23	-	17
INTRADEVELOPMENT SA	-	-	-	40
Sum	**134**	**23**	**22.086**	**22.143**
OTHER RELATED PARTIES				
INTRALOT	-	-	-	5.824
OTHER RELATED PARTIES	34	-	-	-
Sum	**34**	**0**	**0**	**5.824**
TOTAL	**168**	**23**	**22.086**	**27.967**

The following points can be made about the most important transactions for 2019:

The Company's revenues from providing services primarily relate to providing administrative accounting, legal and IT support, while other sales relate to interest and sale of shares and bonds of the companies MOREAS S.A. and Moreas Motorway Service Areas S.A. to INTRACOM CONSTRUCTIONS in the context of the decision of the Ordinary General Meeting of 29.6.2018 to restructure the company's holdings.

Purchases from INTRAPOWER relate to facility and network maintenance services. In 2018 the other purchases from INTRACOM CONSTRUCTIONS related to acquisition of holdings in Intrapower (100% / € 800), K-Wind (80% / € 9,966), Intrablue (50% / € 600) and Intradevelopment (37.61% / € 10,719) in the context of the Ordinary General Meeting's decision of 29.6.2018 to restructure the company's holdings.

The price for those sales of shares involving INTRACOM CONSTRUCTIONS was set based on a valuation done by independent firms of certified public accountants. The other transactions were entered into at arm's length.

The fees of members of Management executives and directors in 2019 were € 575 thousand (2018: € 571 thousand). There were no receivables or liabilities to Directors at the end of the period.

Peania, 19 June 2020

The Board of Directors

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement is a special section of the Annual Management Report and was prepared in accordance with Articles 152 and 153 of Law 4548/2018.

1. Corporate Governance Code

1.1. Declaration of the Company's voluntary compliance with the Code of Corporate Governance

As a company listed on the Athens Exchange, INTRACOM HOLDINGS (hereinafter the Company) fully implements the relevant legislation on corporate governance for listed companies (Law 3016/2002, Law 4449/2017 and Law 4548/2018, as in force, and Decision No. 5/204/2000 of the Board of Directors of the Hellenic Capital Market Commission).

The Company declares that it has adopted the Greek Code of Corporate Governance prepared by the Hellenic Corporate Governance Council which is available on the websitehttp://www.athexgroup.gr/el/web/guest/esed-hellenic-cgc and on the Company's own website at: http://www.intracom.com /el/company/etairiki-diakyvernisi.

1.2. Derogations from the Hellenic Corporate Governance Code and relevant explanations

As already mentioned, the Company applies the Corporate Governance principles set out in the current legislative framework, without derogations. They are the minimum content of any Code of Corporate Governance.

There are certain derogations from the Hellenic Corporate Governance Code in place at present (including the case of non-implementation) for which the relevant explanations are provided:

- There is no formally recorded diversity policy about the line-up of the Board of Directors and senior management executives. However, in its decision of 13.6.2019 the Board of Directors determined that the competences of the single Remuneration and Nominations Committee are as follows: a) laying down criteria for selecting members, taking into account the need for diversity, including gender balance, and b) periodic evaluation of the size and line-up of the Board of Directors (Part A, paragraph 2.8 of the Code).

The Company seeks to ensure diversity, including a balance of genders in staff, taking into account requirements for company operations in conjunction with expressions of interest about taking up top management positions. In all events the Company implements an equal opportunities policy for all employees and job candidates.

- The Board of Directors has not appointed an independent Vice Chairman from among its independent members. The BoD has appointed: a) the Chairman of the Board, who is an executive member, b) the 1st Vice Chairman and CEO who is an executive member and assists the Chairman in effectively performing his duties and achieving company objectives and (b) two non-executive Vice Chairmen (2nd and 3rd) who help provide adequate information to non-executive members and ensure their effective participation in the supervision and decision-making process. Failure to allocate the post of Vice Chairman to an independent member does not in any way deprive independent non-executive members of the Board of Directors of the ability to perform their duties (Part A, paragraph 3.3 of the Code).

- All members of the Board of Directors must be elected at the same General Meeting. During their term in office, new members must be elected in accordance with law and the Company's Articles of Association to replace those who have resigned for a term in office in accordance with law, the remainder of their term in office (Part A, paragraph 5.1 of the Code)

- According to its Articles of Association, the members of the Company's Board of Directors are elected by the General Meeting of Shareholders to serve for a period of 5 years, which is automatically extended until the end of the deadline within which the next Ordinary General Meeting must convene, and until a decision is taken, in the context of avoiding the election of a new Board of Directors within a shorter time period, at the Company's expense, in order to comply with the relevant publicity requirements and to constantly have to submit identification documents to associated banks, credit institutions and other legal entities. Moreover, the provision for a maximum term in office for members of the Board of Directors (4 years) entails the risk that the elected Board of Directors will not be able to complete its work and puts at risk effective management of company affairs and management of company assets (Part A, paragraph 5.1 of the Code).

- In its decision of 18.1.2019 the Company's Board of Directors decided to have a single Remuneration and Nominations Committee and approved its bylaws which are not published on the company website (Part A, paragraphs 5.6 & 5.8 of the Code).

- The new members of the Board receive a set of information upon induction about issues relating to the Company but there is no specific CPD course. However, members of the Board frequently come into contact with Company executives and having taken timely cognisance of recommendations and updates to the Board can request further clarifications and briefings from the competent executives (Part A, paragraphs 6.5 and 6.6 of the Code).

- There is no standard procedure for evaluating the effectiveness of the Board of Directors and its committees nor is the performance of the Chairman of the Board of Directors evaluated as part of a process overseen by a non-executive member of the Board. Having said that, when weaknesses or problems in how the Board is organised or operates are identified, meetings and exhaustive talks are held at which the problems which arise are analysed. Moreover, the Board of Directors monitors and regularly re-examines the proper implementation of its decisions taken based on the time frames laid down, and the Board is evaluated each year by the annual Ordinary General Meeting of Shareholders (Part A, paragraph 7.1 of the Code).

- Contracts with executive members of the Board do not specify that the Board can demand the return of all or part of the bonus provided, due to offences or inaccurate economic statements from past periods or generally based on erroneous financial data, used to calculate those bonuses. However, the Company has auditing mechanisms to ensure that its financial statements are prepared in accordance with the IFRS and best practices to avoid problems with its financial statements (Part C, paragraph 1.3 of the Code).

Company Management is preparing a remuneration policy which includes the basic rules and guidelines which the Company will follow thereinafter when setting pay, remuneration and other benefits which will be paid to members of the Board of Directors and senior executives, thereby ensuring that directors with high level of theoretical training, remarkable qualifications and significant experience are attracted and retained, as are executives who have suitable qualifications for effective management of the Company, thereby bolstering the creation of long-term corporate value. After the policy is completed, it will be submitted to the General Meeting for approval (see the Remuneration Policy below).

- The Company does not publish a summary of the minutes of the General Meeting of Shareholders on its website within 5 days from the date of the General Meeting. However, after the General Meeting a press release / notice from the Company is issued stating the quorum at the General Meeting, its decisions and the results of voting on each item on the agenda. The above are published on the Company and ATHEX websites. (Part D II, paragraph 2.3 of the Code).

In all cases cited in this Statement as derogations from the Hellenic Corporate Governance Code, the Company intends to examine or is already examining actions to further minimise existing derogations.

1.3. Corporate Governance practices implemented by the Company beyond what is required by law

The Company faithfully implements the provisions of the relevant legislative framework on corporate governance. At present there are no practices implemented in addition to those specified.

2. Information required by Article 10(1) of European Parliament and Council Directive 2004/25/EC.

The information required by Article 10(1)(c), (d), (f), (h) and (i) of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 is contained in the Explanatory Report referred to in Article 4(7) and (8) of Law 3556/2007 which is part of the Board of Directors' Annual Report and is set out below.

3. The Board of Directors and committees comprised of its members

The Board of Directors runs the Company and represents it both in and out of court. The primary obligation and duty of the Board members is to strive at all times to enhance the long-lasting financial value of the Company and to defend the overall company interests.

Its members and any person to whom the Board has delegated its powers are prohibited from pursuing personal interests to the detriment of the Company's interests.

At the end of each accounting period the Board of Directors prepares a report on Company transactions with related parties within the meaning of Article 32 of Law 4308/2014.

Responsibilities

Acting collectively, the Board of Directors is responsible for taking decisions on any act relating to management of the Company, administration of its assets and achievement of its objectives in general, without any restriction (with the exception of issues which fall within the exclusive remit of the General Meeting). As a whole, the Board has adequate knowledge and experience for the Company's activities so that it can oversee all company operations.

The Board of Directors is responsible for managing the Company and for determining its strategic focus, and has a primary obligation and duty to constantly strive to bolster the Company's long-term financial value and to defend the Company's general interests. To that end, when exercising its powers and performing its obligations, it must primarily take into account the interests of shareholders and Company stakeholders such as customers, creditors, employees and social groups affected directly by Company operations to the extent that there is no conflict with company interests. The Board takes decisions on a prudent businessman basis.

Decisions which are critical for the Company, and in particular which specify its objectives and determine its strategy, can only be taken by the Board.

The Board's main duties include:

- Approving the Company's long-term strategy and operational targets.
- Approving the annual budget and business plan and taking decisions on major capital expenditure, acquisitions and sales.
- Selecting when necessary replacements for the company's top executives, and overseeing succession plans.
- Being responsible for hiring company executives below the level of the Board and the succession plan.
- Monitoring and checking the top management performance procedure, and bring top executive remuneration into line with the Company's and shareholders' long-term interests.
- Approving the remuneration policy.
- Ensuring the reliability of the Company's financial statements and data, financial reporting systems and data and information published, and ensuring the effectiveness of internal audit and risk management systems.

- Recommending the dividends to be distributed.
- Supervising and checking transactions to ensure transparency and protect company interests.
- Ensuring the Company has an effective regulatory compliance process.
- Taking decisions and monitoring the effectiveness of the Company's management decision, including decision-making processes and delegation of powers and duties to other executives.
- Drawing up, disseminating and implementing the Company's basic values and principles that govern relations with all parties, whose interests are directly associated with the Company.

In discharging their obligations, Board Members are entitled to free access to proper, up-to-date information.

According to the Company's Articles of Association, the Board of Directors may assign the exercise of all or part of its management and representation powers, apart from those requiring collective action, to one or more persons, be they Board members or not, at the same time setting out the extent of their powers.

Those persons may further delegate the powers assigned to them in whole or in part where that is provided for in the Board decision delegating the powers to them. The persons delegated the said powers can bind the Company as officers of the Company to the full extent of the powers delegated.

Line-up - Term in office (election - replacement of members of the Board of Directors)

According to its Articles of Association, the Company is run by a Board of Directors comprised of between 3 and 11 members.

The members of the Board of Directors, whose number is set within the above limits, are elected by the General Meeting of Shareholders in the Company to serve for a period of 5 years, which may be extended until the end of the deadline within which the next Ordinary General Meeting must convene, and until a decision to that effect is taken. Members of the Board of Directors may be re-elected and may be freely removed.

The Board of Directors consists of executive and non-executive members. The number of non-executive members may not be less than 1/3 of the total number of members. Executive members are engaged in day-to-day management issues for the Company while non-executive member are charged with handling all corporate issues.

There are at least two independent members from among the non-executive members who are elected by the General Meeting of Shareholders.

Independent non-executive members must not have any conflicts of interest with the Company or have any close ties to Management, key shareholders or the Company. During their term in office, they may not hold more than 0.5% of the Company's share capital nor have any relationship of dependence on the Company or related parties. Independent non-executive members may, where they consider this necessary, submit reports and reports individually or jointly to the General Meeting which are separate from those of the Board of Directors.

The names of members of the Board of Directors submitted for election or re-election must be accompanied by adequate résumés and with the views of the Board about the independence of the proposed members in accordance with the independence criteria laid down by law, as well as all other relevant information which will assist shareholders in taking a decision.

The General Meeting may also elect stand-in members of the Board to take the place of any who resign, die or lose their position in any other manner. Where it is not possible for stand-in members who have been elected by the General Meeting to take the place of missing Directors, the Board may by way of decision of the remaining members -provided there are at least 3- elect new members to replace the missing ones for the remainder of its term in office. In all cases where places on the

Board fall vacant (due to resignation, death or loss of membership in any other way), the Board is entitled -provided the number of remaining members exceeds half of the members who existed prior to the loss of membership occurred and in all events no less than 3- to decide to continue to manage and represent the Company without replacing the missing members in accordance with the provisions above.

Formation of the Board of Directors as a body.

The Board of Directors shall elect a Chairman and Vice Chairman from among its members (the Vice Chairmen of the Board may be up to 4 maximum), a CEO or up to 2 stand-ins, at the same time setting out their competences. These elections must be held at the first meeting of the Board of Directors after the General Meeting which decided to elect the new Board of Directors. Where the Chairman is absent or unable to attend, he must be replaced to the full extent of his powers by the 1st Vice Chairman, and where there is no Chairman or Vice Chairman, the duties of Chairman may be temporarily exercised by the shareholder with the largest number of shares with voting rights.

The Company's current Board of Directors which was elected by the Extraordinary General Meeting on 6.12.2018 to serve for a 5-year term in office, namely until 6.12.2023, consists of 7 members with the following line-up:

Sokratis P. Kokkalis	Chairman of Board of Directors, executive member
Dimitrios C. Klonis	1st Vice Chairman & CEO, Executive Member
Konstantinos S. Kokkalis	2nd Vice Chairman – non-executive member
Georgios A. Anninos	3rd Vice Chairman – non-executive member
Konstantinos G. Antonopoulos	Non-Executive Member:
Sotirios N. Filos	Independent Non-Executive Member
Ioannis E. Kallergis	Independent Non-Executive Member

Résumés of members of the Board of Directors are available on the Company's website(https://intracom.com/el/company/dioikisi)

Board of Director meetings

The Board of Directors shall also be validly met away from its seat at another location within the country or abroad, where all members are present or represented at the meeting, and none of them is opposed to the meeting being held or decisions being taken. The Board may meet by teleconference, in which case the invitation to the directors shall include the information necessary for their participation in the meeting.

The Board meets as often as necessary to ensure it effectively performs its duties, and at least once a month.

Board meetings are chaired by the Chairman and, if absent, by the Vice Chairman of the Board.

The Board of Directors has a quorum and is validly met when half plus one of the directors is present or represented at it but in all events the number of Directors present or represented may not be less than 3.

Decisions are taken by absolute majority of the members present or represented, unless the law or Articles of Association specify otherwise. In case of a tie, the vote of the Chairman is the casting vote. Each Director may validly represent only one other Director.

The discussions and decisions of the Board of Directors must be recorded in summary form in a special register which may also be kept in electronic format. At the request of a director, the Chairman shall enter a summary of the director's opinion in the Board minutes. A list of persons present or represented at the meeting of the Board of Directors is also recorded in the Minutes.

The Board's Minutes are signed by the members present. Copies and extracts from the minutes are issued officially by the Chairman or his stand-in or the Company's CEO without requiring any other form of certification.

The drafting and signing of minutes by all members of the Board of Directors or their representatives is equivalent to a decision of the Board of Directors even if not preceded by a meeting.

Duties of members of the Board of Directors

The members of the Board of Directors are obliged to show good faith towards the Company and to act in the Company's interests and with integrity.

They must not be in competition with the Company and must avoid any position or activity which creates or appears to create a conflict between their personal interests and those of the Company, including holding positions on the Board of Directors or management of competing companies, without the permission of the General Meeting.

Members are obliged to ensure confidentiality and to safeguard it in every way in relation to Company transactions, customers, advisors, associates, suppliers and so on. Any relevant information must only be used by members in the context of their work and not for personal gain or for the benefit of a third party to the detriment of the Company.

Board members should contribute their experience and perform their duties with integrity in an objective and professional manner and dedicate the necessary time and attention to them. Other professional commitments, including important non-executive commitments in companies and non-profit institutions, must be notified to the Board of Directors before appointment and Directors must report changes in those commitments to the Board once they arise.

Lastly, Board members should seek to participate in all meetings of the Board of Directors and committees on which they are placed.

Remuneration Policy - Directors' Fees

In line with the Company's remuneration practice until the relevant Remuneration Policy is approved, issues relating to all manner of remuneration for members of the Board of Directors are decided on by the General Meeting of Shareholders following a recommendation from the Board of Directors, which has been presented beforehand by the Remuneration and Nominations Committee. In all events, Company Management acts to generate long-term corporate value, to maintain the necessary balance and to promote meritocracy so that the business attracts executives who have the suitable qualifications to effectively run the Company. More specifically:

Pay and remuneration of all manner of executive members of the Board of Directors are tied into the Company's strategy and objectives and their implementation, particularly the type of duties and competences assigned to executive members, their performance in relation to predetermined quantitative and qualitative targets and other factors.
Such pay and remuneration are determined based on fixed elements (e.g. basic salary), variable performance-related elements, such as bonuses and long-term share-related incentives (share

options) and other contractual arrangements (e.g. additional benefits including benefits in kind, etc.).

The fee and any other remuneration for non-executive members of the Board reflect the actual length of employment and the competences assigned to them and are not directly related to the Company's performance, so as not to discourage the willingness to contest the choices made and other decisions taken by Management.

Note that the overall framework for setting remuneration is under re-evaluation in light of the provisions of Articles 110 and 112 of Law 4548/2018.

Board Committees

To improve Company and Group organisation, the Board has assigned the examination of specialist matters to the following special committees:

A. Audit Committee

The current line-up of the Audit Committee, appointed on 29.6.2018 by the Ordinary General Meeting of shareholders in accordance with the provisions of Article 44 of Law 4449/2017, is as follows:

Chairman, S. Filos, independent non-executive board member (with proven adequate knowledge of accounting and auditing issues)

Member, K. Antonopoulos (non-executive member of the Board)

Member, I. Kallergis, (independent non-executive member of the Board),

The purpose of the Audit Committee is to provide ongoing support to the Board of Directors when exercising its supervisory powers and discharging its obligations to shareholders, investors and third parties, particularly in relation to the process of preparing, auditing and publicising financial reports (financial reporting process) and in particular in relation to:

(i) the integrity of the Company and Group's financial statements and the other financial data and information published by the Company.

(ii) the effectiveness of the Company's audit systems including financial statement audit mechanisms and and

(iii) the Company's compliance with applicable laws and regulations.

The Company's Audit Committee's Bylaws, which are posted on its website, were prepared in accordance with the provisions of Law 3016/2002 (Articles 6 to 8) on corporate governance and Article 44 of Law 4449/2017 on mandatory auditing of the annual and consolidated financial statements and public supervision of the auditing task. They were approved and took effect by means of Board decision dated 26.2.2014 and were then amended by decision of the Company's Board of Directors dated 27.4.2017, following a recommendation made by the Audit Committee.

The Audit Committee has the following responsibilities:

1. To brief the Company's Board of Directors about the results of the mandatory audit of the separate and consolidated financial statements and explains how the mandatory audit contributed to the integrity of the financial information and what the Audit Committee's role was in that process.
2. To monitor the process of preparing and auditing financial information and in particular the annual and periodic financial statements of the Company and Group and submits recommendations or proposals to ensure its integrity.
3. To monitor the effectiveness of internal audit, quality assurance and risk management systems for the company, and as appropriate, for the Internal Audit Division, in relation to Company

financial reporting, without compromising its independence. More specifically, the Audit Committee monitors, examines and evaluates the adequacy and effectiveness of all Company policies, procedures and checks and balances relating to (a) the internal audit system and (b) risk assessment and management in relation to financial reporting.

4. To monitor the mandatory audit of the annual and periodic separate and consolidated financial statements and in particular its efficiency, taking into account any findings and conclusions by the competent authority in accordance with Article 26(6) of Regulation (EU) No 537/2014.
5. To review and monitor the independence of the company's certified auditors or auditing firms in accordance with Articles 21, 22, 23, 26 and 27 and Article 6 of Regulation (EU) No 537/2014 and in particular the suitability of providing non-audit services to the audited entity in accordance with Article 5 of Regulation (EU) No 537/2014.
6. To be responsible for the process of selecting certified auditors or auditing firms in the Company and proposes the certified auditors or auditing firms to be appointed in accordance with Article 16 of Regulation (EU) No 537/2014, unless Article 16(8) of Regulation (EU) No 537/2014 applies.

The Audit Committee meets at least 4 times a year, namely every quarter, and on an extraordinary basis whenever required. In all events the relevant minutes are kept.

All members attend Audit Committee meetings. However, the Audit Committee has the discretion to invite key management executives involved in company governance, whenever that is considered necessary, including the CEO, CFO, Chief Accountant and Internal Auditor, to attend specific meetings or specific items on the agenda.

At least twice a year the Audit Committee must arrange meetings with the external auditors without members of management being present, and separate meetings between management and the internal auditor.

In 2019 the Audit Committee held 7 meetings in the presence of all its members. At those meetings the Audit Committee dealt with all issues within its remit as defined in the relevant provisions, and in particular:

I. External audit / financial statements

Before the audit was carried out, the Audit Committee was briefed by the certified auditors on the statutory annual audit programme for the Company and Group's financial statements for 2018 and the audit approach followed in relation to it, and the Committee confirmed that it covered the most important audit areas.

During preparation of the Financial Reports: It held meetings with the Company's competent management executives and with the certified auditor during the audit planning stage and took into account and examined the most important issues which could have had an impact on the Company and Group's financial statements.

It contacted the ordinary certified auditor to prepare the audit reports and the supplementary audit report required by Article 11 of Regulation (EU) No 537/2014 on the annual and periodic separate and consolidated financial statements for 2018.

The Audit Committee reviewed the Financial Reports (2018 and half-yearly statements for 1.1.2019 – 30.06.2019), assessed their completeness and consistency with the information provided to it, examined whether the accounting policies applied by the Company in preparing the separate and consolidated Financial Statements were complied with and submitted a positive recommendation to the BoD for their approval.

In addition, it proposed to the Company's Board of Directors that the auditing firm SOL S.A. be re-appointed to audit the separate and consolidated financial statements for 2019, to review the

Company's half-yearly financial statements as at 30.6.2019 and to issue the annual tax certificate for the same period.

The certified auditors in turn confirmed to the Audit Committee that they were independent and presented the terms of reference for the audit of the financial statements for 2019: Responsibilities of the Auditor - Management Responsibilities

II. Internal Audit Unit

The Audit Committee was informed about the principles governing how the Company's Internal Audit Unit operates.

It examined and approved the annual audit plan for 2019 and was informed about the reports on the audits carried out.

Lastly, the Audit Committee submitted a recommendation to the Company's Board of Directors to assign services relating to the evaluation report specified in Article 99(3)(f) of Law 4548/2018 to an independent auditing firm in order for the Company to provide a guarantee to its subsidiaries.

B. Remuneration and Nominations Committee

The line-up of the Remuneration and Nominations Committee is as follows:

Chairman, I. Kallergis, (independent non-executive member of the Board),

Member, K. Kokkalis (non-executive member of the Board)

Member, S. Filos, independent non-executive board member

The Remuneration and Nominations Committee consists of three non-executive members of the Board of Directors, two of whom are independent. The duties of Chairman are assigned to one of the independent non-executive members.

It was set up by decision of the Board of Directors on 14.12.2018 initially as a Remuneration Committee and then by decision of the Board of Directors on 18.1.2019 it operated as a Remuneration and Nominations Committee.

The Remuneration and Nominations Committee makes a recommendation to the Board of Directors about all pay (fixed, variable, share purchase options) for executive members of the Board of Directors, the level of remuneration for members of Board Committees and also regulates issues relating to the Company's general remuneration policy.

The duties of the Remuneration and Nominations Committee are as follows:

- To lay down selection criteria for members of the Board of Directors, taking into account the need for diversity, including gender balance, and to lay down the procedures for appointing them.
- To periodically evaluate the size and line-up of the Board of Directors and submission of proposals to it to examine the desired profile.
- To evaluate the current balance of qualifications, knowledge and experience within the Board of Directors, and based on that evaluation, provide a clear description of the role and skills required to fill vacant posts.
- To handle the procedure for selecting candidate members of the Board of Directors and the submission of proposals to the Board of Directors.
- To submit proposals to the Board about the remuneration for each executive member, including the bonus and incentives-based remuneration in the form of share allocations.

- To examine and submit proposals to the Board of Directors about the total size of annual variable pay (i.e. other than salary) for the Company.
- To examine and submit proposals to the Board of Directors (and via the Board of Directors to the General Meeting) relating to stock option plans or share distribution plans.
- To submit the proposed performance targets for Board member variable pay or targets tied into stock option plans or share distribution plans.
- To regularly re-examine the pay of executive members of the Board or other terms of their contracts with the Company, including remuneration, and in case they leave the company, their pension arrangements.
- To submit proposals to the Board of Directors about any business policy related to pay.
- To examine the annual remuneration report and submit it to the Board of Directors

In performing its duties in 2019 the Remuneration and Nominations Committee held 3 meetings in the presence of all its members.

Diversity Policy

The Company has not adopted a specific diversity policy, which would include the matter of gender balance. However, the Company does implement an equal opportunities policy for all employees and job candidates based on the relevant employment legislation. Recruitment and evaluation procedures are based on qualifications, performance and skills of candidates and employees.

In addition, both from a legal viewpoint and a common sense of decency, every employee in the Intracom Group is entitled to work free from illegal discrimination and harassment due to gender, race, colour, nationality, seniority, citizenship, sexual orientation, religion, age, physical or mental disability, medical or family status.

Table showing members of the Board of Directors participating in the work of the Board of Directors and its Committees during the period 1.1.2019 to 31.12.2019

NAME-SURNAME	29 BOARD MEETINGS		7 AUDIT COMMITTEE MEETINGS		3 REMUNERATION AND NOMINATIONS COMMITTEE MEETINGS	
	ATTENDED	ABSENT	ATTENDED	ABSENT	ATTENDED	ABSENT
SOKRATIS P. KOKKALIS	28	1				
DIMITRIS C. KLONIS	29					
KONSTANTINOS S. KOKKALIS	29				3	
GEORGIOS A. ANNINOS	29					
KONSTANTINOS G. ANTONOPOULOS	28	1	7			
SOTIRIOS N. FILOS	29		7		3	
IOANNIS E. KALLERGIS	29		7		3	

4. The General Meeting of Shareholders

Functioning of the General Meeting and main powers thereof

The General Meeting of Shareholders is the Company's supreme corporate body entitled to decide on every single matter concerning the Company in accordance with Law 4548/2018. Its decisions are binding on all shareholders, even those absent or who disagree.

The General Meeting is the sole body competent to decide on:

1. Amendments to the Articles of Association. Amendments also include increases (whether ordinary or extraordinary) and reductions in capital.
2. Election of members of the Board of Directors and auditors
3. Approval of overall management in accordance with Article 108 of Law 4548/2018 and release of the auditors from liability.
4. Approval of the annual, and any consolidated, financial statements.
5. Distribution of the annual profits.
6. Approval of fees or advances on fees under Article 109 of Law 4548/2018.
7. Approval of the remuneration policy under Article 110 of Law 4548/2018 and the remuneration report under Article 112 of Law 4548/2018.
8. The merger, spin-off, conversion, revival, extension of the effective term or winding up of the company and
9. The appointment of liquidators.

The General Meeting must necessarily meet at the company's seat or within another municipality within the territory of the seat or another municipality bordering the seat or within the territory of the municipality where the Athens Exchange has its seat. The General Meeting may meet at any location when shareholders who account for the entire share capital are present or represented at the meeting and no shareholder opposes the holding of the meeting and decisions being taken.

With the exception of repeat and similar meetings, the General Meeting shall be called at least 20 whole days before the date of the meeting.

The invitation for the General Meeting shall include at the very least the place and precise address, date and time of the meeting, the items on the agenda, the shareholders entitled to take part, and precise instructions about how shareholders can take part in the meeting and exercise their rights in person or via a representative or remotely. Moreover, the invitation must include all the points required by provisions of Article 121(4) of Law 4548/2018 and must be published in the manner specified in Article 122 of Law 4548/2018.

In the case of a repeat meeting, a new invitation is not required if the initial invitation had already specified the place and time of the meeting, provided that at least 5 days intervene between the cancelled meeting and the repeat meeting.

The Chairman of the Board, the CEO, Chairman of the Audit Committee, the Company's internal auditors and the external auditors must attend the General Meeting of Shareholders to provide information and updates about issues brought for discussion and to provide answers to questions posed or clarifications sought by the shareholders.

Right to attend the General Meeting.

All shareholders, either in person or via representatives, are entitled to participate in and vote at the General Meeting in accordance with the provisions of Articles 124 and 128 of Law 4548/2018.

Shareholders who have not complied with the deadline in Article 128(4) of Law 4548/2028 can participate in the General Meeting unless the General Meeting refuses to allow them to participate on a serious ground and provides justifications for its refusal.

Quorum – Majority

The General Meeting of Shareholders has quorum and is validly met on the items on the agenda when shareholders representing at least 1/5 of the paid-up capital are present or represented at the meeting.

If that quorum is not achieved, the General Meeting reconvenes within 20 days from the date on which the meeting was cancelled, where an invitation has been issued at least 10 whole days beforehand. At that repeat meeting the General Meeting has a quorum and is validly met on the items on the initial agenda regardless of that section of the paid-up capital represented at it.

No second invitation is required if the initial invitation specified the place and time of any repeat meetings, provided that at least 5 days elapse between the meeting which was cancelled and the repeat meeting.

The decisions of the General Meeting are made by absolute majority of the votes represented at it.

By way of exception, the General Meeting has a quorum and is validly met on the items of the agenda when shareholders representing 1/2 of the paid-up share capital are present or represented at it, when the decisions discussed relate to the following:

a) Change in the Company's nationality

b) Change in the company's business scope

c) Increases in shareholder obligations

d) An ordinary capital increase apart from those required by law or done by capitalising reserves

e) Reduction in capital unless done in accordance with Article 21(5) of Law 4548/2018 or Article 49(6) of Law 4548/2018

f) Change in the profit distribution method

g) The merger, split, conversion, revival, extension of effective term or winding up of the company and

h) The granting or renewal of powers to the Board of Directors to increase the share capital in accordance with Article 5(2) hereof

i) any other case in which the law specifies that the General Meeting shall decide by qualified quorum and majority.

In the cases referred to in the previous paragraph, if the quorum referred to in the last indent is not achieved, the General Meeting is invited to reconvene within 20 days from the date on which the meeting was cancelled, where an invitation has been issued 10 days beforehand, and has a quorum and is validly met on the items on the initial agenda when shareholders representing at least 1/5 of the paid-up share capital are present or represented at it. No second invitation is required if the initial invitation specified the place and time of any repeat meetings, provided that at least 5 days elapse between the meeting which was cancelled and the repeat meeting.

Shareholders' Rights

Participation and voting rights

The Company's General Meeting may be attended by any person who is a shareholder at the start of the 5th day from the initial General Meeting (cut-off date). That cut-off date also applies in the case of postponed or repeat meetings, provided that the postponed or repeat meeting is no more than 30 days from the cut-off date. If that is not so, or in the case of repeat General Meeting a new invitation is published in accordance with the provisions of Article 130 of Law 4548/2018, anyone who is a shareholder at the start of the 3rd day before the date of the postponed or repeat General Meeting may participate in the meeting.

Proof of shareholder status is provided based on a notice the Company receives from the company with the corporate name Hellenic Central Securities Depository S.A., which is the central securities depository offering registry services within the meaning of Article 40(5) of Law 4548/2018, where the Company's transferable securities are kept.

Shareholders may participate in the General Meeting in person or via a proxy. A shareholder may appoint up to 3 proxies. However, if a shareholder holds shares in a company which appear in more than one securities account, this limitation does not prevent the shareholder from appointing different representatives for the shares which appear in each securities account in relation to the General Meeting. The granting of such power of attorney may be freely revoked. A proxy acting for several shareholders may vote differently for each shareholder. The appointment and removal or replacement of the shareholder's representative or proxy shall be done in writing or by email and shall be submitted to the Company no later than 48 hours before the date set for the General Meeting. Notice of the appointment and removal or replacement of the proxy using electronic means can be done by email to the email address specified in the invitation to the General Meeting.

Shareholders may appoint a proxy for one or more General Meetings and for a specific period of time. The proxy shall vote in accordance with the shareholder's instructions, if there are any. Failure by the proxy to comply with the voting instructions provided does not affect the validity of the decisions of the General Meeting even if the vote of the proxy was decisive for achieving a majority.

The proxy form is available for shareholders in hard copy at the Company's Shareholder Relations Department or in electronic format on the Company's website(www.intracom.com).

Prior to the beginning of the General Meeting, the shareholder's proxy is obliged to notify to the Company every specific facts that may be useful for the shareholders in evaluating the risk of having the proxy serve interests other than those of the shareholder he represents.

Conflicts of interest may arise in cases where the proxy:

a) is a shareholder exercising control over the Company or is another legal person or entity controlled by such shareholder;

b) is a member of the Board of Directors or the overall management body of the Company or shareholder exercising control over the Company or other legal person or entity controlled by a shareholder exercising control over the Company;

c) is an employee or auditor of the Company or shareholder who exercises control over it, or another legal person or entity controlled by the shareholder who exercises control over the Company;

d) is spouse or first-degree kin to any of the natural persons set out in cases (a) to (c) above.

Pre-emptive rights

In all cases of an increase in the share capital which does not take place with contributions in kind, or by issuing of bonds convertible to shares, a pre-emptive right is provided for the entire new capital or corporate bond in favour of those persons who are shareholders at that time, pro rata with their holding in the existing share capital. Article 27 of Law 4548/2018 states that the pre-emptive right under Article 26 of Law 4548/2018 may be limited or abolished by decision of the General Meeting of Shareholders taken by qualified quorum and majority in accordance with the provisions of Article 130(3) and (4) and Article 132(2) of Law 4548/2018.

Collective and individual minority rights

If shareholders representing 1/20 of the paid-up share capital so request, the Board of Directors is required to call an Extraordinary General Meeting of shareholders, appointing a day for the same that shall not be more than 45 days after the date upon which the Chairman of the Board received such request. The items on the agenda must be cited in the request. Where the General Meeting is not convened by the Board of Directors within 20 days from service of the request it is convened by the applicant shareholders at the Company's expense by decision of a court whose judgment is handed down in line with the injunctive relief procedure. Such decision must specify the place and time of the meeting and the items on the agenda.

On a request from shareholders representing 1/20 of the paid-up share capital the Board of Directors is obliged to enter in the agenda of the General Meeting which has already been called additional items if that request arrives with the Board of Directors at least 15 days before the General Meeting. The additional items are published or notified by the Board of Directors in line with Article 122 of Law 4548/2018 at least 7 days before the General Meeting. The request to add items to the agenda must be accompanied by reasons or by a draft of the decision to be approved by the General Meeting and the revised agenda will be published in the same way as the previous agenda 13 days before the date of the General Meeting and at the same time will be made available to shareholders on the Company's website, along with the reasoning or draft decision submitted by the shareholders in accordance with the provisions of Article 123 of Law 4548/2018. If these items are not published the applicant shareholders are entitled to request postponement of the General Meeting in line with Article 141(5) of Codified Law 4548/2018 and to publish them themselves in line with the provisions of the previous indent at the Company's expense.

Shareholders representing 1/20 of the paid-up share capital are entitled to submit draft decisions on items included in the original or any revised version of the agenda for the General Meeting. The request must arrive with the Board of Directors at least 7 days before the date of the General Meeting and the drafts of decisions must be made available to shareholders in accordance with the provisions of Article 123(3) of Law 4548/2018 at least 6 days before the date of the General Meeting.

The Board of Directors is not obliged to include items in the agenda or publish or disclose them along with the reasoning and drafts of decisions submitted to shareholders in accordance with the paragraphs above if the content thereof is clearly in conflict with the law and morals.

On a request of one or more shareholder(s) representing 1/20 of the paid-up share capital, the Chairman of the General Meeting shall postpone, only once, the taking of decisions at the General Meeting, whether an ordinary or extraordinary meeting, on all matters or on specific matters, for a new General Meeting to be held on the date specified in the shareholders' request, but not later than 20 days after the date of said postponement. A postponed General Meeting which reconvenes is a continuation of the previous one and for this reason no repetition of the publication requirements is required. New shareholders may participate in that meeting provided the participation formalities in Article 124(6) of Law 4548/2018 are complied with.

On a request from any shareholder submitted to the company at least 5 whole days before the General Meeting, the Board of Directors is obliged to provide the specific information requested to the General Meeting about company affairs to the extent that it is useful for a real assessment of the items on the agenda. The obligation to provide information does not exist when the information requested is already available on the Company's website, especially in the form of questions and answers.
Moreover, on a request from shareholders representing 1/20 of the paid-up share capital, the Board of Directors is obliged to inform the Ordinary General Meeting only of the amounts paid over the last two years to each member of the Board of Directors or managers of the Company and all benefits given to those persons on any ground or under any contract between them and the Company. In all the above cases the Board of Directors is entitled to refuse to provide such information on a serious, substantive ground which is cited in the minutes.
In the cases this paragraph refers to, the Board of Directors may give the same reply to shareholder requests with the same content.

On a request from shareholders representing 1/10 of the paid-up share capital, filed with the Company within the deadline stated in the previous paragraph, the Board of Directors provides the General Meeting with information on the current status of corporate affairs and the Company's assets. The Board of Directors may refuse to provide such information for a material cause cited in the minutes.

On a request from shareholders representing 1/20 of the paid-up share capital the voting on any item or items on the agenda may be done by a show of hands.

Shareholders representing at least one twentieth (1/20) of paid-up share capital are entitled to request an extraordinary audit of the company by the court trying the matter in ex parte proceedings.

Shareholders representing at least one fifth (1/5) of paid-up share capital are entitled to ask the court to order an audit of the company, if the general state of the company and based on specific indications indicate that the management of the company's affairs is not, as required, exercising prudent and effective management.

Available documents and information

The information required by Article 123(3), (4) and (5) of Law 4548/2018, including the invitation for the General Meeting, the forms to be used for exercising voting rights via a representative or proxy, the documents to be submitted to the General Meeting, the draft decisions on items on the agenda, and the information on exercising of minority rights under Article 141 of Law 4548/2018, are available in hard copy from the Company, from where shareholders can obtain copies free of charge. Moreover, all the above documents, information about the total number of current shareholders and voting rights are available in electronic format on the Company's website (www.intracom.com).

Internal audit and risk management system

Main features of the internal audit system

The Company's primary concern is to develop and constantly improve the internal audit system (IAS) both at parent company and group level, which is a set of detailed, written auditing mechanisms and procedures which are applied by the Board, management and all company staff, continuously cover all activities and transactions, and contribute to ensuring the effectiveness and efficiency of company operations, the reliability of financial information and compliance with applicable laws and regulations.

The Board of Directors has put in place an effective internal audit system to safeguard Company assets and to identify and address major risks.

Via the Audit Committee, the Board of Directors is ultimately responsible for maintaining the System, ensuring its adequacy and effectiveness and monitoring and supervising its effective implementation.

Internal Audit Unit

The Internal Audit Unit is a unit independent of the Company's other business units which reports in administrative terms to the Company's Board of Directors and in operational terms to the Audit Committee.

The Internal Audit Unit is staffed by at least one internal auditor.
The internal auditor is appointed by the Board, and cannot be a member of the Company's Board or management executive who has other duties apart from internal audits, or a relative of the above persons to the second degree by blood or marriage. He/she must be someone with adequate qualifications and experience and must work in a full-time exclusive capacity.

When performing his/her duties the internal auditor is entitled to take cognisance of any book, document, file, and have access to any unit in the company. To facilitate the internal auditor's work, members of the Board are obliged to collaborate and to provide all necessary information, and Company management is obliged to provide all means necessary to achieve that.

The mission of the Internal Audit Unit is of utmost importance since it seeks to provide the Board of Directors and senior management with reasonable assurances about the Company and Group that:

- All resources to be used are acquired at fair value, in a transparent manner and are used effectively.

- Operational and all business and other risks, such as financial, administrative, compliance risks, are identified and appropriately managed.
- The activities of employees comply with all applicable policies, rules, procedures, contracts and legislation and
- The main financial, administrative, legal and operational information is accurate, reliable and up-to-date.
- The Company and Group's internal audit system is adequate and effective.

The Internal Audit Unit carries out the following audits:

- An audit of compliance with the bylaws, the Company's Articles of Association and the legislation in general relevant to the Company and in particular the legislation on societes anonyme and the stock exchange, and in particular decision No. 5/204/2000 of the Board of Directors of the Hellenic Capital Market Commission, as amended and in force.
- An audit of compliance with commitments contained in prospectuses and the Company's investment plans, relating to the use of funds raised via the Stock Exchange or proper briefing of the supervisory authorities and investors about any changes to them.
- An audit of the legitimacy of remuneration and all manner of benefits to members of management in relation to decisions of the competent company and Group bodies.
- An audit of company relations and dealings with related companies, and Company dealings with other companies in whose capital members of the Board have at least a 10% stake, or company shareholders have at least a 10% stake.
- An audit of stock exchange transactions involving Company shares entered into by members of the Board of Directors or persons with insider information.

The Internal Audit Unit reports to the Audit Committee and the Company's Board of Directors cases of conflicts of interest between the private interests of members of the Board of Directors or senior executives of the Company and its interests which are ascertained during the discharge of its duties.

After obtaining approval of the Board, the Internal Audit Unit provides any information requested in writing by the supervisory authorities, collaborates with them and facilitates the monitoring, control and supervisory work of those authorities in all possible ways.

The Internal Audit Unit submits regular briefings to the Board of Directors via the Audit Committee, at least once a quarter and attends the Company's General Meetings of Shareholders.

Audit Committee

Among other things, the Audit Committee's task includes constantly monitoring and assessing the adequacy and effectiveness of the Internal Audit System, at parent company and group level, based on relevant data and information from the Internal Audit Unit, the findings and observations of external auditors and the supervisory authorities.

Risk management by company and group in relation to preparation of financial statements (separate and consolidated).

The Audit Committee reviews financial information in relation to the financial statements and the financial data prepared by the Company at regular intervals. It re-examines the main estimates and judgements which could significantly affect financial results to ensure that the information in the financial statements is comprehensive, clear and adequate. Moreover, the audit carried out takes account of any issues which may arise from the statutory audit carried out by the certified auditors.

Other Company management, supervisory bodies or committees

At present there are no other company management, supervisory bodies or committees.

EXPLANATORY REPORT

Article 4(7) & (8) of Law 3556/2007

This Board of Directors Explanatory Report contains the information specified by Article 4(7) of Law 3556/2007, and will be submitted to the Ordinary General Meeting of Company Shareholders in accordance with the provisions of Article 4(8) of Law 3556/2007.

Structure of the Company's share capital

The company's share capital amounts to € 76,000,000 divided into 76,000,000 shares with a nominal value of € 1.00 each.

The Company's shares are all registered shares and have been listed for trading on the Main Market of the Athens Stock Exchange. Company shares are ordinary registered shares incorporating voting rights.

Each share grants all the rights specified by law and the Company's Articles of Association and in particular:

- Right to dividends

  The minimum dividend distributed to shareholders as a first dividend is 35% of the net profits having deducted the withholding required to form the statutory reserve and other credit accounts in the income statement which do not come from realised profits, while the General Meeting decides on whether to distribute any additional dividend.

  The place and method of payment is announced in publications in the Daily Price Bulletin and on the ATHEX and Company websites.

  Dividends must be paid within 2 months from the date of the Ordinary General Meeting of Shareholders which approved the Company's annual financial statements.

  The right to collect a dividend becomes statute-barred and the amount involved devolves to the State if not collected within 5 years from the end of the year in which the General Meeting approved distribution.

- Right to the product of liquidation:

  On completion of the liquidation, the liquidators return the contributions of the Shareholders in accordance with the Articles of Association and distribute to them the balance from the liquidation of the Company's assets in proportion to their share in the paid-up share capital of the Company.

- Pre-emptive rights

  In every case of an increase in the share capital not done by a contribution in kind, a pre-emptive right is granted in respect of the entire new capital in favour of those persons who are shareholders at that time, pro rata with their holding in the share capital. Pursuant to article 27 of Law 4548/2018 pre-emptive rights may be limited or abolished by decision of the General Meeting of Shareholders, taken by qualified quorum and majority.

- Right to receive a copy of the financial statements and reports of the Company's Board of Directors and certified public accountants.
- The right to participate in the General Meeting and vote in person or via a proxy. Each share entitles its holder to one voting right.
- The General Meeting of the Company's shareholders retains all its rights during the period of liquidation.
- Shareholders are liable only up to the registered capital of the share.

Limitation to the transfer of the Company's shares

Company shares may be transferred in the manner laid down by law and there are no restrictions on their transfer contained in the Articles of Association.

Major direct or indirect holdings for the purpose of Law 3556/2007 (Articles 9 to 11)

Company shareholders who directly or indirectly held more than 5% of the total number of its shares and the corresponding voting rights on 31.12.2019 are set out in the table below:

Name – Surname	%
Sokratis P. Kokkalis	23.88%
Konstantinos G. Dimitriadis	8.70%

No other natural or legal person held any percentage of the total number of Company shares and corresponding voting rights over 5% on that date.

Shares providing special control rights

There are no shares in the Company granting their holders special rights of control.

Restrictions on voting rights

The Company's Articles of Association contain no restrictions on voting rights.

Agreements between the Company's shareholders

The Company is not aware of the existence of agreements between its shareholders which entail restrictions on the transfer of its shares or the exercise of voting rights deriving from its shares.

Rules on the appointment and replacement of Board members and amendments of the Articles of Association

The rules contained in the Company's Articles of Association on appointment and replacement of members of the Board of Directors and amendment of the provisions of the Articles of Association are not different from those contained in Law 4548/2018. More specifically, under the provisions of the Articles of Association, between 3 and 11 members of the Board of Directors may be elected by the General Meeting by a decision specifying their number. Their term in office is 5 years, which is extended to the end of the deadline within which the next Ordinary General Meeting must convene, until a decision to that effect is taken.

In the event of resignation, death or loss of membership of the Board by one or more members in any other way, the remaining members may, where there are at least 3, elect a replacement or replacements for the remainder of the term in office of the members who were replaced and specify the role of each member as an executive or non-executive member, or may continue to manage and represent the Company without replacing the missing members. That election must be announced by the Board of Directors at the next General Meeting which can replace the elected persons, even if no such item has been included in the agenda.

Powers of the Board of Directors to issue new shares or purchase own shares

a) In accordance with the provisions of Article 113 of Law 4548/2018, the Board of Directors may increase the Company's share capital by issuing new shares in the context of implementing share sale plans approved by the General Meeting in the form of an option to acquire Company shares by beneficiaries under the specific terms and procedures laid down in the said provisions.

The Company has no stock option plans in effect.

b) Under the provisions of Article 49 of Law 4548/2018 the Company may, following a decision of the General Meeting, acquire own shares corresponding to a maximum of 1/10 of the paid-up share capital.

On 29.6.2018 the Ordinary General Meeting of Shareholders approved a plan to purchase own shares up to 10% of the paid-up share capital (incl. 217,004 own shares which had been acquired in the context of the decision of the General Meeting of 30.6.2016) for a period of 24 months effective from 2.7.2018 to 1.7.2020, with a minimum purchase price of € 0.30 and a maximum price of € 10.00 per share.

On 31.12.2018 the Company held 479,848 own shares in total (0.63% of its share capital).

Between 1.1.2019 and 31.12.2019 the Company did not purchase own shares. Following that, on 31.12.2019, the number of own shares held by the Company remained at 479,848 (0.63% of its share capital).

Between 1.1.2020 and 16.3.2020, the Company acquired 108,000 additional own shares. Following that, the Company's total number of own shares now stands at 587,848 ordinary registered shares (0.77% of its share capital).

Important agreements contracted by the Company, which will enter into effect, will be amended or will expire in case of change control of the Company following a public offer

There are no such agreements.

Agreements with Board of Directors members or company staff

There are no agreements between the Company and members of the Board of Directors or staff which provide for the payment of remuneration specifically in the case of resignation or dismissal without a valid reason or termination of service or employment due to a takeover bid. The provisions formed by the Company to compensate staff leaving service stood at € 672,000 on 31.12.2019 compared to € 612,000 on 31.12.2018.

Peania, 19 June 2020

The Board of Directors

C) Independent Auditor's Report

To the shareholders of INTRACOM HOLDINGS S.A.

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of INTRACOM HOLDINGS S.A. (the Company), which comprise the separate and consolidated balance sheet as at 31 December 2019, the separate and consolidated 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 separate and consolidated financial statements present fairly, in all material respects, the financial position of INTRACOM HOLDINGS S.A. and its subsidiaries (the Group) as at 31 December 2019, their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for Opinion

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

Key Audit Matters

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

Key audit matters

1. Recognition of revenue from contracts with customers	Addressing the audit matter
The Group's turnover for the year ended 31.12.2019 amounted to approximately € 523 million (€ 471 million for the year ended 31.12.2018), and includes mainly revenue from the execution of construction contracts (2019 approximately € 247 million and 2018 approximately € 211 million) and revenue from the IT services sector (2019 approximately € 174 million and 2018 approximately € 170 million). As referred to in note 2.27, in order to be recognised revenue from contracts with customers in accordance with IFRS 15, is required to be followed by Management a special procedure, which relays significantly on accounting estimates. Possible future changes in accounting estimates may result to significant changes in recognised revenue and relevant profitability. In particular, revenue from construction contracts as well as revenue from IT service contracts is recognized over time and as performance obligations are satisfied and their recognition requires estimates and judgments in relation to the following: • the recognition of performance obligations and the point in time these are satisfied, • the allocation of the transaction price (contractual consideration) to performance obligations, • the determination of total costs from the date of the contract up to the date of its estimated completion, • any revisions to the estimated execution costs, • the possibility of customer acceptance of any claims for compensation. Management's estimates have a large impact on revenues recognised by construction	Our audit approach included among other also the following procedures: 1. We examined the procedures applied by the Group for the recognition of revenue from construction contracts and IT service contracts. 2. By applying sample testing, we carried out on a number of contracts substantive procedures concerning the recognition of revenue from construction contracts and IT service contracts, examining qualitative and quantitative criteria, in order to evaluate important and complex areas in their performance and the ascertainment of correctness of the recognition of revenue related to them, in accordance with the accounting policies and methods applied by the Group's management and the requirements of IFRS 15. 3. We studied and understood the key terms of the contracts in order to confirm, per project, the performance obligations and the point in time they are satisfied, as well as the allocation method of the transaction price to individual performance obligations. 4. We compared the actual results per selected contract to the approved budgeted amounts and the historical data, in order to assess the degree of reliability of the management's judgments and estimates. 5. By applying sample testing, we examined the completeness and accuracy of the costs, and other costs incurred for the satisfaction of performance obligations and we correlated them with the relevant projects/contracts, taking into account the respective invoices, contracts and other documents. 6. We recalculated the percentage of satisfaction of performance obligations based on the actual costs incurred, as well as on the signed reports of the project managers. 7. We reviewed the recoverability of the contractual assets looking into subsequent certifications and receipts.

ΣΟΛ Crowe

Key audit matters	
contracts, profit margins, forecasts for loss-making projects and the recoverability of contractual assets related to construction contracts. Relevant reference concerning the recognition of revenue from IT services and construction contracts is made in the financial statements in Note 2.27 (Financial Reporting Framework), in Note 5 (Revenue by class of activities) and in Note 18 (Government Financial Assistance IFRIC 12) to the financial statements.	8. We reviewed the supporting material (correspondence with customers, subsequent receipts) to assess the probability of collecting claims for compensation. Also, we assessed the adequacy and appropriateness of the disclosures in notes 2.27, 5 and 18 to the financial statements.
2. Acquisition by the Parent Company of subsidiaries from the subsidiary INTRAKAT	**Addressing the audit matter**
As pointed out in Note 14 of the accompanying financial statements, during the year the Company, based on resolution of the Ordinary General Meeting held on 29.06.2018, which approved the related-party transaction according to the provisions in article 23a of cod. L. 2190/1920 as in force by 31/12/2018, transferred to its subsidiary INTRAKAT S.A. all of its owned shares and bonds in certain holdings at a consideration price determined on the basis of their valuation carried out by an independent firm of Certified Auditors-Accountants. The transfer of shares and bonds by the parent company was completed on 20/12/2019 and is recognised and disclosed in the separate and consolidated financial statements of the Company and the Group INTRACOM HOLDINGS as related-party transaction according to IAS 24 in the year ended 31/12/2019. The disclosure of the related party transactions is presented in Note 40. We consider the above transaction to be one of the most significant matter due to its nature as related-party transaction and due to its value.	Our audit approach included among other also the following procedures: 1. With the involvement of our legal advisors, we examined the legal documents of the transfer and assessed the correctness of the Company's and the Group's disclosures and application of the accounting policies and the policy of the accounting of transferred assets. 2. With the involvement of our experts, we assessed the valuation of the assets transferred. 3. We assessed the adequacy and appropriateness of the disclosures in Note 14 to the financial statements. 4. Also, we assessed the adequacy and appropriateness of the disclosures in Note 40 concerning the related party transactions according to IAS 24.

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Other Information

Management is responsible for the other information. The other information comprises the information included in the Board of Directors' Report for which reference is made to the "Report on other Legal and Regulatory Requirements", to the Statements of the Members of the Board of Directors, but does not include the financial statements and the auditor's report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Separate and Consolidated Financial Statements

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

In preparing the separate and consolidated financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee (art. 44 L. 4449/2017) of the Company is responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, as 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 influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs as incorporated into the Greek Legislation, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit

  evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the company and of its subsidiaries audit. We remain solely responsible for our audit opinion.

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

ΣΟΛ Crowe

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

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

Report on other Legal and Regulatory Requirements

1. Board of Directors' Report

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

a) The Board of Directors' Report includes the Corporate Governance Statement that provides the data and information defined under article 152 of cod. L. 4548/2018.

b) In our opinion the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of the articles 150 and 153 and the paragraph 1 (cases c' and d') of the article 152 of L. 4548/2018 and its content corresponds with the accompanying financial statements for the year ended 31/12/2019.

c) Based on the knowledge we obtained during our audit of INTRACOM HOLDINGS S.A. and its environment, we have not identified any material misstatements in the Board of Directors' Report.

2. Additional Report to the Audit Committee

Our audit opinion on the accompanying separate and consolidated financial statements is consistent with the Additional Report to the Company's Audit Committee referred to in Article 11 of European Union (EU) Regulation 537/2014.

3. Provision of Non-Audit Services

We have not provided to the Company and its subsidiaries the prohibited non-audit services referred to in Article 5 of EU Regulation 537/2014.

The permitted non-audit services that we have provided to the Company and its subsidiaries, during the year ended 31 December 2019 have been disclosed in the Note 29 of the accompanying separate and consolidated financial statements.

ΣΟΛ Crowe

4. Auditor's Appointment

We have been appointed for the first time Certified Auditors Accountants of the Company by decision of the ordinary general meeting of shareholders of the year 1993. Our appointment as auditors of a public interest entity concerns the period from 1993 uninterrupted to the present and has been renewed based on the annual decisions taken by the ordinary general meeting of shareholders.

Athens, 22 June 2020

ZOI D. SOFOU

Certified Public Accountant Auditor

Institute of CPA (SOEL) Reg. No. 14701

SOL S.A.

Member of Crowe Global

3, Fok. Negri Str., 112 57 Athens, Greece

Institute of CPA (SOEL) Reg. No. 125

D) Annual Financial Statements

prepared in accordance with the International Financial Reporting Standards (IFRS)

as adopted by the European Union

Contents of financial statements page

(All amounts are in € '000)

Balance Sheet

		Group		Company	
ASSETS	**Note**	**31/12/2019**	**31/12/2018**	**31/12/2019**	**31/12/2018**
Non-Current Assets					
Tangible assets	6	112.751	117.994	8.174	8.429
Goodwill	7	37.449	37.449	-	-
Intangible assets	8	18.836	13.185	7	19
Investment properties	9	50.622	58.912	49.369	50.525
Right-of-use assets	10	17.069	-	210	-
Investments in subsidiaries	11	-	-	189.243	191.189
Investments in companies consolidated using the equity method	12	9.919	9.928	-	-
Financial assets measured at FVOCI	14	45.066	52.886	1.065	1.099
Deferred tax assets	15	6.550	6.576	-	-
Customers and other receivables	16	23.061	20.197	8.639	107
		321.322	**317.127**	**256.707**	**251.367**
Current Assets					
Inventories	17	42.405	41.943	-	-
Customers and other receivables	16	315.987	306.521	14.143	23.429
State financial contribution (IFRIC 12)	18	-	27.472	-	-
Financial assets measured at FVPL	19	956	865	-	-
Current tax assets		17.808	10.230	-	-
Cash and cash equivalents	20	54.936	75.881	18.873	26.425
		432.093	**462.911**	**33.016**	**49.854**
Assets held for sale	14	-	-	-	20.823
		432.093	**462.911**	**33.016**	**70.677**
Total assets		**753.415**	**780.038**	**289.724**	**322.044**
EQUITY					
Equity attributable to shareholders					
Ordinary Shares	21	76.000	76.000	76.000	76.000
Premium on capital stock	21	194.204	194.204	194.204	194.204
Own shares	21	(485)	(485)	(485)	(485)
Other reserves	22	138.760	145.781	128.429	128.601
Retained earnings		(171.849)	(165.765)	(144.543)	(133.696)
		236.630	249.734	253.604	264.624
Non-controlling interests		23.220	13.376	-	-
Total equity		**259.850**	**263.110**	**253.604**	**264.624**
LIABILITIES					
Long-term liabilities					
Loans	23	69.785	100.031	2.840	9.965
Lease liabilities	25	17.292	-	6.018	-
Deferred tax liabilities	15	5.067	3.731	728	782
Post-employment benefit liabilities	24	9.076	8.442	672	612
Grants	26	33	38	-	-
Provisions	27	2.904	2.676	-	-
Suppliers and other liabilities	28	11.474	5.476	-	-
		115.629	**120.394**	**10.256**	**11.358**
Short-term liabilities					
Suppliers and other liabilities	28	231.785	278.731	7.554	31.915
Current tax liabilities		181	1.754	-	-
Loans	23	132.241	109.063	15.860	12.647
Lease liabilities	25	4.982	-	949	-
Provisions	27	8.746	6.986	1.500	1.500
		377.936	**396.534**	**25.862**	**46.061**
Total liabilities		**493.565**	**516.928**	**36.119**	**57.419**
Total equity and liabilities		**753.415**	**780.038**	**289.724**	**322.044**

The notes on pages 51 to 131 constitute an integral part of these financial statements.

(All amounts are in € '000)

Statement of comprehensive income

	Note	Group 1/1 - 31/12/2019	Group 1/1 - 31/12/2018	Company 1/1 - 31/12/2019	Company 1/1 - 31/12/2018
Revenues from contracts with customers	5	522.798	470.697	2.709	2.519
Cost of sales	29	(450.420)	(400.621)	(1.571)	(2.136)
Gross profit		**72.378**	**70.077**	**1.138**	**384**
Selling expenses and research expenses	29	(17.647)	(17.194)	-	-
Administrative expenses	29	(37.875)	(38.414)	(4.600)	(4.860)
Impairment of financial assets	31	(1.657)	(2.706)	-	-
Losses from derecognition of financial assets at amortised cost		(89)	-	(89)	-
Other operating income	32	4.592	3.608	2.305	2.246
Other profits/(losses) - net	33	3.314	7.604	(934)	528
Losses from impairment of subsidiaries	11	-	-	(8.300)	-
Reversal / (losses) of impairment of tangible, intangible and investment properties	6, 9	152	(35)	-	(35)
Operating results		**23.168**	**22.940**	**(10.480)**	**(1.737)**
Financial expenses	34	(19.596)	(17.814)	(1.222)	(1.218)
Financial income	34	1.324	2.072	855	1.086
Net financial income/(expenses)		**(18.272)**	**(15.742)**	**(367)**	**(131)**
Profits / (losses) from investments consolidated using the equity method	12	(38)	(355)	-	-
Earnings / (losses) before tax		**4.858**	**6.842**	**(10.847)**	**(1.868)**
Income tax	35	(4.342)	(9.155)	43	242
Net profits /(losses) for the period		**516**	**(2.312)**	**(10.803)**	**(1.626)**
Other comprehensive income:					
Amounts carried forward to results					
Foreign exchange differences after tax		322	289	-	-
		322	289	-	-
Amounts not carried forward to results					
Actuarial gains / (losses) after tax		(291)	(216)	(34)	4
Financial assets measured at FVOCI	14, 15	(7.341)	(3.599)	(182)	(1.875)
		(7.632)	(3.815)	(216)	(1.871)
Other comprehensive income after tax		**(7.309)**	**(3.526)**	**(216)**	**(1.871)**
Total comprehensive income for the period		**(6.793)**	**(5.838)**	**(11.020)**	**(3.497)**
Net profits / (losses) allocated to:					
Parent company shareholders		643	(694)	(10.803)	(1.626)
Non-controlling interests		(126)	(1.618)	-	-
		516	**(2.312)**	**(10.803)**	**(1.626)**
Consolidated comprehensive income allocated to:					
Parent company shareholders		(6.970)	(4.111)	(11.020)	(3.497)
Non-controlling interests		176	(1.727)	-	-
		(6.793)	**(5.838)**	**(11.020)**	**(3.497)**
Profits / (losses) per share corresponding to parent company shareholders for the period (expressed in € per share)					
Basic and impaired	36	0,01	(0,01)	(0,14)	(0,02)

The notes on pages 51 to 131 constitute an integral part of these financial statements.

(All amounts are in € '000)

Statement of changes in Group equity

		Attributable to company shareholders					
	Note	**Share capital**	**Other reserves**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total Equity**
Υπόλοιπο 1 Ιανουαρίου 2018		381.771	166.553	(291.100)	257.224	13.071	270.295
Change in accounting policies due to adoption of new IFRS 9 and IFRS 15		-	(8.109)	6.410	(1.700)	(326)	(2.025)
Balance on 1.1.2018 adjusted		**381.771**	**158.444**	**(284.690)**	**255.524**	**12.746**	**268.270**
Loss for the period		-	-	(694)	(694)	(1.618)	(2.312)
Financial assets measured at FVOCI	14	-	(3.491)	-	(3.491)	(108)	(3.599)
Foreign exchange differences		-	304	-	304	(15)	289
Actuarial profits / (losses) after taxes		-	(230)	-	(230)	14	(216)
Total comprehensive income for the period		**-**	**(3.417)**	**(694)**	**(4.112)**	**(1.727)**	**(5.838)**
Share capital increase with capitalisation of reserves	21	9.500	(9.003)	(497)	-	-	1
Share capital reduction to offset losses	21	(121.030)	-	121.030	-	-	-
Share buyback	21	(485)	-	-	(485)	-	(485)
Cancellation of own shares	21	(37)	-	20	(17)	-	(17)
Changes in holdings in subsidiaries		-	(30)	(1.189)	(1.219)	1.369	149
Sale of subsidiary		-	-	(1)	(1)	1.033	1.032
Carried forward		-	(213)	256	44	(44)	0
		(112.052)	**(9.246)**	**119.619**	**(1.679)**	**2.358**	**679**
Υπόλοιπο 31 Δεκεμβρίου 2018		**269.719**	**145.781**	**(165.765)**	**249.734**	**13.376**	**263.110**
Υπόλοιπο 1 Ιανουαρίου 2019		269.719	145.781	(165.765)	249.734	13.376	263.110
Net profits /(losses) for the period		-	-	643	643	(126)	516
Financial assets measured at FVOCI	14, 22	-	(7.606)	-	(7.606)	265	(7.341)
Foreign exchange differences		-	328	-	328	(5)	322
Actuarial profits / (losses) after taxes			(334)	-	(334)	43	(291)
Total comprehensive income for the period		**-**	**(7.612)**	**643**	**(6.970)**	**176**	**(6.793)**
Acquisition of control in a subsidiary	11	-	-	-	-	240	240
Financial assets measured at FVOCI	22	-	678	(678)	-	-	-
Changes in holdings in subsidiaries	11	-	1	(6.141)	(6.140)	9.433	3.293
Carried forward	22	-	(87)	92	6	(6)	-
		-	592	(6.727)	(6.135)	9.668	3.533
Υπόλοιπο 31 Δεκεμβρίου 2019		**269.719**	**138.760**	**(171.849)**	**236.630**	**23.220**	**259.850**

A breakdown of other reserves is presented in note 22.

The notes on pages 51 to 131 constitute an integral part of these financial statements.

(All amounts are in € '000)

Statement of changes in Company equity

	Note	Share capital	Other reserves	Retained earnings	Total Equity
Υπόλοιπο 1 Ιανουαρίου 2018		381.771	139.033	(252.181)	268.623
Change in accounting policies due to adoption of new IFRS 9 and IFRS 15		-	(1.216)	1.216	-
Balance on 1.1.2018 adjusted		381.771	137.817	(250.965)	268.623
Net losses for period		-	-	(1.626)	(1.626)
Financial assets measured at FVOCI	14	-	(1.875)	-	(1.875)
Actuarial gains / (losses) after tax		-	4	-	4
Total comprehensive income for the period		**-**	**(1.871)**	**(1.626)**	**(3.497)**
Share capital increase with capitalisation of reserves	21	9.500	(9.003)	(497)	-
Share capital reduction to offset losses	21	(121.030)	-	121.030	-
Share buyback	21	(485)	-	-	(485)
Cancellation of own shares	21	(37)	-	20	(17)
Carried forward	22	-	1.658	(1.658)	-
		(112.052)	(7.345)	118.895	(502)
Υπόλοιπο 31 Δεκεμβρίου 2018		**269.719**	**128.601**	**(133.696)**	**264.624**
Υπόλοιπο 1 Ιανουαρίου 2019		269.719	128.601	(133.696)	264.624
Net losses for period		-	-	(10.803)	(10.803)
Financial assets measured at FVOCI	14, 22	-	(182)	-	(182)
Actuarial gains after tax		-	(34)	-	(34)
Total comprehensive income for the period		**-**	**(216)**	**(10.803)**	**(11.020)**
Carried forward	22	-	44	(44)	-
		-	44	(44)	-
Υπόλοιπο 31 Δεκεμβρίου 2019		**269.719**	**128.429**	**(144.543)**	**253.604**

A breakdown of other reserves is presented in note 22.

The notes on pages 51 to 131 constitute an integral part of these financial statements.

(All amounts are in € '000)

Cash flow statement

	Note	Group 1/1 - 31/12/2019	Group 1/1 - 31/12/2018	Company 1/1 - 31/12/2019	Company 1/1 - 31/12/2018
Cash flow from operating activities					
Cash flow from operating activities	37	15.238	(1.705)	(1.330)	17.437
Interest paid		(18.133)	(19.332)	(1.238)	(1.232)
Income tax paid		(12.274)	(8.503)	(73)	(72)
Net cash flow from operating activities		**(15.169)**	**(29.541)**	**(2.640)**	**16.133**
Cash flow from investing activities					
Purchases of tangible assets		(4.193)	(4.058)	(30)	(55)
Purchases of investment properties		(506)	(2.865)	(24)	(20)
Purchases of intangible assets		(8.222)	(4.233)	-	-
Sales of tangible assets		145	391	-	-
Sales of investment properties		49	135	-	-
Sales of intangible assets		-	2	-	-
Reduction in share capital of financial assets valued at FVOCI		644	-	-	-
Purchase of financial assets at FVPL	19	-	(9)	-	-
Purchase of financial assets at FVOCI	14	(165)	(1.290)	(153)	(267)
Sales of financial assets at FVOCI	14	653	269	48	269
Sales of financial assets at FVPL		-	-	-	-
Acquisition of control in a subsidiary	11	70	-	-	-
Sales of subsidiaries / % in subsidiaries	11	506	2.696	8.291	-
Increase in subsidiary's capital / establishment of subsidiary	11	-	-	(15.831)	(13.521)
Establishment / purchase of associates	12	(467)	-	-	-
Share capital increase in associates	12	-	(589)	-	-
Dividends collected		7	15	-	-
Loans granted		-	-	-	(7.960)
Interest collected		836	861	35	1
Blocked Deposits		-	-	-	-
Net cash flow from investing activities		**(10.643)**	**(8.676)**	**(7.664)**	**(21.554)**
Cash flows from financing activities					
Share buyback	21	-	(502)	-	(502)
Subsidiary capital increase expenses		(1)	-	-	-
Transactions with non-controlling interests in subsidiaries	11	3.395	-	-	-
Loans raised		142.648	120.921	3.500	-
Loan repayments		(136.783)	(153.880)	(300)	(28.454)
Lease capital payments (2018: finance leases)	25	(4.471)	(1.034)	(447)	(328)
Net cash flow from financing activities		**4.788**	**(34.494)**	**2.753**	**(29.284)**
Net increase / (reduction) in cash and cash equivalents		**(21.024)**	**(72.711)**	**(7.552)**	**(34.705)**
Cash and cash equivalents at start of period		75.881	148.226	26.425	61.130
Exchange differences in cash and cash equivalents		80	366	-	-
Cash and cash equivalents at end of period	20	**54.936**	**75.881**	**18.873**	**26.425**

The notes on pages 51 to 131 constitute an integral part of these financial statements.

Notes to the financial statements in accordance with the International Financial Reporting Standards

1. General

INTRACOM Holdings S.A., trading as Intracom Holdings, was established in Greece and its shares are traded on the Athens Exchange.

The INTRACOM Group is involved via its subsidiaries and other associated companies in the design, development, production, certification, installation and support of high-tech products and electronic systems for telecommunications and IT, the production of defence electronic systems, the construction sector, renewable energy sources and the development and exploitation of real estate. The parent company operates as a holding company.

The Group operates in Greece, Luxembourg, the USA, Belgium, Romania and the UAE and in other countries abroad.

The Company's registered offices are in Greece, in the Prefecture of Attica, in the Municipality of Peania, at 19th km Markopoulo Ave., Peania. The Company's website is www.intracom.com.

These annual separate and consolidated financial statements (hereinafter referred to as the financial statements as at 31.12.2019) were approved for publication by the Company's Board of Directors on 19.6.2020 and are subject to approval by the Ordinary General Meeting of Shareholders.

The annual financial statements, audit reports of certified public accountants and reports of the Board of Directors of societes anonyme included in the Group's consolidated financial statements are posted on the Company's website www.intracom.com.

2. Summary of main accounting policies

2.1 Basis of preparation

These financial statements include the separate financial statements of INTRACOM Holdings S.A. (the Company) and the consolidated financial statements of the Company and its subsidiaries (collectively INTRACOM or the Group) for the period ended on 31 December 2019 in accordance with the International Financial Reporting Standards (IFRS) and the Interpretations of the IFRS Interpretations Committee (IFRIC) as adopted by the European Union.

The financial statements have been prepared on the basis of the historic cost principle apart from financial assets at fair value through other comprehensive income and financial assets at fair value through profit and loss which are valued at fair value.

Preparation of the financial statements in accordance with the IFRS requires the use of certain important accounting estimates and the exercise of judgement by Management in applying and implementing accounting policies. Moreover, it requires the use of certain calculations and assumptions which affect the value of assets and liabilities mentioned, the disclosure of contingent receivables and liabilities on the date of preparation of the financial statements and the income and expenses for the duration of year being reported on. Despite the fact that these calculations are based on Management's best possible knowledge of current conditions and activities, the actual results may in fact differ from those calculations. Areas entailing a high degree of subjectivity or which relate to complex transactions or where assumptions and estimates are significant for the financial statements are cited in Note 4.

The accounting policies applied in preparing the financial statements of subsidiaries and associates and joint ventures are identical to those adopted by the Company.

New standards, amendments to standards and interpretations: Specific new standards, standard amendments and interpretations have been issued, which are mandatory for the current year. The Group's assessment as regards the impact of the application of such new standards, amendments and interpretations is provided below:

<u>Standards and interpretations mandatory for the current financial year</u>

IFRS 16 "Leases"

IFRS 16 was published in January of 2016, to replace IAS 17. The purpose of the standard is to ensure that lessees and lessors provide useful information that fairly presents the essence of the transactions related to leases. IFRS 16 introduces a single accounting model from the lessee's side, which requires the lessee to recognise assets and liabilities for all lease contracts with a term of more than 12 months, unless the underlying asset is of low value. As regards the accounting handling by the lessor, IFRS 16 essentially incorporates the requirements of IAS 17. Therefore, the lessor continues to classify lease contracts into operating and financial leases, and handle each type of contract differently in the accounts. The impact of the standard on the Group is outlined in note 41. The "right-of-use assets" and "lease obligations" recognised on 31.12.2019 are described in notes 10 and 25 respectively.

IAS 28 (Amendments) "Long-term Interests in Associates and Joint Ventures"

The amendments make it clear that entities must account for long-term holdings in an associate or joint venture to which the equity method does not apply, using IFRS 9. This amendment had no impact on the Group.

IFRIC 23 "Uncertainty over income tax treatments"

The interpretation provides explanations about how to recognise and measure current and deferred income tax when there is uncertainty about the tax treatment of certain assets. IFRIC 23 applies to all aspects of income tax accounting when there is such uncertainty, including taxable profits/losses, the tax base of assets and liabilities, tax profits and losses and tax rates. The interpretation has no impact on the Group.

IAS 19 (Amendments) "Plan Amendment, Curtailment or Settlement"

The amendments lay down how entities must define pension costs when changes are made to defined benefit pension plans. This amendment had no impact on the Group.

Annual improvements to the IFRS (2015-2017 Cycle)

The amendments presented below describe the basic changes to four IFRSs.

<u>IFRS 3 "Business Combinations":</u>

The amendments clarify how an entity re-measures the percentage previously held in a jointly controlled activity when it acquires control of that undertaking.

IFRS 11 "Joint Arrangements"

The amendments clarify how an entity should not re-measure the percentage previously held in a jointly controlled activity when it acquires joint control of that undertaking.

IAS 12 "Income Tax"

The amendments clarify how an entity should account for all incomes of dividend payments on income tax, doing so in the same way.

IAS 23 "Borrowing "Costs""

The amendments clarify how an entity treats as part of its general borrowing any loan specifically taken out to develop an asset when that asset is ready for the use for which it was intended or for sale.

Standards and Interpretations mandatory for later accounting periods

New standards, standard amendments and interpretations have been issued, which are mandatory for accounting periods beginning after 1.1.2020 and have not been applied to the preparation of these consolidated financial statements. None of these is expected to have any significant effect on the consolidated financial statements save those set out below:

IFRS 3 (Amendments) "Definition of business combination" (applicable to annual accounting periods commencing on or after 1.1.2020)

The new definition focuses on the concept of an enterprise's return in the form of providing goods and services to customers, as opposed to the previous definition that focused on returns in the form of dividends, lower costs or other economic benefits to investors and other parties.

IAS 1 and IAS 8 (Amendments) "Definition of materiality" (applicable to annual accounting periods commencing on or after 1.1.2020)

The amendments clarify the definition of material, and how it should be used, supplementing the definition with guidelines that have been provided so far in other parts of the IFRSs. In addition, the clarifications accompanying the definition have been improved. Finally, the amendments ensure that the definition of materiality is consistently applied to all IFRSs.

IAS 1 (Amendment) "Classification of liabilities as short-term or long-term" (applicable to annual accounting periods commencing on or after 1.1.2022)

This amendment clarifies that liabilities are classified as short-term or long-term based on the rights in force at the end of the reporting period. Classification is not affected by the entity's expectations or by events after the reporting date. Moreover, the amendment clarifies the meaning of the term 'settlement' of an obligation under IAS 1. This amendment has not yet been adopted by the European Union.

IFRS 16 (Amendment) "Rent concessions" (applicable to annual accounting periods commencing on or after 1 June 2020)

The amendment provides lessees (but not lessors) with the possibility to opt out of the assessment of whether the rent concession related to COVID-19 is an amendment of the lease. Lessees can choose to account for rent concessions in the same way they would do for changes which are not lease amendments. This amendment has not yet been adopted by the European Union.

Annual improvements to the IFRS (2018 – 2020 Cycle) (applicable to annual accounting periods commencing on or after 1.1.2022)

IFRS 9 "Financial instruments"

The amendment examines which costs should be included in the 10% assessment for derecognition of financial liabilities. The relevant costs or fees could be paid either to third parties or to the creditor. Under the amendment, the cost or fees paid to third parties will not be included in the 10% assessment. These amendments have not yet been adopted by the European Union.

2.2 Consolidation

(a) Business combinations and subsidiaries

Subsidiaries are all undertakings over which the Group exercises control. The Group exercises control over an undertaking when the Group is exposed to and/or has rights to variable returns from its participation in the undertaking and has the ability to affect those returns through the power it exerts over the undertaking. Subsidiaries are consolidated using the full consolidation method from the date on which control of them is acquired and they cease to be consolidated from the date on which such control no longer exists.

The purchase method of accounting is used to account for the acquisition of subsidiaries. The acquisition price is calculated as the fair value of the assets transferred, liabilities assumed towards former shareholders and shares issued by the Group. Expenses related to acquisition are posted to the results. Assets, liabilities and contingent liabilities assumed in a business combination are measured at fair value on the acquisition date. In each case of acquisition, the Group recognises any non-controlling interest of the subsidiary either at fair value or at the value of the non-controlling interest in the equity of the subsidiary.

If the acquisition of a subsidiary is achieved gradually, the fair value of the Group's holding in the acquired company is remeasured at fair value on the acquisition date.

Any contingent consideration transferred by the acquirer is recognised at fair value on the acquisition date either in equity or in financial liabilities. Amounts categorised as a financial liability are subsequently measured at fair value with changes in fair value recognised in the statement of comprehensive income.

The difference between the acquisition price and the fair value on the acquisition date of the share of the equity of the subsidiary acquired is recognised as goodwill. If the total acquisition price is lower than the fair value of the individual assets acquired, the difference is directly recognised in the income statement.

The company records investments in subsidiaries in its separate financial statements at acquisition cost less impairment. Moreover, the acquisition cost is adjusted to reflect the changes in the price which arise from any modifications to the contingent price.

Intra-group transactions, balances and unrealised profits from transactions between companies in the group are crossed out. Unrealised losses are also crossed out unless the transaction shows indications of impairment of the asset transferred. The accounting principles governing subsidiaries have been changed where necessary to bring them into line with those adopted by the Group.

<u>Transactions with holders of non-controlling interests</u>

The Group handles transactions with holders of non-controlling interests in the same way as it handles transactions with the Group's main shareholders. In the case of purchases made by holders of non-controlling interests, the difference between the price paid and the book value of the acquired share of the subsidiary's equity is posted to equity. Gains or losses arising from sale to holders of non-controlling interests are also posted in equity.

<u>Sale of a subsidiary</u>

When the Group ceases to have control, the remaining holding is re-measured at fair value and any differences which arise are posted to the results. Thereafter, this asset is recognised as an associate, joint venture or financial asset at that fair value. In addition, the relevant amounts previously posted to other comprehensive income are accounted for in the same way as they would be used in the case of sale of the said assets and liabilities, i.e. are transferred to the results.

(b) Joint arrangements

Joint arrangements are accounted for by the Group under IFRS 11. Investments in joint arrangements are classified either as jointly controlled activities or as joint ventures and classification depends on the contractual rights and obligations of each investor. The Group evaluated the nature of its investments in joint arrangements and decided that they are jointly controlled activities. This method incorporates the share of receivables, liabilities, income and expenses of the jointly controlled activity corresponding to the Group, line by line in the Group's financial statements.

The Group recognises the share of profits or losses from sales by the Group to jointly controlled activities corresponding to other partners in jointly controlled activities. The Group does not recognise its share of the profits or losses of jointly controlled activities which arose from purchases of the Group from jointly controlled activities until the assets purchased are sold to a third party. Losses from such transactions are recognised immediately if there is a reduction in the net realisable value of current assets or impairment.

The accounting policies for jointly controlled activities have been amended to be in line with those adopted by the Group.

(c) Associates

Associates are enterprises over which the Group has a material influence but not control and this is general is the case when its holding ranges from 20% to 50% of the voting rights. Investments in associates are accounted for using the equity method and are initially recognised at acquisition cost. Investments in associates also include the goodwill which arose upon acquisition (less any impairment losses).

The Group's share in the profits or losses of associates after acquisition is recognised in the income statement while the share of changes in other comprehensive income after acquisition is recognised in other comprehensive income. Accumulated changes after acquisition affect the book value of investments in associates. Non-realised profits from transactions between the Group and associates are crossed out to the extent of the Group's shareholding in these associates. Unrealised losses are also crossed out unless the transaction shows indications of impairment of the asset transferred. Where the Group's share of the losses of an associate exceeds the value of the investment in the enterprise, no additional losses are recognised unless payments have been made or further commitments have been made on behalf of the associate.

Where the holding in an associate is reduced, but where the Group continues to exercise significant influence, only a proportion of the amounts previously recognised in other comprehensive income will be reclassified by transfer to the results.

When the Group ceases to have material influence, it measures its remaining interest in the former associate at fair value. The difference between the fair value of the remaining holding, the price received when selling the holding in the associate and the book value of the investment in the associate on the date on which there was no material influence is recognised in the results. In addition, the relevant amounts previously posted to other comprehensive income are accounted for in the same way as they would be used in the case of sale of the said assets and liabilities, i.e. are transferred to the results.

The accounting policies of associates have been amended to be in line with those adopted by the Group.

The company records investments in associates in its separate financial statements at acquisition cost less impairment.

2.3 Segmental Reporting

The segments are determined based on the internal information received by the Group's Management team and are presented in the financial statements based on this internal categorisation.

2.4 Foreign exchange translation

a) Functional and presentation currency

The financial statements of the Group's companies are valued in the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Euro, which is the parent company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Any gains or losses due to translation differences that result from the settlement of such transactions during the period, as well as from the conversion of monetary assets denominated in foreign currency based on the prevailing exchange rates on the balance sheet date, are recognised in the Income Statement. Foreign exchange differences from non-currency units valued at fair value are considered part of the fair value and thus are recognised wherever fair value differences are recognised.

(c) Companies in the Group

The conversion of the financial statements of companies in the Group (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the Group's presentation currency are translated into the presentation currency as follows:

(1) Assets and liabilities are translated at the exchange rate at the date of that balance sheet.

(2) Income and expenses are translated at average exchange rates for the period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates which applied on the dates of the transactions); and

(3) The foreign exchange differences arising are posted to other comprehensive income.

Foreign exchange differences arising from the conversion of the net investment in a foreign enterprise and the borrowing which has been characterised as a hedge for that investment are posted to other comprehensive income. When a foreign operation is sold, accumulated foreign exchange differences are transferred to the results as part of the profit or loss from sale.

Goodwill and fair value adjustments arising from the acquisition of enterprises abroad are treated as assets and liabilities of the foreign enterprise and are translated at the exchange rates on the balance sheet date. The resulting foreign exchange differences are recognised in other comprehensive income.

2.5 Investment properties

Investment properties, which primarily include land and offices, are held by the Group for long-term rent yields and are not used by it. Investment property is presented at cost less depreciation. When the book value of investments exceeds the recoverable value, the difference (impairment) is posted as an expense in the results.

In the separate financial statements the Company classifies properties leased to subsidiaries as investment properties.

Plots included in investment properties are not depreciated. Depreciation of buildings is calculated using the straight line method over their useful life which is 33-34 years.

2.6 Tangible assets:

Tangible assets are measured at acquisition cost less accumulated depreciation and impairment. The cost of acquisition includes all expenses directly associated with acquisition of the assets.

Additional expenses are added to the book value of tangible assets or recorded as a separate asset only if they are expected to generate future financial benefits for the Group and their cost can be reliably measured. The cost of repairs and maintenance is posted to the results when incurred.

Plots – lots are not depreciated. Depreciation of other tangible assets is calculated using the straight line method over their useful life as follows:

- Buildings	33-34	years
- Mechanical equipment	10	years
- Transportation equipment	5-7	years
- Furniture and other equipment	5-10	years

Residual values and the useful life of tangible assets are subject to re-examination at the end of each fiscal year.

When the book value of tangible assets exceeds the recoverable value the differences (impairment) are posted as expenses to the results.

The cost and accumulated depreciation of an asset are written off when the asset is sold or the asset is withdrawn when no further economic benefits from continued use of the asset can be expected. Profits or losses arising from the sale of assets are included in the results for the year in which the assets are sold or written off.

Financial expenses which relate to the construction of tangible assets are capitalised for the time required to complete construction. All other financial expenses are recognised in the income statement when incurred.

2.7 Goodwill

Goodwill is not depreciated but is subject to impairment testing on an annual basis or more frequently if events or changes in circumstances indicate that its value may have been impaired. On the date of acquisition (or on the date of completion of the purchase price allocation), goodwill acquired is allocated to the cash-generating units or to groups of cash-generating units expected to benefit from this business combination. Impairment is determined by estimating the recoverable amount of cash-generating units related to goodwill.

If the book value of a cash-generating unit, including the corresponding goodwill, exceeds its recoverable amount, an impairment loss is recognised. Impairment losses are recognised in the income statement and are not reversed.

If part of a cash-generating unit, to which goodwill has been allocated, is sold then the amount of goodwill corresponding to the part sold is included in the book value of the part sold in order to specify the profit or loss. The value of goodwill corresponding to the part sold is determined based on the relevant values of the part sold and the part of the cash-generating unit which remains.

Goodwill arising from business acquisitions or business combinations has been allocated and is monitored at Group level to the main cash-generating units which have been identified under the provisions of IAS 36 "Impairment of Assets".

2.8 Intangible assets

Intangible assets include:

a) Software: Purchased software is valued at acquisition cost less depreciation. Depreciation is recorded using the straight line method over the useful life of the assets which ranges from 3 to 8 years. Expenses relating to software maintenance are posted as expenses when incurred. Expenses incurred to develop specific software held by the Group (own-produced software) are recognised as part of intangible assets. Such expenses primarily include consumption of materials, staff salaries and overheads. Such own-produced software is depreciated over its useful life which ranges from 5 to 10 years.

b) Customer relations: This relates to assets recognised when acquiring the subsidiary Intrasoft International Scandinavia (formerly IT Services Denmark AS) which are being depreciated over a period of 10 years.

C) Concession rights: Concession rights are valued at acquisition cost less depreciation. Depreciation is recorded using the straight line method over the term of the Concession Agreement (note 2.26).

2.9 Leases

The Group as lessee

Accounting policy up to 31.12.2018

Until 2018, the Group applied IAS 17 and consequently leases were classified as finance or operating leases.

Leases of assets where the Group substantially retained all risks and rewards of ownership were classed as finance leases. Finance leases were capitalised at the lease's inception at the lower of the fair value of the assets and the present value of the minimum lease payments. Each lease payment was allocated between the liability and financial expenses so as to achieve a constant rate on the financial balance outstanding. The corresponding liabilities from rents, net of financial expenses, were presented in the liabilities in the Loans line. That part of financial expenses relating to finance leases was recognised in the income statement over the term of the lease. Assets acquired on the basis of leasing arrangements were depreciated over their useful lifespan or the leasing period whichever was shorter.

Leases where in effect the risk and rights of ownership remain with the lessor were posted as operating leases. Payments made for operating leases (net of any incentives offered by the lessor) were recognised in the income statement pro rata with the duration of the lease.

Accounting policy from 1.1.2019 onwards

From 1.1.2019 the Group has applied IFRS 16. Leases are recognised in the balance sheet as right-of-use assets and lease liabilities on the date the leased asset becomes available for use. Each rent payment is allocated between the lease liability and the financial cost. Interest on the lease liability for each period of the lease term is equal to the amount resulting from applying a fixed periodic interest rate to the outstanding balance of the lease liability. The right-of-use asset is depreciated over the asset's useful life or the lease term, whichever is shorter, using the straight line method.

Assets and liabilities deriving from the lease are initially valued at present value. Lease liabilities include the net present value of the following rents:

- fixed rents (including any "substantively" fixed rents),
- variable lease payments, which are tied to an index or interest rate, which are initially measured using the index or interest rate on the commencement date of the lease period.
- the amounts expected to be paid based on guaranteed residual values
- the exercise price for any purchase option, if it is reasonably certain that the Group will exercise this option, and

- payment of a penalty for terminating the lease if the effective term of the lease reflects exercise of the Group’s right to terminate the lease.

Rent payments are discounted at the deemed interest rate for the lease or, if that interest rate cannot be determined in the contract, at the lessee's incremental borrowing rate, which is the interest rate that the lessee would have to bear in order to borrow the capital needed to acquire an asset of similar value to the leased asset, for a similar period of time with similar collateral and in a similar economic environment.

After initial measurement, lease liabilities are increased by the financial cost thereof and reduced by lease payments made. The lease liability is re-measured to reflect any reassessments or amendments to the lease.

The cost of the right-of-use asset consists of:

- the amount the lease liability is initially measured at
- any rents paid on or before the start date of the lease period, less any lease incentives which have been collected.
- any initial direct costs incurred by the lessee and
- an estimate of the cost which the lessee will incur in order to disassemble and remove the underlying asset, to restore the site where it has been installed or to restore the underlying asset to the condition specified in the terms and conditions of the lease, unless that cost entails the production of inventories. The lessee undertakes the obligation to incur such cost either on the commencement date or due to use of the underlying asset for a specific time period.

The Group opted to use the standard’s recognition exceptions for short-term leases, in other words leases with a duration of less than 12 months which do not include a right to redeem, and leases where the underlying asset has a low value. For these leases, the Group recognises the lease payments in the income statement as expenses using the straight line method over the term of the lease.

The Group presents the right-of-use assets which are not investment properties in the “right-of-use assets” account.

The Group as lessor

Leases where the Group is a lessor continue to be categorised as finance or operating leases.

Income from operating leases is recognised using the straight line method over the term of the lease and is included in the “Other operating income” line.

For finance leases, the Group records receivables at the amount of the net investment which is equal to the present value of the minimum future rents receivable. Finance lease receivables are included in the line “Trade and other receivables”.

2.10 Impairment of the value of non-financial assets

With the exception of goodwill and intangible assets with an unlimited life, which are tested for impairment at least annually, the book value of other long-term assets is tested for impairment purposes when events or changes in conditions indicate that the book value may not be recoverable. Whenever the book value of an asset exceeds its recoverable amount, its corresponding impairment loss is entered in the results. The recoverable value is either the fair value less selling expenses or the value in use, whichever is higher. The fair value less selling expenses is the amount that can be obtained from the sale of an asset in the context of a normal transaction between market participants, after deducting any additional direct selling costs of the asset, while the value in use is the net present value of the estimated future cash flows expected to be realised from the continuous use of an asset and the annuities expected to arise from its sale at the end of its estimated useful life. For the purposes of computing impairment, assets are grouped together in the lowest category where cash flows allow them to be individually identified. Impairments which have been recognised in assets (other than goodwill) are examined on each balance sheet date for any reversal.

2.11 Financial Assets:

(i) Classification

The Group places financial assets in the following categories for measurement purposes:

• Financial assets at fair value (either through other comprehensive income or through profit and loss)

• Financial assets at amortised cost

Classification depends on the Group’s business model for managing the Group’s financial assets and the characteristics of the contractual cash flows of the financial asset.

Profits and losses from financial assets measured at fair value are posted either to the income statement or to other comprehensive income.

Investments in equity instruments not held for trade are measured at fair value through profit and loss apart from those investments for which the Group upon initial recognition irrevocably opts for them to be measured at fair value through other comprehensive income.

The Group reclassifies investments in debt securities only if the business model for managing those investments changes.

(ii) Initial recognition / derecognition

Normal purchases and sales of investments are recognised on the date the transaction takes place, which is the date the Group undertakes to purchase or sell the asset.

Upon initial recognition, the Group measures a financial asset at fair value plus, in the case of a financial asset not measured at fair value through profit or loss, transaction costs directly attributable to the acquisition of the financial asset. Transaction costs of financial assets measured at fair value through profit or loss are recognised directly in profit or loss.

Investments cease to be recognised when the rights to receive cash flows from financial assets expire or are transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Subsequent measurement

<u>Investments in debt securities</u>

Subsequent measurement of investments in debt instruments depends on the Group's business model for managing those assets and the features of their contractual cash flows. The Group classifies debt instruments into the following categories:

α) Carried cost: Assets held to collect contractual cash flows which generate cash flows on specific dates which consist exclusively of repayment of principal and interest on the principal amount outstanding are measured at carried cost. Interest income is calculated using the effective interest rate method and is recognised in financial income. The gain or loss arising from de-recognition of the asset is recognised directly in the income statement along with any foreign exchange gains/losses. Impairment losses are recognised in the line "Net gains / (losses) from impairment of financial assets" in the income statement.

β) Fair value through other comprehensive income: Assets held to collect contractual cash flows and for sale, which generate cash flows on specific dates which consist exclusively of repayment of principal and interest on the principal amount outstanding, are measured at fair value through other comprehensive income. Changes in the current value are recognised in other comprehensive income apart from recognition of impairment losses, income from interest and foreign exchange gains/losses recognised in the income statement. When the asset is de-recognised, the accumulated profit/loss which had been recognised in other comprehensive income is reclassified in the income statement in the line "Other profits/(losses)". Interest income is calculated using the effective interest rate method and is recognised in financial income. Impairment losses are recognised in the line "Net gains / (losses) from impairment of financial assets" in the income statement.

γ) Fair value through profit and loss Assets which do not meet the criteria for classification into the categories "Carried cost" and "Fair value through other comprehensive income" are measured at fair value through profit and loss. Profit/loss is recognised in the income statement in the "Other profits/(losses)" line in the period in which it arises.

<u>Investments in equity instruments</u>

The Group measures all equity instruments at fair value. When the Group chooses to recognise the profits/losses from measurement at fair value in other comprehensive income, the accumulated profits/losses are not reclassified in the income statement when the asset is derecognised but are transferred directly to "Retained earnings" in Equity. Dividends are recognised in the income statement in the "Other income" line when the right to collect them accrues to the Group.

Changes in the fair value of investments in equity instruments measured at fair value through profit and loss are recognised in the income statement in the row "Other profits/(losses)" in the period in which they arise.

(iv) Impairment

For investments in debt instruments measured at carried cost or at fair value through other comprehensive income, the Group determines the impairment loss against expected credit losses. The relevant methodology depends on whether there is a significant increase in credit risk.

For trade receivables, the Group applies the Simplified Approach permitted by IFRS 9. Based on this approach, the Group recognises the expected lifetime losses over the lifetime of trade receivables.

2.12 Offsetting of financial assets

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when there is a legal right to offset the amounts recognised and at the same time there is an intention to settle on a net basis, or to acquire the asset and settle the liability at the same time.

2.13 Inventories

Inventories are valued at acquisition cost or net realisable value, whichever is lower. The cost is determined using the average weighted cost method. The cost of finished products and semi-finished inventories includes design expenses, the cost of materials, direct labour costs and the ratio of production overheads. The net realisable value is estimated based on the current sale prices of inventories in the context of normal activities less any selling expenses and in the case of incomplete items, estimated expenses required for completion.

A provision for slow-moving or impaired inventories is formed when necessary.

2.14 Trade receivables

Trade receivables are amounts owed by customers for goods sold or services provided to them in the normal course of business. Trade receivables are initially recognised at the price which is not subject to terms, unless they contain a significant part of the financing which is recognised at fair value. The Group holds trade receivables to collect contractual cash flows and consequently later recognises them at carried cost using the effective interest rate method.

Receivables from customers are posted initially at fair value and are subsequently valued at carried cost using the effective interest rate less impairment losses. See note 2.11 describing the impairment policies implemented by the Group.

2.15 Factoring

Amounts collected in advance from factors without a right of recourse reduce receivables from customers.

2.16 Cash

Cash assets include cash on hand, sight deposits and other short-term highly liquid investments maturing within 3 months which can be directly converted to specific amounts of cash assets and which are subject to negligible risk of a change in their value.

2.17 Non-current assets held for sale and discontinued operations

The Group classifies a long-term asset or pool of assets and liabilities as assets held for sale if their value is expected to be recovered primarily by selling off assets and not using them.

The key conditions for classifying a long-term asset or pool of assets (assets and liabilities) as assets held for sale are that the asset or pool is available for immediate sale in its current condition and completion of the sale depends only on conditions which are normal and typical for sales of such assets and sale must be exceptionally likely.

For the sale to be highly probable, all of the following are must apply:

- management must be committed in relation to a plan to sell the asset or the pool of assets,
- a process to identify a buyer and complete the transaction has been initiated,
- the asset (or pool of assets which is to be disposed of) must be actively marketed for sale at a price that is reasonable in relation to its current fair value,
- the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification, and
- actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Immediately before the initial classification of the asset (or pool of assets and liabilities) as held-for-sale, the asset (or all the assets and liabilities in the pool) are measured in accordance with applicable IFRS.

Long-term assets (or pools of assets and liabilities) classified as held-for-sale are measured (after the initial classification as mentioned above) at either the value presented in the financial statements or fair value less direct selling costs, whichever is lower, and the impairment loss is recorded in the income statement. Any increases in fair value during any subsequent measurement are recorded in the income statement but not in excess of the cumulative impairment loss that was initially recognised.

From the date on which a long-term asset (that is depreciated) (or the long-term assets included in the asset and liability pool) is classified as held-for-sale, depreciation is not recognised on such long-term assets.

2.18 Share capital

The share capital includes the Company's ordinary shares. Ordinary shares are posted as equity.

Direct costs for the issuing of shares are presented after deducting the income tax applied to reduce the proceeds of the issue. Direct expenses related to the issuing of shares to acquire businesses are presented as a reduction in the proceeds of the issue.

The cost of acquiring own shares is presented as reducing Company equity until the own shares are sold or cancelled. Any profit or loss from the sale of own shares net of expenses and taxes directly from the transaction is included as a reserve in equity.

2.19 Borrowing

Loans are posted initially at fair value less any direct costs for entering into the transaction. They are subsequently valued at carried cost using the effective interest rate method. Any difference between proceeds (net of relevant costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method.

2.20 Borrowing costs

Financial expenses which relate to the construction of tangible assets are capitalised for the time required to complete construction. All other borrowing costs are presented in the results when they accrue.

2.21 Current and deferred income tax

Tax for the year includes current tax and deferred tax. Tax is recognised in the income statement unless it relates to assets recognised in other comprehensive income or directly in equity. In this case, tax is also recognised in other comprehensive income or directly in equity, whichever is appropriate.

Current tax is calculated based on tax balance sheets from each one of the companies included in the consolidation process according to the tax laws applicable in Greece or other tax rules applicable to foreign subsidiaries. The income tax expenses include income tax based on the each Company's profits as presented in tax returns and provisions for surtaxes and surcharges for unaudited (open) tax years and is calculated based on the tax rates adopted or effectively adopted.

Deferred income tax is calculated using the liability method which arises from temporary differences between the book value and taxation basis of the assets and liabilities. There is no deferred income tax if it derives from the initial recognition of an asset or liability in transaction other than a business combination and the recognition did not affect either the accounting or the tax profit or loss.

Deferred tax assets are recognised to the extent that there will be a future taxable profit for use of the temporary difference generated by the deferred tax assets.

Deferred income tax is recognised for interim differences arising from investments in subsidiaries and associates, with the exception of recognition of deferred tax liability in the case where the reversal of interim differences is controlled by the Group and it is likely that the interim differences will not reverse in the foreseeable future. A deferred tax asset is recognised for interim differences arising from investments in subsidiaries and associates to the extent that it is expected that the interim difference will be reversed in the future and there will be a future taxable profit for use of the interim difference.

Deferred tax is calculated based on the tax rates (and tax laws) which have been adopted or substantively adopted on the balance sheet date and is expected to be in effect when the deferred tax asset is realised or the deferred tax liability is settled.

2.22 Trade payables

Trade liabilities are recognised at fair value initially and then later valued using the carried cost method by employing the effective interest rate.

2.23 Staff benefits

(a) Post-Employment Benefits

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

The liability posted to the balance sheet for defined benefit plans is the present value of the defined benefit commitment on the balance sheet date. The defined benefit obligation is calculated each year by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is calculated by discounting the estimated future outflows using the discount rate for corporate bonds with a high credit rating in the currency in which the liabilities will be settled under terms similar to the terms of the relevant liabilities.

The financial cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in the statement of comprehensive income in employee benefits.

Actuarial gains and losses arising from empirical adjustments and changes in actuarial assumptions are recognised in other comprehensive income in the year in which they arise and are included in the other reserves in the statement of changes in equity and the balance sheet.

Changes in the present value of the defined benefit obligation arising from changes or curtailments in the plan are recognised immediately in the results as the cost of past service.

In the case of defined contribution plans, the Group pays contributions to public or private pension plans on a mandatory, contractual or optional basis. Other than paying contributions, the Group has no further liabilities. Contributions are recognised as staff costs whenever they become payable. Contributions paid in advance are recognised as an asset where it is possible to return monies or offset them against future payments.

(b) Employment termination benefits

Employment termination benefits become payable when the Group terminates employment before the normal retirement date or when the employee accepts voluntary redundancy in exchange for these benefits.

The Group recognises these benefits on the earliest of the following dates: (a) when the Group can no longer withdraw the offer of these benefits and (b) when the company recognises restructuring costs that fall within the scope of IAS 37 and includes the payment of employment termination benefits. In the case of an offer made to encourage voluntary redundancy, termination benefits are calculated based on the number of employees expected to accept the offer.

Employment termination benefits due 12 months after the balance sheet date are discounted.

c) Stock Option Plans

The fair value of services provided by employees who receive gratis shares under an option is posted as an expense. The total expense is posted during the maturity period of these options and is calculated based on the fair value of the options provided. On each balance sheet date the Group re-examines its estimates of the number of options expected to be exercised and posts any existing adjustment to the results with a corresponding impact on equity. When exercising options, the amounts collected, less transaction costs, are entered in the share capital (nominal value) and premium on capital stock accounts. The Group does not have a plan to offer equity instruments (shares) in the parent company.

2.24 Grants

Government grants are recognised at fair value when there is certainty they will be received and the Group will comply with all the respective terms.

Government grants relating to expenses are posted to transitional accounts and recognised in the income statement so that they match the expenses they are intended to indemnify. Government grants relating to the purchase of tangible assets are included long-term liabilities as deferred government grants, and are presented as income in the income statement using the straight line method over the expected useful life of the relevant assets.

2.25 Provisions

Provisions are recognised when:

There is a present legal or presumed commitment as a result of past events

- It is likely that a resource output will be required to settle the commitment and

- The amount required can be reliably assessed.

(a) Guarantees

The Group recognises a provision corresponding to the present value of the estimated obligation to repair or replace guaranteed products or related to the delivery of works/services on the balance sheet date. This provision is calculated based on historical data relating to repairs and replacements.

(b) Right of annual leave

Rights to annual leave and long-term service leave for employees are recognised when they arise. A provision is recognised for the estimated liability for annual leave and long-term service leave as a result of services provided up to the balance sheet date.

(c) Loss-generating contracts

When the total estimated cost of a construction contract or a long-term service contract exceeds the contractual price, the total loss until completion of the project is recognised immediately in the results of the year in which the loss-generating facts becomes known. Such losses are usually recognised in the form of a provision to that effect.

2.26 Concession agreements

In Concession Agreements granting an individual the right to provide public sector services, the Group applies IFRIC 12 where the following two conditions are met:

α) the grantor controls or determines which services the operator must provide, to whom and at what price and

β) the grantor controls any significant balance of interests in the infrastructure at the end of the concession period.

According to IFRIC 12, such infrastructure is not recognised in the operator’s assets as tangible assets, but in financial assets under a financial asset model and/or in intangible assets under an intangible asset model, depending on the contractually agreed terms.

State Financial Contribution and Concession Rights (the Mixed Model)

When the concession agreement states that the operator is remunerated for construction services in part with a financial asset and in part with an intangible asset, the Group separately recognises each component of its fee in accordance with the above (State Financial Contribution and Concession Rights).

The Group recognises revenues related to construction or upgrade services and operating services in line with IFRS 15 (note 2.27).

2.27 Revenues from contracts with customers

The Group recognises revenues from a contract when (or as) it fulfils a performance obligation by transferring a promised good or service to a customer. An asset is transferred when (or as) the customer acquires control of that asset. The customer acquires control of a good or service when he can direct its use and in effect receives all other benefits from it.

Revenue is defined as the amount which the Group expects to be entitled to as consideration for the goods or services transferred to a customer, apart from amounts collected on behalf of third parties. Variable amounts are included in the price and are either calculated using the “expected value” method or the “most likely amount”.

The contract performance obligation may be fulfilled either at a specific time or over time.

A commitment to sell a good or provide a service is performed over time when:

a) the customer receives and at the same time consumes the benefits deriving from the Group’s performance during said performance by the Group

b) performance by the Group generates or improves an asset whose control lies with the customer as the asset is generated or improved or

c) performance by the Group does not entail the creation of an asset with an alternative use for the Group and the Group has an enforceable right to payment for performance which has been completed by that date.

When the Group performs its contractual obligations by transferring goods or services to a customer before the customer pays the consideration or before payment becomes due, the Group presents the contract as a contractual asset. A contractual asset is the economic entity’s right to consideration for goods or services which have been transferred to a customer such as when the construction services are transferred to the customer before the Group (or Company)’s right to issue an invoice.

When the customer pays consideration or the Group reserves the right to a price which is unconditional before the performance of the obligations of the contract for the transfer of services, then the Group presents the contract as a contractual obligation. The contractual obligation is derecognised when the contractual obligations are performed and the revenue is recorded in the statement of comprehensive income.

The activities from which the Group’s income primarily comes are presented in note 5 and revenue is recognised as follows:

a) Construction works

Contracts with customers in the construction sector primarily relate to the construction and/or maintenance of public and private works and the sale of goods and services.

Revenue from construction and maintenance is recognised over the term of the contract using the input method.

Any variable price is included in the contract price only to the extent that it is exceptionally likely that that income will not be reversed in the future and is calculated either using the expected value method or the most likely amount method. In evaluating the likelihood of recovering the variable price, regard is had to past experience adapted to the conditions in existing contracts.

Revenue from the sale of goods is recognised when control of the goods is transferred to the customer, usually upon delivery, and there is no unfulfilled obligation which could affect acceptance of the goods by the customer.

Income from the provision of services is recognised over time using the straight line method over the term of the contract.

The Group's contractual assets and liabilities relating to construction contracts are included in the "Customers and trade receivables" and "Suppliers and other liabilities" lines in the balance sheet.

b) Defence

The defence sector primarily includes revenues from the sale of goods which include the manufacture of parts of electronic units (primarily for missiles and telecommunications systems) and the construction of integrated electromechanical missile systems and the majority of them include a single performance obligation. Income from the sale of equipment is recognised at the time the control of the asset is transferred to the customer and in particular when the goods are delivered to customers and accepted by them.

In line with industry practice, the Group provides 2-year repair guarantees for all products sold. Liabilities for possible cost of guarantees are recognised as provisions upon sale of the product and are included in the "Provisions" line.

Income from services primarily relates to maintenance and support agreements and is recognised over time using the straight line method over the term of the agreement as customers receive and consume the benefits deriving from the provision of the service by the Group. The services primarily include a single performance obligation.

The Group's contracts with customers do not include variable consideration.

Group contractual assets relating to contracts in the specific sector primarily relate to accrued income and are included in the 'Customers and trade receivables' line while liabilities relate to deferred income and customer advances and are shown in the 'Suppliers and other liabilities' line respectively in the balance sheet.

c) Integrated IT, public sector and banking solutions

In the field of integrated IT solutions, revenues from contracts with customers primarily relate to the following categories:

- services to develop and implement an applied comprehensive software processing system
- self-produced software services
- cloud services (provision of hardware and implementation)
- provision of network intervention services
- hardware sales

- sale of software licences

Revenues from the sale of hardware and software licences are recognised at the time control of the asset is transferred to the customer and in particular when goods are delivered to customers and accepted by them.

In the case of revenues from the sale of software licences accompanied by support services, where use of software licences is directly associated with the provision of support services, the relevant revenues are recognised over the years the services were provided.

Revenue from the provision of services is recognised over time either using the straight line method over the term of the agreement in cases where customers receive and at the same time consume the benefits deriving from the provision of the service by the Group, or based on the price which the Group is entitled to invoice based on the hours worked.

d) Renewable energy sources

Revenues in the renewable energy sources sector relate exclusively to the sale of electricity from running a wind farm. Revenues are recognised at a specific point in time when the energy is delivered.

The Group's contracts with customers do not include variable consideration.

e) Development and exploitation of real estate and hotel services

The "Development and exploitation of real estate and hotel services" segment mainly includes revenues from sales of real estate. Revenues from the sale of real estate properties are recognised at the time the control of real estate properties is transferred to the customer.

The Group's contracts with customers do not include variable consideration.

2.28 Dividend distribution

Dividend distribution is recognised as a liability when the distribution is approved by the General Meeting of Shareholders.

2.29 Earnings per share

Basic earnings per share are calculated by dividing the profit after tax that is attributable to the shareholders of the parent company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share are calculated by dividing the net profit attributed to parent company shareholders (after deducting interest on the convertible shares, after tax) by the average weighted number of shares in circulation during the year (adjusted for the impact of the impaired convertible shares).

The weighted average number of ordinary shares in circulation during the accounting period and for all accounting periods presented is adjusted for events which have changed the number of ordinary shares in circulation without a corresponding change in resources.

2.30 Rounding off

Discrepancies between amounts in the financial statements and the corresponding amounts in the notes are due to the rounding off process.

2.31 Reclassification of comparative accounts

In the Group's balance sheet in 2018, the sum of € 720 was reclassified from the "Deferred tax liabilities" line to the "Current tax liabilities" line. In addition, € 12,952 was reclassified from the "Long-term loans" line to the "Financial assets at fair value through other comprehensive income" line (see note 14) and € 68 from the "Long-term loans" line to the "Trade and other receivables" line.

Reclassifications do not affect the Group's results or equity.

3. Financial risk management

3.1 Financial risk factors

The Group is exposed to financial risks such as market risks (changes in exchange rates, cash flow risk and fair value risk from interest rate changes and price risk), credit risk and liquidity risk. The Group's general risk management plan seeks to minimise the potential negative impact of the volatility of financial markets on the Group's financial performance.

The Group's financial liabilities consist of short-term loans, long-term loans, bonded loans and finance leases. These products finance working capital requirements and capex investments. In addition, the Group manages financial assets, mainly in the form of short-term deposits generated by its operating activities.

In cases where necessary, the Group examines the use of derivative financial products solely and exclusively to manage interest rate or exchange rate risk, since according to the approved policy it is not permitted to use them for speculative purposes.

The types of financial risks which exist are explained in summary form below:

(a) Market Risk

Foreign Exchange Risk

The Group's foreign exchange risk is considered to be relatively limited because in most cases where there are receivables in foreign currency under a contract, the corresponding liabilities in the same currency also exist. Contracts denominated in a foreign currency are almost entirely in USD, as are the corresponding liabilities.

In cases where no satisfactory physical hedging is possible due to particularly high liabilities in a foreign currency, conversion of part of the borrowing into that currency or use of forward currency contracts is examined on a case-by-case basis.

As for cash held in foreign currencies, the Group's policy is to hold the minimum amount required to cover its short-term liabilities in that currency.

(All amounts are in € '000)

The table below shows an analysis of the sensitivity of the Group's net results to possible fluctuations in the exchange rate for the 2019 and 2018 accounting periods. In making this analysis regard was had to the Group's borrowing and cash assets and trade receivables and liabilities in USD on 31 December 2019 and 2018 respectively.

EUR/USD exchange rate increase by	Effect on net results 31/12/2019	Effect on net results 31/12/2018
3,00%	(353)	(572)
6,00%	(706)	(1.145)
9,00%	(1.059)	(1.717)
12,00%	(1.412)	(2.290)

The table below shows an analysis of the sensitivity of the Company's net results to possible fluctuations in the exchange rate for the 2019 and 2018 accounting periods. In making this analysis regard was had to company borrowing and cash assets and trade receivables and liabilities in USD on 31 December 2019 and 2018 respectively.

EUR/USD exchange rate increase by	Effect on net results 31/12/2019	Effect on net results 31/12/2018
3,00%	(25)	(25)
6,00%	(50)	(49)
9,00%	(75)	(74)
12,00%	(101)	(98)

Price risk

Exposure to changes in the value of shares held either at fair value through profit and loss or as investments at fair value through other comprehensive income is not considered significant.

Cash flow risk and risk of change in fair value due to interest rate changes

Interest rate risk has been partially hedged by converting the majority of borrowing to floating rates exploiting the negative Euribor values. The weighted average interest rate for 2019 was at the same levels as in 2018. During the current period it is expected that the specific risk will be limited since it is considered that it is most probable that the interest rates will remain stable for the near future.

The tables below present an analysis of the sensitivity of the Group's net results to possible fluctuations in interest rates for 2019 and 2018. In making this analysis regard was had to the Group's borrowing and cash assets on 31 December 2019 and 2018 respectively.

(All amounts are in € '000)

Financial assets in EUR

Increase in interest rates (base points)	Effect on net results 31/12/2019	Effect on net results 31/12/2018
25,00	(382)	(352)
50,00	(764)	(705)
75,00	(1.146)	(1.057)
100,00	(1.528)	(1.410)

Financial assets in USD

Increase in interest rates (base points)	Effect on net results 31/12/2019	Effect on net results 31/12/2018
25,00	4	7
50,00	7	13
75,00	11	20
100,00	14	27

The tables below present an analysis of the sensitivity of the Company's net results in possible interest rate fluctuations for the years 2019 and 2018. In making this analysis regard was had to the Company's borrowing and cash assets on 31 December 2019 and 2018 respectively.

Financial assets in EUR

Increase in interest rates (base points)	Effect on net results 31/12/2019	Effect on net results 31/12/2018
25,00	(2)	8
50,00	(3)	15
75,00	(5)	23
100,00	(7)	30

Financial assets in USD

Increase in interest rates (base points)	Effect on net results 31/12/2019	Effect on net results 31/12/2018
25,00	2	2
50,00	4	4
75,00	6	6
100,00	9	8

(b)Credit Risk

The Group's commercial transactions are almost entirely entered into with reliable public and private sector organisations. In many cases there is also a long-term satisfactory trading history. However, in all events -given conditions on the Greek market- companies in the Group monitor all customer receivables carefully and if needed promptly take action in or out of court to ensure the receivables can be collected, thereby minimising any credit risk. Consequently the risk of bad debt is considered to be particularly limited.

(All amounts are in € '000)

As far as credit risk associated with cash placements is concerned, note that the Group only collaborates with financial institutions which have a high credit rating.

(c) Liquidity risk

Each month the Group prepares and monitors a cash flow programme which includes both operating and investing cash flows. All companies in the Group submit a detailed cash flow and credit report each week to Intracom Holdings so that it can effectively monitor and coordinate things at Group level.

Prudent liquidity management is achieved by employing a suitable mix of liquid cash assets and approved bank credit facilities. The Group manages the risks which could arise from the lack of adequate liquidity by ensuring that there are always secured bank credit facilities in place ready for use. Existing unused approved bank credit limits available to the Group are adequate to confront any possible shortfall in cash assets.

On 31 December 2019 the Group's short-term borrowing stood at 65% (2018: 52%) and long-term borrowing at 35% (2018: 48%) respectively of total borrowing.

3.2 Capital management

The Group's objectives in relation to capital management are to ensure that it can operate without interruption in the future and to maintain an ideal allocation of capital thereby reducing the cost of capital.

Group capital is considered satisfactory based on the gearing ratio. This ratio is calculated by dividing net borrowing by total capital employed. Net borrowing is calculated as total borrowing (including short- and long-term borrowing and mandatory leases as shown in the balance sheet) less cash and cash equivalents. Total capital employed is calculated as equity attributable to parent company shareholders as shown in the balance sheet plus net borrowing.

	Group		Company	
	1/1 - 31/12/2019	**1/1 - 31/12/2018**	**1/1 - 31/12/2019**	**1/1 - 31/12/2018**
Total borrowing (note 23 & 25)	224.300	209.093	25.667	22.612
Less: Cash and cash equivalents (note 20)	(54.936)	(75.881)	(18.873)	(26.425)
Net borrowing	**169.364**	**133.212**	**6.794**	**(3.813)**
Equity	259.850	263.110	253.604	264.624
Total capital employed	**429.214**	**396.322**	**260.398**	**260.811**
Gearing ratio	39,46%	33,61%	2,61%	-1,46%

3.3 Determination of fair value

The Group provides the necessary disclosures about fair value measurement through a three-tier ranking.

- Financial assets traded on active markets whose fair value is determined based on published market prices which apply on the reference date for similar assets and liabilities (Level 1).

- Financial assets not traded on active markets whose fair value is determined using valuation techniques and assumptions based either directly or indirectly on market data on the reporting date (Level 2).

- Financial assets not traded on active markets whose fair value is determined using valuation techniques and assumptions not primarily based on market data (Level 3).

On 31.12.2019 the Group had:

- Financial assets at fair value through profit and loss amounting to € 308 classified at Level 1.

- Financial assets at fair value through profit and loss amounting to € 648 classified at Level 3.

- Financial assets at fair value through other comprehensive income of which € 1,983 was classified at Level 1.

- Financial assets at fair value through other comprehensive income amounting to € 43,083 regarding shares and bonds not listed on the stock exchange, which were classified at Level 3.

On 31.12.2018 the Group had:

- Financial assets at fair value through profit and loss amounting to € 217 classified at Level 1.

- Financial assets at fair value through profit and loss amounting to € 648 classified at Level 3.

- Financial assets at fair value through other comprehensive income of which € 1,389 was classified at Level 1.

- Financial assets at fair value through other comprehensive income amounting to €51,947 regarding shares and bonds not listed on the stock exchange which were classified at Level 3.

There were no transfers between level 1 and 3 during the year.

In order to value financial assets classified at Level 1, the published prices of shares traded on active markets were used.

The most important financial assets were classified at Level 3 and the relevant valuation techniques are described in Note 14.

3.4 Offsetting of financial assets and liabilities

On 31 December 2019 and 2018, the Group did not hold financial assets and liabilities that have been set off or that are subject to enforceable master netting arrangements or similar.

4. Major accounting estimates & judgements made by Management

The estimates and judgements made by Management are re-examined continuously and are based on historical data and expectations about future events which are considered reasonable in light of current circumstances.

The Group makes estimates and assumptions about the development of future events. Those estimates and assumptions which entail a significant risk of substantive adjustments in the book value of assets and liabilities over the next 12 months are as follows:

- The Group operates via its subsidiaries in various countries and those subsidiaries are subject to income tax based on the tax regime applicable in each such country. In order to calculate the provision for income tax, Management must use its discretion. There are many transactions and calculations for which the final level of tax is uncertain. If the final result of tax settlement or a tax audit is different from the provision initially recognised, the difference will affect income tax and the provision for deferred tax for the year.

- The Group recognises a provision corresponding to the present value of the estimated obligation to repair or replace guaranteed products or related to the delivery of works/services on the balance sheet date. This provision is calculated based on historical data relating to repairs and replacements.

- Determination of impairment of plots and buildings (including investment properties) requires estimates to be made relating primarily to the cause, time and amount of impairment. During each reporting period the Group examines whether there are signs of impairment of the value of tangible assets and investment properties based on the accounting policy followed. Management makes major estimates about the recoverable value. Impairment testing is carried out by Management in collaboration with independent valuers.

- The Group examines any impairment of goodwill from acquisitions of subsidiaries and associates on an annual basis. This is done either by discounting future cash flows (calculating the value in use) from cash-generating units to which goodwill has been imputed or by calculating fair value less selling expenses.

- During each reporting period the Company examines whether there are signs of impairment in the value of investments in subsidiaries. Where there are signs of impairment, the Company carries out an audit based on its accounting policy. Management's main estimates when calculating the recoverable value relate to estimating future cash flows which depends on a range of factors including expectations about sales in future periods, cost estimates and the use of a suitable discount rate.

5. Segmental Reporting

On 31 December 2019 the Group operates in five main segments:

(1) Integrated IT, public and private solutions
(2) Defence
(3) Construction
(4) Renewable energy sources
(5) Development and exploitation of real estate property.

(All amounts are in € '000)

The information per operating segment for 2019 can be broken down as follows:

	Integrated IT solutions for public and private sector	Defence	Construction	Production and sale of electricity	Development and exploitation of real estate and hotel services	Other	Total
Total gross sales per segment	180.727	46.184	294.011	4.982	6.145	2.709	534.758
Internal sales between segments	(4.147)	(0)	(5.403)	-	-	(2.409)	(11.960)
Total sales	**176.580**	**46.184**	**288.608**	**4.982**	**6.145**	**300**	**522.798**
Revenue recognition							
Over the long term	174.239	2.878	245.877	-	-	300	423.294
At a specific point in time	2.341	43.306	42.730	4.982	6.145	-	99.504
	176.580	**46.184**	**288.608**	**4.982**	**6.145**	**300**	**522.798**
Operating results	8.161	1.791	11.809	2.030	167	(790)	23.168
Results taxes, investment results, depreciation and amortisation (EBITDA)	**13.887**	**3.202**	**15.204**	**3.638**	**307**	**833**	**37.071**
Depreciation (note 29)	(5.726)	(1.410)	(3.395)	(1.608)	(140)	(1.624)	(13.902)
Impairment of investment properties, tangible and intangible assets	-	-	152	-	-	-	152
Financial income (note 34)	394	63	523	6	154	184	1.324
Financial expenses (note 34)	(4.707)	(423)	(11.418)	(1.242)	(440)	(1.367)	(19.596)
(Losses)/ profits from associates	113	-	198	-	(350)	-	(38)
Income tax	(2.439)	(632)	(1.118)	(190)	(5)	42	(4.342)
Impairment of receivables (note 31)	(433)	22	(1.206)	-	-	(40)	(1.657)
Impairment of inventories (note 34)	-	(671)	-	-	-	-	(671)
Total assets	**168.304**	**96.307**	**310.876**	**36.996**	**33.997**	**106.934**	**753.414**
Total assets include:							
Investments in associates. 12)	426	-	1.186	-	8.193	114	9.919
Non-Current Assets	32.753	31.930	63.878	29.245	18.680	60.238	236.725
Additions to non-current assets* (note 6, 7, 8, 9 and 10	8.167	656	4.476	529	1.152	194	15.173
Total liabilities	**140.628**	**28.675**	**241.651**	**28.828**	**6.309**	**47.475**	**493.565**

The information per operating segment for 2018 can be broken down as follows:

	Integrated IT solutions for public and private sector	Defence	Construction	Production and sale of electricity	Development and exploitation of real estate and hotel services	Other	Total
Total gross sales per segment	172.692	59.770	235.060	6.693	4.458	2.519	481.192
Internal sales between segments	(6.923)	(0)	(1.334)	-	-	(2.237)	(10.495)
Total sales	**165.769**	**59.770**	**233.725**	**6.693**	**4.458**	**282**	**470.697**
Revenue recognition							
Over the long term	149.641	1.435	210.798	-	-	282	362.156
At a specific point in time	16.129	58.334	22.928	6.693	4.458	-	108.541
	165.769	**59.770**	**233.725**	**6.693**	**4.458**	**282**	**470.697**
Operating results	9.936	3.444	9.920	3.702	1.038	(5.100)	22.940
Results taxes, investment results, depreciation and amortisation (EBITDA)	**12.298**	**4.214**	**9.025**	**5.415**	**1.670**	**(364)**	**32.258**
Depreciation (note 28)	(2.034)	(1.306)	(2.215)	(1.772)	(430)	(1.526)	(9.283)
Impairment of investment properties, tangible and intangible assets	-	-	-	-	-	(35)	(35)
Financial income (note 33)	430	136	813	11	70	612	2.072
Financial expenses (note 33)	(4.674)	215	(8.415)	(1.583)	(1.938)	(1.418)	(17.814)
(Losses)/ profits from associates	19	-	(170)	-	(180)	(25)	(355)
Income tax	(4.135)	(1.915)	(2.890)	(445)	(9)	241	(9.154)
Impairment of receivables (note 30)	441	36	1.953	135	100	40	2.706
Impairment of inventories (note 28)	-	484	-	-	-	-	484
Total assets	**155.408**	**80.680**	**317.096**	**36.538**	**45.498**	**144.098**	**779.318**
Total assets include:							
Investments in associates. 11)	279	-	1.098	-	8.551	-	9.928
Non-Current Assets	23.094	32.418	54.781	30.480	25.336	61.431	227.540
Additions to non-current assets* (note 6, 7, 8 and 9)	4.669	560	3.212	450	2.300	76	11.266
Total liabilities	**136.581**	**13.661**	**275.065**	**28.842**	**16.499**	**45.561**	**516.208**

* Includes tangible assets, investment properties, intangible assets, right-of-use assets and goodwill.

The activities of the parent company Intracom Holdings S.A. and the assets and liabilities are included in the 'Other' column. Assets primarily consist of tangible assets and investment properties.

(All amounts are in € '000)

The reconciliation between EBITDA and earnings/(losses) before tax is as follows:

	1/1 - 31/12/2019	1/1 - 31/12/2018
Results taxes, investment results, depreciation and amortisation (EBITDA)	**37.071**	**32.258**
Depreciation	(13.902)	(9.283)
Net financial cost (note 34)	(18.272)	(15.742)
Losses from associates	(38)	(355)
EBT	**4.858**	**6.878**

Transfers and transactions between segments are carried out on actual commercial terms and conditions in keeping with those which apply for transactions with third parties (arm's length basis).

Geographical Segment Data:

Sales	1/1 - 31/12/2019	1/1 - 31/12/2018
Greece	357.959	274.187
The European Community	109.791	110.900
Other European countries	2.585	2.179
Third countries	52.464	83.432
Total	**522.798**	**470.697**

Non-Current Assets	31/12/2019	31/12/2018
Greece	233.333	227.732
The European Community	7.446	5.893
Other European countries	-	-
Third countries	5.865	3.842
Total	**246.644**	**237.467**

* Includes tangible assets, investment properties, intangible assets, goodwill and investments in associates.

Sales relate to the country where customers are located. Assets relate to their location.

On 31 December 2019 the unexecuted part of contracts with Group customers was € 903 million. (2018: €874) and the relevant income is expected to be recognised in the years below as follows:

Annual period	Integrated IT solutions for public and private sector	Defence	Construction	Total
2020	160	55	200	415
2021	101	41	97	239
2022 and next	156	15	78	249
	417	**111**	**375**	**903**

(All amounts are in € '000)

6. Tangible assets:

Group

	Plots - buildings	Mechanical equipment	Transportation equipment	Telecommunications equipment and facilities	Furniture and other equipment	Advances for purchase of fixed assets and assets under construction	Total
Cost							
Balance at 1 January 2018	108.682	78.567	2.353	819	11.852	5.393	207.665
Foreign exchange differences	(1)	(1)	3	19	(0)	17	38
Additions	536	1.375	55	76	1.314	812	4.168
Sales	(359)	(1.832)	(231)	(21)	-	(1.270)	(3.714)
Sales of subsidiaries	(2.912)	(1)	(90)	-	-	(728)	(3.730)
Re-allocations	321	129	-	-	-	(450)	-
Transfer to investment properties (note 9)	(9)	-	-	-	-	-	(9)
Transfer from investment properties (note 9)	2.606	-	-	-	-	-	2.606
Balance at 31 December 2018	108.864	78.237	2.089	892	13.166	3.775	207.022
Balance at 1 January 2019	108.864	78.237	2.089	892	13.166	3.775	207.023
Adoption of IFRS 16 (note 10.41)	-	(3.446)	(44)	-	-	-	(3.490)
Foreign exchange differences	(22)	(3)	1	18	(93)	-	(98)
Additions	529	1.994	242	50	926	788	4.529
Sales / write-offs	(24)	(821)	(132)	(48)	(328)	-	(1.353)
Impairment	152	-	-	-	-	-	152
Additions due to acquisitions	-	-	-	-	8	-	8
Sales of subsidiaries	-	-	-	-	(32)	-	(32)
Re-allocations	1.470	831	-	-	(829)	(1.471)	-
Transfer to investment properties (note 9)	(83)	-	-	-	-	-	(83)
Balance at 31 December 2019	110.885	76.793	2.157	912	12.817	3.092	206.655
Accumulated depreciation							
Balance at 1 January 2018	36.299	37.108	1.991	365	9.316	-	85.079
Foreign exchange differences	(0)	5	3	10	15	-	33
Depreciation	2.129	3.740	115	128	699	-	6.811
Sales	(111)	(1.776)	(164)	(21)	(1.217)	-	(3.287)
Sales of subsidiaries	(213)	(0)	-	(18)	(191)	-	(422)
Transfer to investment properties (note 9)	817	-	-	-	-	-	817
Balance at 31 December 2018	38.921	39.077	1.945	465	8.622	-	89.031
Balance at 1 January 2019	38.921	39.077	1.945	465	8.622	-	89.031
Adoption of IFRS 16 (note 10.41)	-	(521)	(8)	-	-	-	(528)
Foreign exchange differences	(10)	(3)	1	(96)	8	-	(100)
Depreciation	2.126	3.474	59	125	567	-	6.350
Sales / write-offs	(12)	(384)	(115)	(34)	(261)	-	(806)
Additions due to acquisitions	-	-	-	-	1	-	1
Sales of subsidiaries	-	-	-	-	(25)	-	(25)
Transfer to investment properties (note 9)	(16)	-	-	-	-	-	(16)
Balance at 31 December 2019	41.009	41.644	1.882	460	8.911	-	93.907
Net book amount at 31 December2018	**69.943**	**39.160**	**144**	**427**	**4.544**	**3.775**	**117.994**
Net book amount at 31 December 2019	**69.876**	**35.148**	**275**	**452**	**3.906**	**3.092**	**112.750**

(All amounts are in € '000)

Company

	Plots - buildings	Mechanical equipment	Transportation equipment	Furniture and other equipment	Advances for purchase of fixed assets and assets under construction	Total
Cost						
Balance at 1 January 2018	13.020	108	135	341	-	13.604
Additions	3	-	37	16	-	55
Sales/write-offs	-	-	(8)	-	-	(8)
Απομείωση	-	-	-	-	-	-
Transfer from investment properties (note 9)	343	-	-	-	-	343
Balance at 31 December 2018	**13.366**	**108**	**164**	**357**	**-**	**13.995**
Balance at 1 January 2019	13.366	108	164	357	-	13.995
Additions	9	-	3	18	-	30
Sales/write-offs	-	(22)	-	(1)	-	(23)
Transfer to investment properties (note 9)	(59)	-	-	-	-	(59)
Balance at 31 December 2019	**13.315**	**85**	**168**	**374**	**-**	**13.942**
Accumulated depreciation						
Balance at 1 January 2018	4.787	93	130	210	-	5.220
Depreciation	213	2	7	18	-	241
Sales/write-offs	-	-	(5)	-	-	(5)
Transfer from investment properties (note 9)	110	-	-	-	-	110
Balance at 31 December 2018	**5.111**	**95**	**131**	**228**	**-**	**5.566**
Balance at 1 January 2019	5.111	95	131	228	-	5.566
Depreciation	213	2	7	20	-	242
Sales/write-offs	-	(22)	-	(1)	-	(23)
Transfer to investment properties (note 9)	(17)	-	-	-	-	(17)
Balance at 31 December 2019	**5.307**	**75**	**139**	**247**	**-**	**5.768**
Net book amount at 31 December2018	**8.255**	**12**	**33**	**129**	**-**	**8.429**
Net book amount at 31 December 2019	**8.008**	**10**	**29**	**127**	**-**	**8.174**

Group and Company tangible assets include registered liens worth € 46,600 and € 2,400 respectively to secure liabilities.

(All amounts are in € '000)

7. Goodwill

	Group
Balance at 1 January 2018	37.565
Sales of subsidiaries	(116)
Balance at 31 December 2018	**37.449**
Balance at 1 January 2019	37.449
Balance at 31 December 2019	**37.449**

Goodwill derives from the acquisition of the following companies and is allocated to cash-generating units as follows:

	31/12/2019	31/12/2018
Intrasoft International S.A.	11.361	11.361
Intrasoft International Scandinavia (formerly IT Services Denmark A/S)	2.211	2.211
Intrakat S.A. – construction sectors	3.562	3.562
INTRAPAR S.A.	17.388	17.388
Prisma - Domi (absorbed by Intrakat S.A.)	326	326
K-Wind Energy S.A.	2.600	2.600
	37.449	**37.449**

In order to determine whether there was an issue of goodwill impairment on 31.12.2019, the Group carried out the relevant impairment tests on the cash-generating units to which goodwill has been allocated at Group level.

In order to calculate the recoverable amount of goodwill of € 17,388 which arose from the acquisition of INTRASOFT S.A. in 2017, the method and assumptions set out below were used.

The value in use was used to calculate the recoverable amount of goodwill which has been allocated to other important cash-generating units. The value in use is the present value of forecast future cash flows from cash-generating units discounted at an interest rate which reflects the value of money over time and the risk associated with the cash-generating units. Cash flow forecasts for the cash-generating units Intrasoft International S.A., Intrasoft International Scandinavia and Intrakat S.A. – construction sectors have been based on business plans for the five-year period 2020-2024. All these business plans have been approved by the Boards of Directors of companies in the Group and have been prepared based on the 2019 results while cash flows over the 5-year period have been estimated by extrapolating them in perpetuity as shown below.

K-WIND Energy S.A. (formerly A. Katselis Energy S.A.) has obtained an operating permit for a wind farm. The cash flow forecasts have been based on the budget for the wind farm operation project which has a total estimated duration of 20 years and is not considered to have any residual value.

The goodwill of € 3,562 which appears as Intrakat S.A. – construction sectors has arisen from absorption of various sectors, third party companies by the subsidiary Intrakat S.A. in 2008. These sectors are not monitored as stand-alone cash-generating units since they have been fully absorbed and consequently in order to assess goodwill impairment regard is had to the overall valuation for Intrakat S.A.

(All amounts are in € '000)

The main assumptions used for the most important cash-generating units, as described above, are as follows:

	Intrasoft International SA	Intrasoft International Scandinavia	Intrakat SA - Construction segments	K-WIND Energy SA
Revenue growth	6% - 8%	0.9% - 1.4%	10% - 12%	0,0%
Gross margin	16,5% - 18%	70% - 80%	9% - 11%	-
EBITDA margin	7% - 8%	30% - 35%	6%-7%	84% - 88%
Perpetuity growth rate	1,0%	1,0%	1,0%	-
Discount rate	8,6%	7,2%	7,5%	7,4%

The main assumptions used are based on historical data and estimates about the future course of activities and are consistent with external factors.

Based on the tests carried out, the recoverable amount of goodwill exceeds the book value and there is no impairment loss.

Based on the sensitivity analysis for the recoverable value of goodwill, no possible changes were noted in the main assumptions presented above which would result in goodwill impairment losses being recognised.

<u>INTRAPAR S.A.</u>

In order to check the goodwill generated by acquiring INTRAPAR in 2017, which was absorbed by the subsidiary Intradevelopment in 2018, the total assets and liabilities of the former subsidiary were considered to be a cash-generating unit and regard was had to the following facts:

- INTRAPAR did not have any significant stand-alone activity and consequently did not have any significant stand-alone cash flows.
- INTRAPAR's most important asset was its holding in its associated company KEKROPS.
- The associated company KEKROPS does not generate flows itself from its own stand-alone operations since its assets relate to properties, the majority of which are not commercially exploited.

Based on the above, to determine the recoverable value of goodwill generated during the acquisition, the fair value (less selling costs) of the cash-generating unit was used, which was determined based on the holding of the subsidiary Intradevelopment in the fair value of KEKROPS assets.

In order to calculate the fair value of KEKROPS' assets, its real estate assets (plots and properties) were adjusted to current values (less selling costs) and consequently the adjusted equity of KEKROPS on the reference date was estimated. Consequently, the recoverable value of INTRAPAR's balance sheet was calculated based on the adjusted equity on the reference date, after the necessary adjustments were made to the value of assets of associates at current values (less selling costs).

The fair value measurement of real estate properties (properties used by the company itself, investment properties and real estate in litigation) was determined taking into account the Company's ability to achieve maximum and optimal use, by evaluating the use of each asset which is physically possible, legally permissible and economically feasible. This estimate is based on the physical characteristics, permissible uses and opportunity cost of the investments made.

KEKROPS is in dispute with the Greek State since following judgment No. 3039/2019 of the Athens Court of Appeal which recognised its right of ownership of the contested area of around 300,000 m2 in the Paleo Psychiko area, the Greek State filed an application for cassation before the Hellenic Supreme Court. The hearing was set for 23 September 2020.

(All amounts are in € '000)

The table below relates to valuation methods and assumptions for KEKROPS' properties per property category:

Elements	Method	main parametres
Properties under law dispute	Valuation of total property:	Land plot 224.000 sqm
Area outside planning zone	•Discounted cash flow approach	Surface for additional building 67.200 sqm (44 x 1.500)
	•Comparable data approach	1.800,00 €/sqm
	Valuation per land category:	Promotion cost 2%
	•Residual approach	Infastructure cost € 9,52 ml. in 2 years (beginning 2021)
		Financing 50%
		Interest rate 8%
		Sales fo land plots from 2023 (2 years grace period from borrowings)
		Repayment in 8 years
		Structure factor 0,4
		Discount rate 13%
Owner-occupied tangible fixed assets	Comparable data approach	Land plot 5.102,07 sqm
	Depreciated replacement cost approach	Building 1.608,05 sqm
		Surface for additional building 3.683,47 sqm
		Buildings 1.580 €/sqm
		Land plots 1.600 €/sqm
		Cost 800 €/sqm
		Depratiation index 0,357
Old market		Surface 1.388,97 sqm.
Investment property (vacant stores)	Income approach	Total annual rent € 237 thousand.
		Annual yield 8%
	Comparable data approach	
Investment property		Land plots
(Land plots in Plychiko and Halandri)	Residual method	1520 €/sqm-1810 €/sqm
Area inside planning zone	Comparable data approach	Land plots
(Psychiko -under law dispute)	Residual method	1.760,00 €/sqm.- 1.800,00 €/sqm
Apartment		Estimated surface 427,46 sqm
(maisonette)	Comparable data approac	5.300,00 €/sqm
		50% ownership

Based on the results from the impairment test, the adjusted equity of the cash-generating unit was calculated at a value higher than the book value and there was no impairment loss.

(All amounts are in € '000)

8. Intangible assets

Group

	Software	Software developed in-house	Trade name	Customer relations	Concession rights	Other	Total
Cost							
Balance at 1 January 2018	19.713	30.976	661	1.707	5.792	55	58.904
Foreign exchange differences	4	58	-	-	-	-	61
Additions	760	2.094	-	-	1.379	-	4.233
Sales/write-offs	(3.484)	(22)	-	-	-	(3)	(3.509)
Sales of subsidiaries	(58)	-	-	-	-	-	(58)
Re-allocations	(463)	463	-	-	-	-	-
Balance at 31 December 2018	16.472	33.569	661	1.707	7.171	52	59.632
Balance at 1 January 2019	16.472	33.569	661	1.707	7.171	52	59.632
Foreign exchange differences	0	34	-	-	-	-	34
Additions	1.690	3.958	-	-	2.337	-	7.984
Sales/write-offs	(385)	-	-	-	-	-	(385)
Acquisition of control in a subsidiary	-	332	-	-	-	-	332
Re-allocations	763	(763)	-	-	-	-	-
Balance at 31 December 2019	18.540	37.130	661	1.707	9.508	52	67.597
Accumulated depreciation							
Balance at 1 January 2018	18.541	28.266	-	1.707	-	52	48.567
Foreign exchange differences	2	29	-	-	-	-	31
Depreciation	551	563	-	-	261	-	1.375
Sales/write-offs	(3.505)	-	-	-	-	(2)	(3.507)
Sales of subsidiaries	(20)	-	-	-	-	-	(20)
Balance at 31 December 2018	15.569	28.858	-	1.707	261	51	46.447
Balance at 1 January 2019	15.569	28.858	-	1.707	261	51	46.447
Foreign exchange differences	(1)	16	-	-	-	-	15
Depreciation	1.114	1.156	-	-	375	-	2.645
Sales/write-offs	(385)	-	-	-	-	-	(385)
Acquisition of control in a subsidiary	-	39	-	-	-	-	39
Re-allocations	621	(621)	-	-	-	-	-
Balance at 31 December 2019	16.918	29.449	-	1.707	635	51	48.761
Net book amount at 31 December2018	**904**	**4.710**	**661**	**-**	**6.910**	**1**	**13.185**
Net book amount at 31 December 2019	**1.621**	**7.681**	**661**	**-**	**8.872**	**1**	**18.836**

The concession right comes from the subsidiary Rural Connect S.A. to which Information Society S.A. (the grantor) has assigned the construction, operation and exploitation for 15 years of the project "Development of broadband infrastructure in rural areas 'without broadband coverage' of the territory of Greece and provision of infrastructure exploitation and utilisation services". The broadband network infrastructure will be returned to the Grantor upon expiry of the concession agreement.

It should be noted that construction of the project was completed by the end of 2019 and the overall construction price has been collected. Consequently, on 31 December 2019 the receivable arising from the financial contribution from the State was no longer recognised (note 18).

(All amounts are in € '000)

Company

	Software
Cost	
Balance at 1 January 2018	47
Balance at 31 December 2018	47
Balance at 1 January 2019	47
Balance at 31 December 2019	47
Accumulated depreciation	
Balance at 1 January 2018	16
Depreciation	12
Balance at 31 December 2018	28
Balance at 1 January 2019	28
Depreciation	12
Balance at 31 December 2019	40
Net book amount at 31 December2018	**19**
Net book amount at 31 December 2019	**7**

(All amounts are in € '000)

9. Investment properties

	Group	Company
Cost		
Balance at 1 January 2018	79.035	74.416
Foreign exchange differences	147	-
Additions	2.865	20
Sale of subsidiary	(135)	-
Carried forward to receivables	401	-
Impairment	(35)	(35)
Transfer to tangible assets (note 6)	(2.606)	(343)
Transfer from tangible assets (note 6)	9	-
Transfer to inventories	(3.926)	-
Balance as at 31.12.2018	75.756	74.058
Balance at 1 January 2019	75.756	74.058
Foreign exchange differences	26	-
Additions	506	24
Sale of subsidiary	(8.019)	-
Sales/write-offs	(49)	-
Transfer from tangible assets (note 6)	83	59
Balance at 31 December 2019	68.302	74.142
Accumulated depreciation		
Balance at 1 January 2018	16.523	22.423
Foreign exchange differences	41	-
Transfer to tangible assets (note 6)	-	(110)
Transfer from tangible assets (note 6)	(817)	-
Depreciation	1.097	1.221
Balance at 31 December 2018	16.844	23.533
Balance at 1 January 2019	16.844	23.533
Foreign exchange differences	28	-
Transfer from tangible assets (note 6)	16	17
Depreciation	1.083	1.223
Sale of subsidiary	(290)	-
Balance at 31 December 2019	17.680	24.773
Net book amount at 31 December2018	**58.912**	**50.525**
Net book amount at 31 December 2019	**50.622**	**49.369**

The reduction in investment properties in 2019 due to sale of subsidiaries relates to the sale of Intrablue.

Rent income for 2019 was € 1,606 and € 2,305 for the Group and Company respectively (2018: € 1,976 and € 2,246 for the Group and Company respectively).

(All amounts are in € '000)

In previous years the Company and Group sold and leased tangible and investment properties with a carried value of € 14,215 in 2019 (2018: €14,523).

10. Royalties for use of assets

	Group	Company
Balance at 1 January 2019	-	-
Adoption of IFRS 16 - former operating leases	15.972	163
Adoption of IFRS 16 - former finance leases	2.962	-
Additions	2.153	139
Depreciation	(3.824)	(92)
Termination of Agreements	(62)	-
Transfer of finance lease receivables	(132)	-
Balance at 31 December 2019	**17.069**	**210**

The Group primarily leases offices, warehouses, mechanical equipment and vehicles. Leases are usually concluded for specified periods, but may include extension or termination rights. Rights to extend the duration of the lease, which can only be exercised by the Group, are included only in cases where there is a very high degree of certainty that the Group will exercise those rights. Likewise, the Group's rights to early termination of the agreement are not taken into account when the Group considers with a high degree of certainty that it will not exercise them.

Contracts which include such rights primarily relate to offices and cars. In most cases the Group's assessment was that the rights will not be exercised. The Group's estimate for cars was based on historical data and established Group practice. For offices, the Group also examined the strategic importance of leased premises, the importance of improvements made to those premises and the market prices for leases for similar properties.

The recognised right-of-use assets on 31.12.2019 can be broken down as follows:

	Group	Company
Plots	576	-
Buildings	9.287	-
Mechanical equipment	2.622	-
Transportation equipment	4.486	210
Furniture and other equipment	98	-
	17.069	**210**

In addition to the above, rights to use investment properties of € 14,215 are included in the "Investments in property" line for the Group and Company (note 9).

The amounts recognised in the statement of comprehensive income during the current period can be broken down as follows:

(All amounts are in € '000)

	Group	Company
Depreciation of right-of-use assets		
Plots	(154)	
Buildings	(1.350)	-
Mechanical equipment	(154)	-
Transportation equipment	(2.136)	(92)
Furniture and other equipment	(30)	-
	(3.824)	**-92**

Expenses recognised in 2019 for short-term contracts, leases where the leased property is of low value and variable rents which are not tied to any index are presented in note 29.

11. Investments in subsidiaries

Changes in participations in subsidiaries can be broken down as follows:

	Company	
	31/12/2019	**31/12/2018**
Opening balance	191.189	154.158
Additions/ share capital increases	121.119	37.031
Sales / capital reductions	(114.765)	-
Impairment	(8.300)	-
Closing balance	**189.243**	**191.189**

The holdings in direct subsidiaries and their book value on 31 December can be broken down as follows:

		31/12/2019		31/12/2018	
Corporate name	**County of establishment**	**% of direct holding**	**Book value**	**% of direct holding**	**Book value**
Intrasoft International S.A.	Luxembourg	-		99,99%	52.408
Intracom S.A. Electronic Defence Systems	Greece	-		100%	52.780
Intracom Technologies S.a.r.l.	Luxembourg	100%	105.188		
Intrakat S.A.	Greece	59,56%	26.732	79,56%	35.710
Intradevelopment SA	Greece	100%	32.903	100%	19.972
Intracom Holdings International Ltd	Cyprus	100%	10.365	100%	18.165
Intracom Group USA Inc*	USA	2,91%	65	2,91%	65
Rural Connect S.A.**	Greece	30%	725	30%	725
Intrapower S.A. Energy Projects Company	Greece	100%	800	100%	800
Intrablue Hotel Tourism Enterprises S.A.***	Greece	-	-	50%	600
Kitheronas K-Wind S.A. (formerly A. Katselis Energy S.A.)	Greece	80%	12.466	80%	9.966
			189.244		**191.189**

(*) The total holding on 31.12.2019 was 100% via Group subsidiaries (2018: 100)%.

(**) The total holding on 31.12.2019 was 75.74% via the subsidiary Intrakat S.A. (2018: 87.73)%

(***) The total holding on 31.12.2018 was 100% via the subsidiary Intradevelopment S.A.

This list only includes subsidiaries in which the Company has a direct holding. Note 43 sets out a list of all direct and indirect holdings of the Company in subsidiaries.

2019

Company transactions and changes in holdings

On 15.1.2019 the Company transferred 6,095,431 shares in the company with the corporate name INTRACOM CONSTRUCTIONS TECHNICAL PROJECTS AND STEEL STRUCTURES CO. S.A., trading as INTRAKAT, which account for 20% of its share capital, for the sum of € 8 million. Consequently, the Company's holding in INTRAKAT was 59.56%. The impact of the transaction at Company level was a reduction in investments in subsidiaries by € 9 million and recognition of a loss of € 0.9 million in other profits / (losses). The impact on the Group's equity was an increase of € 10.5 million in non-controlling interests and a reduction in retained earnings of € 2.5 million. The price was collected on 31.12.2019.

On 1.3.2019 the Company set up a new wholly owned subsidiary whose registered offices are in Luxembourg with the corporate name INTRACOM TECHNOLOGIES S.a.r.l. The main purpose of the newly established company is to acquire and manage holdings. The share capital of INTRACOM TECHNOLOGIES S.a.r.l was subscribed by the Company contributing all shares of its wholly owned subsidiaries INTRASOFT INTERNATIONAL S.A. and INTRACOM DEFENSE ELECTRONICS - IDE. The transaction had no impact on the Group and Company's equity.

In July 2019 the Company acquired an additional 20% in its subsidiary K-Wind for € 2,500 with the result that its overall holding was now 100%. The impact of the transaction on the Group's equity was a € 1 million reduction in non-controlling interests and a € 1 million increase in retained earnings. The price was collected on 31.12.2019.

In October 2019 the Company and its subsidiary Intradevelopment sold all their holdings in the subsidiary Intrablue (50% each) and consequently the Group lost control. The total sale price was € 0.9 million. Group and Company profits stood at € 1,326 and € 74 respectively and are included in the Other net profits / losses. The price was collected on 31.12.2019. The subsidiary's cash assets stood at € 94 on the date of sale.

In addition to the above, during the year the Company participated in the share capital increase of its subsidiaries INTRADEVELOPMENT PROPERTY DEVELOPMENT S.A. and INTRACOM HOLDINGS INTERNATIONAL LTD in the sum of € 12.9 million and € 0.5 million respectively.

Lastly, the Company carried out impairment tests on its subsidiary Intracom Holdings International Ltd due to the existence of relevant indications of impairment (accumulated losses). The loss recorded was € 8,300 and was calculated taking into account the subsidiary's consolidated equity due to the nature of the investment.

Other changes in Group holdings

Intrasoft's subsidiary participated in the share capital increase of its associate Wemetrix and following a resignation of the other shareholders increased its holding to 60%. Wemetrix is therefore included in the consolidated financial statements using the full consolidation method from 1.1.2019. The impact on Group equity was a € 240 increase in non-controlling interests. The cash assets of the subsidiary at the time of acquisition were € 70.

Intrakat acquired 49.02% of the subsidiary INTRA ATHENS HOTEL S.A. in which the subsidiary Intradevelopment holds 50.98%. Consequently, the Group's indirect holding in INTRA ATHENS HOTEL S.A. was 80.18%. The transaction price was € 250 and was paid on 31.12.2019. The impact on Group equity was an increase of € 0.2 million in non-controlling interests and a reduction of € 0.4 million in retained earnings.

Lastly, the INTRAKAT Group increased its holding in the subsidiary FRACASSO HELLAS S.A. by changing its holding from 80% to 100%. The impact on Group equity was a € 254 reduction in non-controlling interests and a reduction in retained earnings of € 146. The transaction price was € 400 and was paid on 31.12.2019.

2018

Company transactions and changes in holdings

On 29.6.2018 the Company's Ordinary General Meeting of Shareholders approved the purchase of the following holdings in subsidiaries by the subsidiary Intrakat:

a) all ordinary registered shares in the company with the corporate name INTRADEVELOPMENT PROPERTY DEVELOPMENT S.A. held by Intrakat.

b) all ordinary registered shares held by Intrakat in the company with the corporate name K-WIND KITHAIRONAS ENERGY S.A.

c) all ordinary registered shares held by Intrakat in the company with the corporate name INTRABLUE HOTEL AND TOURISM ENTERPRISES S.A.

d) all ordinary registered shares in the company with the corporate name INTRAPOWER S.A. - ENERGY PROJECTS - REPAIR AND MAINTENANCE OF FACILITIES - SECURITY SERVICES PROVISION COMPANY held by Intrakat.

As a result of these transactions, which were completed in October and November 2018, the Group and Company's holding in the Intradevelopment group and in the Intrapower subsidiary amounted to 100% on 31.12.2018, while the holding in the subsidiary K-WIND was 80%. Moreover, the Company's direct holding in Intrablue was 50% while its indirect holding was 100% via Intradevelopment. The price for these transactions was € 22,086 and on 31.12.2018 had not been paid and was included in the Company's liabilities. The impact on the Group from the transaction was a drop of € 1,405 in retained earnings with a corresponding increase in non-controlling interests.

Moreover, the Company participated in the share capital increase of its subsidiary Intracom Holdings International Ltd by paying € 13,490.

Other changes in Group holdings

The subsidiary Intradevelopment participated in the share capital increase of its subsidiary INESTIA TOURISM S.A. and following the waiver of the pre-emptive right for non-controlling interests, increased its holding to 70%. Then in December 2018 the subsidiary Inestia was sold for € 2,505. The profit from the sale was € 4,796 and is included in the line "Other net profits / (losses)". The impact on Group equity from these transactions was an increase of € 1,033 in non-controlling interests.

Intradevelopment also participated in a share capital increase in the company INTRA ATHENS HOTEL S.A. with at a percentage below that of the non-controlling interests, with the result that the Group's holding dropped to 50.98%. The amount paid for the increase and the impact on Group equity was € 245.

(All amounts are in € '000)

Information on subsidiaries with non-controlling interests

On 31.12.2019 the total non-controlling interests stood at € 23,219 (2018: €13,375) of which €21,507 relates to the Intrakat Group (2018: €10.780), €225 relates to Advanced Transport Telematics (2018: €111), €1,486 to the Intrasoft International S.A. Group (2018: €1,408) and € 0 to K-WIND (2018: €1,076).

There are no major restrictions relating to the Group's assets or the settlement of its liabilities.

Summary financial information about the Intrakat S.A. Group

Below is information about summary financial information about the subsidiary:

Summary balance sheet:

	Intrakat Group	
	31/12/2019	**31/12/2018**
Assets		
Current Assets	216.037	285.486
Non-Current Assets	98.833	67.323
Total assets	314.870	352.810
Liabilities		
Short-term liabilities	213.011	253.049
Long-term liabilities	32.677	31.518
Total liabilities	245.688	284.567
Equity	69.181	68.243

Summary income statement

	Intrakat Group	
	1/1 - 31/12/2019	**1/1 - 31/12/2018**
Sales	286.010	232.143
Earnings / (losses) before tax	2.265	568
Income tax	(1.690)	(3.385)
Net profits/(losses) for the period (continuing and discontinued operations)	576	10.504
Other comprehensive income	776	(610)
Total comprehensive income	1.352	9.894
Total comprehensive income corresponding to non-controlling interests	547	2.022

(All amounts are in € '000)

Summary statement of cash flows

	Intrakat Group	
	1/1 - 31/12/2019	**1/1 - 31/12/2018**
Cash flow from operating activities		
Cash flow from operating activities	12.834	(23.025)
Interest paid	(11.022)	(11.421)
Income tax paid	(996)	(3.997)
Net cash flow from operating activities	815	(38.444)
Net cash flow from investing activities	(3.204)	(7.944)
Net cash flow from financing activities	(294)	16.122
Net increase / (reduction) in cash and cash equivalents	**(2.683)**	**(30.266)**
Cash and cash equivalents at start of period	11.502	41.769
Cash and cash equivalents at end of period	**8.820**	**11.503**

12. Investments in companies consolidated using the equity method

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Opening balance	9.928	10.221	-	-
Additions/ share capital increases	467	589	-	-
Sales / winding up of joint ventures	(98)	(8)	-	
Transfer to subsidiary	(299)	-	-	
Transfer from subsidiary	-	256	-	
Loss of market share	(38)	(355)	-	-
Impact of foreign exchange differences, actuarial profits / (losses) and financial assets of associates	(42)	(775)	-	-
Closing balance	9.919	9.928	-	

2019

As described in note 11, the subsidiary Intrasoft acquired control over Wemetrix and consequently Wemetrix is included in the consolidated financial statements using the full consolidation method from 1.1.2019.

The additions during the year primarily relate to the acquisition of 50% of INCELLIGENT by the subsidiary Intrasoft for a price of € 420.

2018

During the year Intrasoft's subsidiary, Intrasoft Wemetrix S.A., increased its share capital by capitalising liabilities to third parties. Consequently, Intrasoft's holding in Wemetrix S.A. stood at 40% and the company was reclassified as an associate.

In addition, the subsidiary Intrakat participated in the share capital increase of the associate "Prefecture of Serres Urban Solid Waste Management S.A." (SIRRA S.A.).

Information about the Group's associates is set out below:

(All amounts are in € '000)

2019

Corporate name	County of establishment	Assets	Liabilities	Income	Profits/ (losses)	% Holding
ALPHA MOGILANY DEVELOPMENT SP. Z.O.O	POLAND	6.055	5.775	-	-	25,00%
Mobile Compositing S.A.	GREECE	472	407	-	-	24,00%
FRACASSO HOLDINGS D.O.O.	CROATIA	649	148	60	(84)	50,00%
SERRES URBAN SOLID WASTE TREATMENT PLANT (ELMEAS) S.A.	GREECE	545	381	437	108	45,00%
PREFECTURE OF SERRES URBAN SOLID WASTE MANAGEMENT CO. S.A.	GREECE	18.896	17.390	5.501	44	45,00%
KEKROPS S.A.	GREECE	7.964	4.444	11	(194)	34,32%
DEVENETCO LTD	CYPRUS	19.792	7.040	-	(155)	50,00%
INCELLIGENT	GREECE	762	298	148	38	20,00%
		55.135	**35.883**	**6.157**	**(243)**	

2018

Επωνυμία	Χώρα εγκατάστασης	Ενεργητικό	Υποχρεώσεις	Έσοδα	Κέρδη/ (ζημιές)	Ποσοστό συμμετοχής
ALPHA MOGILANY DEVELOPMENT SP. Z.O.O	ΠΟΛΩΝΙΑ	5.833	5.833	-	(364)	25,00%
ΚΙΝΗΤΗ ΚΟΜΠΟΣΤΟΠΟΙΗΣΗ Α.Ε.	ΕΛΛΑΔΑ	472	407	-		24,00%
FRACASSO HOLDINGS D.O.O.	ΚΡΟΑΤΙΑ	858	255	92	(82)	50,00%
ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ ΛΕΙΤΟΥΡΓΙΑΣ ΜΟΝΑΔΑΣ ΕΠΕΞΕΡΓΑΣΙΑΣ ΑΣΤΙΚΩΝ ΣΤΕΡΕΩΝ ΑΠΟΒΛΗΤΩΝ ΣΕΡΡΩΝ (ΕΛΜΕΑΣ Α.Ε.)	ΕΛΛΑΔΑ	22	9	-	(8)	45,00%
ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ ΔΙΑΧΕΙΡΙΣΗΣ ΑΣΤΙΚΩΝ ΣΤΕΡΕΩΝ ΑΠΟΒΛΗΤΩΝ ΝΟΜΟΥ ΣΕΡΡΩΝ (ΣΙΡΡΑ Α.Ε.)	ΕΛΛΑΔΑ	20.549	19.102	13.392	(64)	45,00%
ΚΕΚΡΟΨ Α.Ε.	ΕΛΛΑΔΑ	9.088	4.925	13	(106)	34,32%
DEVENETCO LTD	ΚΥΠΡΟΣ	18.461	5.117	-	(286)	50,00%
		55.285	**35.648**	**13.497**	**(911)**	

13. Joint operations

The following amounts represent the share of the Group's assets and liabilities in jointly controlled activities consolidated using the pro rata consolidation method and included in the balance sheet:

	31/12/2019	31/12/2018
Receivables:		
Non-Current Assets	61	69
Current Assets	20.015	13.787
	20.076	13.856
Liabilities		
Long-term liabilities	405	362
Short-term liabilities	19.434	14.162
	19.838	14.524
Equity	237	(668)
Income	6.483	7.938
Expenses	(6.199)	(9.229)
Earnings / (losses) (after tax)	**285**	**(1.291)**

Information about the Group's jointly controlled activities is contained in note 43.

(All amounts are in € '000)

14. Financial assets at fair value through other comprehensive income

	Group		Company	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Start balance	52.886	-	1.099	-
Adoption of IFRS 9	-	54.465	-	24.159
Additions	165	1.290	153	267
Sales	(653)	(269)	(48)	(1.038)
Fair value gains / (losses)	(7.102)	(2.994)	(138)	(1.875)
Transfer to assets held for sale	-	-	-	(20.823)
Other	(230)	394	-	408
Closing balance	**45.066**	**52.886**	**1.065**	**1.099**

The Group and Company's financial assets at fair value through other comprehensive income as at 31.12.2019 include the following:

	Group		Company	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Securities in listed companies				
- Equity instruments				-
Alpha-Grisin-Infotech S.A.	23	23	-	-
The Bank of Attica	1.201	471	-	-
Intralot S.A.	758	895	758	895
	1.983	**1.389**	**758**	**895**
Securities in non-listed companies				
- Equity instruments				-
Goreward Ltd	18.781	27.000	-	-
Moreas S.A.	20.653	20.681	-	-
Moreas Motorway Service Areas S.A.	540	141	-	-
Karaiskaki S.A.	2.138	2.138	-	-
Hellenic Energy and Development S.A.	125	769	-	-
Other	846	767	306	203
	43.083	**51.497**	**306**	**203**
	45.066	**52.886**	**1.065**	**1.099**

* also includes participation in the company's corporate bond

The Group participates in Moreas S.A. holding 13.33% of its share capital and with a 13.33% stake in its subordinated bonds. Participation in the subordinated bonds is retained during the entire duration of the concession pro rata with the holding in the share capital and the transfer of the subordinated bonds can be effectuated by contract only along with the corresponding transfer of the same holding in the share capital.

On 29.6.2018 the Company's Ordinary General Meeting of Shareholders approved the sale of 13.33% holding in the subordinated bonds and the share capital of Moreas S.A. and Moreas Motorway Service Areas S.A. to the subsidiary Intrakat. Consequently, on 31.12.2018 the holdings and the subordinated bonds were transferred to the Company's held-for-sale assets.

In December 2019 the Company completed the transfer of 13.33% of the share capital of Moreas S.A., 13.33% of the stake in the subordinated bonds, and 13.33% of the share capital of Moreas Motorway Service Areas S.A. The purchase price of these holdings and subordinated bonds was set based on the valuation carried out by an independent auditing firm and stood at € 21,192. Due to the nature of the holding and the subordinated bonds, the investment in share capital and the subordinated bonds was valued together based on the present value of future cash flows.

(All amounts are in € '000)

As a result of the transfer made in the context of the Intrakat Group's new strategy, the Group re-examined its accounting policy to classify the investment based on its features and adjusted its comparative data. Consequently, in the comparative data for 31.12.2018 the sum of € 12,598 was moved from the "Long-term loans" line to the "Financial assets at fair value through other comprehensive income" line. This adjustment had no impact on the results or equity of the Company and Group.

These transactions had no impact at Group level.

Group and Company sales include an additional € 653 and € 48 (2018: € 269 and € 269 respectively) respectively for other holdings ranked at level 1.

Valuation of non-listed equity instruments

The Group uses valuation techniques in order to value non-listed securities which have no observable values and are classified at level 3 when measuring fair value. The most important securities relate to the holding in the companies Moreas S.A. and Moreas Motorway Service Areas S.A. as described above, and the holding in the Goreward Ltd Group in which the Group has a 22.31% stake via its subsidiary Intracom Operations ltd.

The Goreward Ltd Group operates in China. The subsidiary Intracom Operations is a silent investor who is not represented on the Company's Board of Directors. Consequently, the investment has been classified as financial assets at fair value through other comprehensive income. The investment is classed at level 3 for the purposes of fair value measurement.

In order to value its holding the Group uses the cash flow discount method based on information from companies in the same sector. The average weighted cost of capital was used as the discount rate, which varies from 9.4% to 16%. In 2019 the fair value gains / (losses) include losses of € 8,219 relating to the specific investment. The reduction in fair value was primarily due to updated estimates as at 31.12.2019 about the projected future flows of the Group's activities and financial assets.

In order to value its holding in Moreas S.A. the Group uses the cash flow discount method. This method is applicable for the period specified up to 2038, which is when the concession agreement expires. The weighted average cost of capital was used as a discount rate, which was 7.5%.

15. Deferred tax

Deferred tax assets and liabilities are offset when there is an applicable legal right to offset the current tax assets against current tax liabilities and when the deferred income tax relates to the same taxation authority. The offset amounts are shown below:

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Deferred tax assets	(6.550)	(6.576)	-	-
Deferred tax liabilities	5.067	3.731	728	782
	(1.483)	**(2.845)**	**728**	**782**

The gross amounts of deferred tax assets and liabilities can be broken down as follows:

(All amounts are in € '000)

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Deferred tax assets:				
Recoverable after 12 months	(10.469)	(10.000)	(126)	(116)
Recoverable within 12 months	(613)	(1.306)	-	-
	(11.081)	**(11.306)**	**(126)**	**(116)**
Deferred tax liabilities:				
Payable after 12 months	6.653	6.579	853	898
Payable within 12 months	2.946	1.882	-	-
	9.598	**8.462**	**853**	**898**
	(1.483)	**(2.844)**	**728**	**782**

The total change in deferred income tax is shown below:

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Opening balance	(2.845)	(5.782)	782	1.022
Foreign exchange differences	(2)	13	-	-
Debit / (credit) applied to income statement (note 34)	1.219	3.041	(43)	(242)
Debit / (credit) applied to other comprehensive income	145	(118)	(11)	2
Closing balance	**(1.483)**	**(2.845)**	**728**	**782**

The changes in deferred tax assets and liabilities during the period, without taking into account the offsetting of balances within the same tax authority, are as follows:

Group

Deferred tax assets:

	Provisions	Tax losses	Other	Total
Balance at 1 January 2018	(11.714)	(2.553)	(1.453)	(15.720)
Foreign exchange differences	7	-	-	7
Debit / (credit) applied to income statement	1.833	2.567	125	4.526
Debit / (credit) applied to other comprehensive income	54	-	(172)	(118)
Balance at 31 December 2018	**(9.820)**	**15**	**(1.500)**	**(11.306)**
Balance at 1 January 2019	(9.820)	15	(1.500)	(11.306)
Foreign exchange differences	(2)	-	-	(2)
Debit / (credit) applied to income statement	644	(464)	(37)	143
Debit / (credit) applied to statement of comprehensive income	(32)	-	117	84
Balance at 31 December 2019	**(9.211)**	**(449)**	**(1.421)**	**(11.081)**

Deferred tax liabilities:

	Accelerated tax depreciation	Other	Total
Balance at 1 January 2018	5.025	4.914	9.939
Foreign exchange differences	-	6	6
Debit / (credit) applied to income statement	(736)	(748)	(1.484)
Balance at 31 December 2018	**4.288**	**4.172**	**8.461**
Balance at 1 January 2019	4.288	4.172	8.461
Debit / (credit) applied to income statement	(472)	1.548	1.077
Debit / (credit) applied to statement of comprehensive income	-	60	60
Balance at 31 December 2019	**3.817**	**5.781**	**9.598**

(All amounts are in € '000)

Company

Deferred tax assets:

	Provisions	Total
Balance at 1 January 2018	(67)	(67)
Credit applied to income statement	(51)	(51)
Debit applied to other comprehensive income	2	2
Balance at 31 December 2018	**(116)**	**(116)**
Balance at 1 January 2019	(116)	(116)
Debit applied to income statement	1	1
Credit applied to other comprehensive income	(11)	(11)
Balance at 31 December 2019	**(126)**	**(126)**

Deferred tax liabilities:

	Accelerated tax depreciation	Other	Total
Balance at 1 January 2018	1.089	-	1.089
Credit applied to income statement	(191)	-	(191)
Balance at 31 December 2018	**898**	**-**	**898**
Balance at 1 January 2019	898	-	898
Credit applied to income statement	(77)	33	(44)
Balance at 31 December 2019	**821**	**33**	**853**

The Company has not recognised deferred tax assets in losses from prior and current period which amount to €117,013.

(All amounts are in € ‘000)

16. Customers and other receivables

	Group		Company	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Customers	136.184	159.724	21	61
Less: Provision for impairment	(18.100)	(17.218)	-	-
Final trade receivables	118.084	142.505	21	61
Down payments	47.810	43.154	-	-
Receivables from related parties (note 40)	10.558	7.230	12.650	13.132
Loans to related parties (shareholders) 40)	5.147	3.733	7.960	7.960
Prepaid expenses	5.901	5.949	84	103
Accrued income	55.467	47.804	3	410
Construction works contracts	66.625	42.589	-	-
Blocked Deposits	81	83	81	83
Receivables from finance leases	132	-	-	-
Other receivables	34.182	38.753	1.983	1.787
Less: Provisions for impairment of other receivables	(4.939)	(5.084)	-	-
Total	**339.048**	**326.717**	**22.782**	**23.536**
Non-Current Assets	23.061	20.197	8.639	107
Current Assets	315.987	306.521	14.143	23.429
	339.048	**326.717**	**22.782**	**23.536**

There is no credit risk concentration related to trade receivables, as the Company has a large number of customers. The Group has developed policies to ensure that sales agreements are entered into with customers who have adequate credit ratings. The Group’s credit policy is determined by the collection terms stated in each contract with a customer.

For trade receivables, the Group applies the Simplified Approach permitted by IFRS 9. Based on this approach, the Group recognises the expected lifetime losses over the lifetime of trade receivables.

Calculations are made on an individual basis. The expected loss percentages are based on the sales payment profile and the corresponding historical credit losses. Default event means the customer’s inability to pay after 360 days from the invoicing date.

In order to calculate the loss in the case of a default event, the entire receivable is taken into account after deducting any insured amount. The Group does not expect losses for intra-group balances in the case of default.

(All amounts are in € '000)

The change in the provision for commercial customers and other bad debt can be broken down as follows:

	Group	Company
Balance at 1 January 2018	19.162	-
Impact of adopting IFRS 9	1.399	
Balance on 1.1.2018 adjusted	**20.561**	**-**
Foreign exchange differences	(35)	-
Provision for impairment	2.814	-
Provisions utilised	(931)	
Unused provisions reversed	(107)	-
Balance at 31 December 2018	**22.302**	**-**
Foreign exchange differences	10	-
Provision for impairment	1.884	-
Provisions utilised	(932)	
Unused provisions reversed	(227)	-
Balance at 31 December 2019	**23.038**	**-**

Customers and other receivables can be broken down by currency as follows:

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Euro (EUR)	295.136	293.082	22.705	23.457
Dollar (USD)	35.308	27.334	-	-
Polish Zloty (PLN)	506	1.060	-	-
Romanian Lei (RON)	871	1.806	77	79
Jordanian Dinar (JOD)	1.465	-	-	-
Danish Krone (DKK)	3.501	303	-	-
North Macedonian Dinar (MKD)	1.677	2.208	-	-
Other	584	925	-	-
	339.048	**326.717**	**22.782**	**23.536**

Contractual assets

Group accrued income includes contractual assets of € 55,277 (31.12.2018: €47,305), mainly in the field of "Integrated IT solutions, public and private sector". Additions in 2019 amounted to € 97 million for the Group (2018: € 73) while transfers to trade receivables amounted to € 89 million (2018: € 76).

Receivables from construction contracts relate to the construction works sector. The Group's additions in 2019 amounted to € 243 million (2018: € 203) while transfers to trade receivables amounted to € 219 million (2018: € 200).

(All amounts are in € '000)

17. Inventories

	Group		Company	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Raw direct & indirect materials	29.137	23.695	-	-
Semi-finished products	14.041	12.132	-	-
Finished products	3.954	8.797	-	-
Work in progress	5.626	5.580	-	-
Merchandise	2.530	2.595	-	-
Other	91	1.446	-	-
Total	**55.378**	**54.244**	**-**	**-**
Less: Provisions for scrap and destroyed inventories:				
Raw direct & indirect materials	7.492	7.326	-	-
Semi-finished products	3.530	3.052	-	-
Finished products	1.651	1.622	-	-
Merchandise	301	301	-	-
	12.973	**12.302**	**-**	**-**
Total net realisable value	**42.405**	**41.943**	**-**	**-**

The changes in the provision for can be broken down as follows:

	Group	Company
Balance at 1 January 2018	11.818	-
Provision for impairment (note 30)	615	-
Closure of provision during the year (note 30)	(131)	-
Balance at 31 December 2018	**12.302**	**-**
Provision for impairment (note 30)	790	-
Closure of provision during the year (note 30)	(119)	-
Balance at 31 December 2019	**12.973**	**-**

(All amounts are in € '000)

18. State financial contribution

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Opening balance	27.472	18.745	-	-
Increase in receivables	-	8.727	-	-
Reduction in receivables	(27.472)	-	-	-
Total	**-**	**27.472**	**-**	**-**
Non-Current Assets	-	-	-	-
Current Assets	-	27.472	-	-
	-	**27.472**	**-**	**-**
Total advances received	-	9.453	-	-

As outlined in note 8, the State's financial contribution relates to the project assigned to the subsidiary Rural Connect S.A. by Information Society S.A. to develop broadband infrastructure in remote areas of territory of Greece. The financial contribution represents the Group's demand for financing of the project in its entirety through NSRF Operational Programmes. The construction phase was completed in November 2019 and the total receivable had been collected by 31 December 2019.

19. Financial assets measured at fair value through profit and loss

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Opening balance	865	264	-	-
Impact of adopting IFRS 9	-	438	-	-
Balance as at 1.1.2018	**865**	**703**	**-**	**-**
Additions	-	9	-	-
Sales	-	(29)	-	-
Adjustments in fair value (note 34)	90	182	-	-
Closing balance	**956**	**865**	**-**	**-**

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
<u>Securities in listed companies</u>				
Securities in listed companies	308	217	-	-
<u>Securities in non-listed companies</u>				
Securities in non-listed companies	648	648	-	-
	956	**865**	**-**	**-**

(All amounts are in € '000)

20. Cash and cash equivalents

Cash and cash equivalents for the purpose of the cash flow statement includes:

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Cash on hand and in banks	51.326	70.721	18.873	26.425
Short-term bank deposits	3.610	5.160		
Total	**54.936**	**75.881**	**18.873**	**26.425**

In 2019 the effective interest rate on short-term bank deposits for the Company was 0% (2018: 0%).

Cash and cash equivalents can be broken down by currency as follows:

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Euro (EUR)	48.147	65.641	18.022	25.606
Dollar (USD)	4.610	6.480	838	818
Romanian Lei (RON)	34	1.393	-	-
Polish Zloty (PLN)	177	96	-	-
British Pound (GBP)	195	680	-	-
Danish Krone (DKK)	21	278	-	-
Northern Macedonia Dinar (MKD)	858	1.177	-	-
Jordanian Dinar (JOD)	639	68	-	-
Other	256	69	12	2
	54.936	**75.881**	**18.873**	**26.425**

21. Share capital

	Number of shares	Share capital	Premium on capital stock	Own shares	Total
Balance at 1 January 2018	133.025.996	187.567	194.204	-	381.771
Share capital increase with capitalisation of reserves	9.500.000	9.500	-	-	9.500
Share capital reduction to offset losses	-	(121.030)	-	-	(121.030)
Reduction in number of shares due to reverse split	(66.500.000)	-	-	-	-
Own shares	(479.848)	-	-	(502)	(502)
Cancellation of own shares	(25.996)	(37)	-	17	(20)
Balance at 31 December 2018	**75.520.152**	**76.000**	**194.204**	**(485)**	**269.719**
Balance at 1 January 2019	75.520.152	76.000	194.204	(485)	269.719
Balance at 31 December 2019	**75.520.152**	**76.000**	**194.204**	**(485)**	**269.719**

On 29.6.2018 the 2nd repeat meeting of the Company's Ordinary General Meeting of Shareholders decided:

(All amounts are in € '000)

a) to reduce the share capital by € 121,066 as follows:

- reduction by € 37 by cancelling 25,996 own shares
- a reduction of € 121,030 to offset losses by reducing the nominal value of 133,000,000 remaining shares from € 1.41 to € 0.50 per share

b) to increase the nominal value of each share from € 0.50 to € 1.00 by merging the 133,000,000 existing shares at a ratio of 2 to 1 and reducing them to 66,500,000 (reverse split).

c) to increase the share capital by capitalising reserves of € 9,500 and to issue 9,500,000 new shares with a nominal value of € 1.00 free of charge to company shareholders at a ratio of 1 to 7.

In addition, during 2018 the Company purchased own shares for € 502 which on 31.12.2018 stood at 479,848 at acquisition cost of € 485.

On 31.12.2018 and 31.12.2019 the Company's share capital stood at € 76,000 divided into 76,000,000 shares with a nominal value of € 1.00 each.

22. Reserves

Group

	Statutory reserve	Special reserves	Untaxed reserves	Extraordinary reserve	Other reserves	Actuarial gains /	Fair value reserves	Total
Balance at 1 January 2018	30.789	8.305	106.487	56.470	(28.723)	(2.995)	(3.779)	166.553
Impact of adopting IFRS 9	-	-	-	-	-	-	(8.109)	(8.109)
Fair value gains / (losses) from investments at FVOCI	-	-	-	-	-	-	(3.491)	(3.491)
Foreign exchange differences	-	-	-	-	-	-	304	304
Capitalisation	-	-	(9.003)	-	-	-	-	(9.003)
Change in holding in subsidiary	12	-	-	-	(42)	-	-	(30)
Actuarial losses after tax	-	-	-	-	-	(230)	-	(230)
Transfer between reserves	191	-	(439)	-	35	-	-	(213)
Balance at 31 December 2018	**30.992**	**8.305**	**97.045**	**56.470**	**(28.730)**	**(3.225)**	**(15.076)**	**145.781**
Balance at 1 January 2019	30.992	8.305	97.045	56.470	(28.730)	(3.225)	(15.076)	145.781
Fair value gains / (losses) from investments at FVOCI	-	-	-	-	-	-	(7.606)	(7.606)
Financial assets measured at FVOCI	-	-	-	-	-	-	678	678
Foreign exchange differences	-	-	-	-	-	-	328	328
Change in holding in subsidiary	-	-	-	-	1	-	-	1
Actuarial losses after tax	-	-	-	-	-	(334)	-	(334)
Transfer between reserves	116	-	(273)	-	70	-	-	(87)
Balance at 31 December 2019	**31.107**	**8.305**	**96.773**	**56.470**	**(28.659)**	**(3.559)**	**(21.676)**	**138.761**

(All amounts are in € '000)

Company

	Statutory reserve	Special reserves	Untaxed reserves	Extraordinary reserve	Actuarial gains /	Fair value reserves	Total
Balance at 1 January 2018	26.719	8.069	47.149	56.981	(149)	264	139.033
Impact of adopting IFRS 9	-	-	-	-	-	(1.216)	(1.216)
Fair value losses from investments measured at FVOCI	-	-	-	-	-	(1.875)	(1.875)
Capitalization of Reserves (note 21)	-	-	(9.003)	-	-	-	(9.003)
Transfer to retained earnings due to sale of investments at FVOCI	-	-	-	-	-	1.658	1.658
Actuarial gain after taxes	-	-	-	-	4	-	4
Balance at 31 December 2018	**26.719**	**8.069**	**38.146**	**56.981**	**(144)**	**(1.170)**	**128.601**
Balance at 1 January 2019	26.719	8.069	38.146	56.981	(144)	(1.170)	128.601
Fair value losses from investments measured at FVOCI	-	-	-	-	-	(182)	(182)
Actuarial gain after taxes	-	-	-	-	(34)	-	(34)
Transfer to retained earnings	-	-	-	-	-	44	44
Balance at 31 December 2019	**26.719**	**8.069**	**38.146**	**56.981**	**(178)**	**(1.308)**	**128.429**

(a) Statutory Reserve

The statutory reserve formed in accordance with the provisions of Greek law (Articles 44 and 45 of Codified Law 2190/1920) under which at least 5% of the annual net earnings (net of tax) must be placed in the statutory reserve until that reserve reaches 1/3 of the paid-up share capital. The statutory reserve may be used to cover losses following a decision of the Ordinary General Meeting of Shareholders and consequently cannot be used for any other purpose.

(b) Extraordinary reserves

Extraordinary reserves include amounts of reserves which have been established by decisions of the Ordinary General Meetings, which are not intended for any specific purpose and may be used for any purpose following a decision of the Ordinary General Meeting, as well as amounts of reserves which have been formed on the basis of provisions of Greek law. These extraordinary reserves have been formed from taxed profits and consequently are not subject to further taxation if they are distributed or capitalised.

(c) Untaxed reserves

Special law untaxed reserves

Reserves formed from net profits which under the specific provisions of the development laws in force at the moment are not taxed because they were used to acquire new production equipment and assets are monitored. In other words, such reserves are formed from net profits for which no tax is computed or payable.

As outlined in note 21, the 2nd repeat meeting of the Company's Ordinary General Meeting of Shareholders of 29.6.2018 decided, among other things, to increase the share capital by capitalising reserves of € 9,500 and to issue 9,500,000 new shares with a nominal value of € 1.00 each free of charge, by distributing them to company shareholders at a ratio of 1 to 7. Of the total amount of € 9,500, € 9,003 came from untaxed reserves.

Reserves from tax-exempt income and from revenues taxed under special provisions of law

(All amounts are in € '000)

This includes part of the net profits each year that are not distributed, which come from tax-exempt income and from income taxed in a special way under specific provisions of law, thereby cancelling out all further tax obligations.

These reserves can be capitalised and distributed (having taken into account the restrictions that apply in each case by the Ordinary General Meeting of Shareholders taking a decision on such matters. In the case of capitalisation or distribution, these amounts are subject to income tax at the current tax rate.

(d) Fair value reserves

Fair value reserves primarily include foreign exchange differences from conversion of investments into a foreign currency and reserves from investments measured at fair value through other comprehensive income.

Due to the application of IFRS 9 on 1.1.2018 amounts of € 8,109 and € 1,216 for the Group and Company respectively were transferred to retained earnings with a corresponding reduction in fair value reserves.

In 2019 for the Group and Company, the amount of € 678 and € 44 respectively was transferred from fair value reserves to retained earnings due to the sale of investments measured at fair value through other comprehensive income (2018: € 0 and € 1,658 respectively) (note 14).

The Group's fair value reserves related to investments at fair value through other comprehensive income include an additional loss share from associates of € 32 (2018: € 782).

23. Loans

	Group		Company	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Long-term borrowing				
Bank Loans	18.497	23.412	2.840	3.200
2018: Finance lease liabilities	-	7.429	-	6.765
Bond loans	51.288	69.190	-	-
Total of long-term loans	**69.785**	**100.031**	**2.840**	**9.965**
Short-term loans				
Bank Loans	118.176	93.194	15.860	12.300
Bond loans	12.761	13.559	-	-
Other loans	1.304	1.208	-	-
2018: Finance lease liabilities	-	1.101	-	347
Total short-term loans	**132.241**	**109.063**	**15.860**	**12.647**
Total loans	**202.025**	**209.093**	**18.700**	**22.612**

(All amounts are in € '000)

Group and company loans can be broken down into the following currencies:

	Group		Company	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Euro	198.836	204.689	18.700	22.612
Dollar (USD)	3.190	3.828	-	-
Other	-	577	-	-
	202.026	**209.093**	**18.700**	**22.612**

Payments under contracts related to loans, excluding finance leases for 2018 (including interest payments), are as follows:

	Group		Company	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Up to 1 year	138.194	108.120	16.003	12.458
Between 1 and 2 years	7.160	18.770	506	503
Between 2 and 3 years	10.988	15.396	508	506
Between 3 and 5 years	41.928	50.705	1.018	1.016
Over 5 years	4.787	12.442	1.227	1.736
	203.057	**205.433**	**19.261**	**16.219**

The weighted interest rate on loans for the Group for 2019 was 5.59% and 4.85% for short- and long-term loans respectively (2018: 5.4% and 4.9% respectively).

The weighted interest rate on loans for the Company for 2019 was 5.44% and 4.6% for short- and long-term loans respectively (2018: 5.77% and 4.5% respectively).

The guarantees referred to in note 39 apply to these loans.

(All amounts are in € '000)

Finance Leases

The table below shows the breakdown of finance leases for 2018. As outlined in note 41, from 1.1.2019 the Group and Company apply IFRS 16 and consequently the relevant amounts were transferred to the "Lease obligations" line.

	Group 31/12/2018	Company 31/12/2018
Lease liabilities - minimum leasing fees		
Up to 1 year	1.469	654
From 2 to 5 years	6.728	6.044
Over 5 years	1.603	1.603
Total	9.800	8.302
Less: Future financial obligations under finance leases	(1.271)	(1.190)
Current value of finance lease liabilities	**8.529**	**7.112**
The current value of financial lease liabilities is as follows:		
Up to 1 year	1.101	347
From 2 to 5 years	5.875	5.211
Over 5 years	1.554	1.554
Total	**8.529**	**7.112**

The table below shows the changes in liabilities included in the Group and Company's financing activities in the cash flow statement:

Group

	Lease liabilities[1]	Loans	Total
Balance at 1 January 2018	9.452	234.041	243.494
Cash flows	(1.034)	(32.959)	(33.993)
Other non-cash changes	111	(518)	(407)
Balance at 31 December 2018	**8.529**	**200.564**	**209.093**
Balance at 1 January 2019	8.529	200.564	209.093
Adoption of IFRS 16	15.863	-	15.863
Cash flows	(5.687)	5.865	178
Additions of lease liabilities	2.430	-	2.430
Foreign exchange differences	-	-	-
Other non-cash changes	1.139	(4.403)	(3.264)
Balance at 31 December 2019	**22.275**	**202.026**	**224.300**

(All amounts are in € '000)

Company

	Lease liabilities[1]	Loans	Total
Balance at 1 January 2018	7.440	43.954	51.394
Cash flows	(328)	(28.454)	(28.782)
Balance at 31 December 2018	**7.112**	**15.500**	**22.612**
Balance at 1 January 2019	7.112	15.500	22.612
Adoption of IFRS 16	163	-	163
Cash flows	(763)	3.200	2.437
Additions of lease liabilities	139	-	139
Other non-cash changes	316	-	316
Balance at 31 December 2019	**6.967**	**18.700**	**25.667**

[1]2018: Obligations under finance leases

24. Employment termination liabilities

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Balance Sheet liabilities for:				
Employment termination compensation	**9.076**	**8.442**	**672**	**612**
Debit applied to results				
Employment termination compensation (note 30)	**775**	**799**	**15**	**240**
Debits or credits applied to equity				
Actuarial (gains) / losses	**353**	**151**	**45**	**(6)**

The amounts entered in the results are as follows:

	Group		Company	
	1/1 - 31/12/2019	1/1 - 31/12/2018	1/1 - 31/12/2019	1/1 - 31/12/2018
Cost of current employment	398	425	5	6
Financial cost	133	125	10	6
Cost of past service	4	228	-	228
Employment termination benefits	96	-	-	-
Impact from curtailments	144	21	-	-
Total including employee benefits	**775**	**799**	**15**	**240**

The total charge has been allocated as follows:

	Group		Company	
	1/1 - 31/12/2019	1/1 - 31/12/2018	1/1 - 31/12/2019	1/1 - 31/12/2018
Cost of sales	659	474	-	-
Selling expenses	67	37	-	-
Administrative expenses	50	288	15	240
	775	**799**	**15**	**240**

(All amounts are in € '000)

The change in the balance sheet obligation is as follows:

	Group		Company	
	1/1 - 31/12/2019	**1/1 - 31/12/2018**	**1/1 - 31/12/2019**	**1/1 - 31/12/2018**
Opening balance	8.442	7.691	612	379
Total debit applied to results	775	799	15	240
Contributions paid	(495)	(200)	-	-
Actuarial (gains) / losses	353	151	45	(6)
Closing balance	**9.076**	**8.442**	**672**	**612**

The main actuarial assumptions applied for the aforementioned accounting purposes are described below:

	Group		Company	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Discount rate	0.80%-1.15%	1.5%-1.7%	1,15%	1,60%
Future pay increases	1.70%-2.30%	1.75%-2.3%	2,00%	2,00%

The table below shows the analysis of the sensitivity of the liability to changes in key assumptions.

	Group					
	Change in assumption		Increase / (decrease) in present value of liability in case of increase in assumption		Increase / (decrease) in present value of liability in case of reduction in assumption	
	2019	**2018**	**2019**	**2018**	**2019**	**2018**
Discount rate	0,5%	0,5%	(773)	(558)	525	607
Future pay increases	0,5%	0,5%	422	485	(693)	(455)

	Company					
	Change in assumption		Increase / (decrease) in present value of liability in case of increase in assumption		Increase / (decrease) in present value of liability in case of reduction in assumption	
	2019	**2018**	**2019**	**2018**	**2019**	**2018**
Discount rate	0,5%	0,5%	(27)	(27)	28	29
Future pay increases	0,5%	0,5%	14	16	(15)	(16)

(All amounts are in € '000)

25. Lease liabilities

	Group	Company
Balance at 1 January 2019	-	-
Impact of adoption of IFRS 16 - former operating leases	15.863	163
Impact of adoption of IFRS 16 - former finance leases	8.529	7.112
Additions	2.430	139
Interest	1.215	316
Payments	(5.687)	(763)
Termination of agreements	(76)	-
Balance at 31 December 2019	**22.275**	**6.967**
Short-term liabilities	4.982	949
Long-term lease liabilities	17.292	6.018
	22.275	**6.967**

The maturity of lease liabilities is shown below:

	Group	Company
Up to 1 year	6.245	1.264
From 1 to 5 years	14.998	6.179
Over 5 years	6.000	446
Total contractual cash flows	**27.243**	**7.890**

26. Grants

	Group		Company	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Opening balance	38	44	-	-
Depreciation in results (note 32)	(5)	(5)	-	-
Closing balance	**33**	**38**	**-**	**-**
Long-term liability	33	38	-	-
Total	**33**	**38**	**-**	**-**

27. Provisions

	Group		Company	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Short-term liabilities	8.746	6.986	1.500	1.500
Long-term liabilities	2.904	2.676	-	-
Total	**11.650**	**9.663**	**1.500**	**1.500**

(All amounts are in € '000)

Group

	Guarantees	Open tax periods	Other	Total
Balance at 1 January 2018	844	654	8.489	9.987
Impact of IFRS 15	(204)	-	-	(204)
Balance on 1.1.2018 adjusted	**640**	**654**	**8.489**	**9.783**
Foreign exchange differences	0	-	1	1
Additional provisions for year	475	2.100	6.147	8.723
Reversal of unused provisions	-	-	(1.451)	(1.451)
Provisions for year used	(254)	-	(7.138)	(7.393)
Balance at 31 December 2018	**861**	**2.754**	**6.048**	**9.663**
Balance at 1 January 2019	861	2.754	6.048	9.663
Foreign exchange differences	-	-	1	1
Additional provisions for year	782	1.300	6.580	8.661
Reversal of unused provisions	(900)	(130)	(720)	(1.750)
Provisions for year used	-	-	(4.925)	(4.925)
Balance at 31 December 2019	**742**	**3.924**	**6.983**	**11.650**

The sum of € 6,983 in Other provisions as at 31.12.2019 primarily includes the sum of € 4,398 for provisions for accrued benefits to staff (2018: € 4,200) and € 1,795 for disputes before the courts or in arbitration (2018: € 1,575).

Company

	Other	Total
Balance at 1 January 2018	3.316	3.316
Reversal of unused provisions	(1.166)	(1.166)
Provisions for year used	(650)	(650)
Balance at 31 December 2018	**1.500**	**1.500**
Balance at 1 January 2019	1.500	1.500
Balance at 31 December 2019	**1.500**	**1.500**

On 31 December 2019, the amount of € 1,500 (2018: € 1,500) in Other provisions pertained to a provision for litigation, court rulings or arbitration disputes.

In 2018, € 550 was transferred to the Group and Company from the initial provision for liabilities related to the transfer of Hellas online of € 2,200 to revenues due to finalisation of those liabilities. In addition, € 1,116 was transferred to revenues from other provisions for court rulings. These amounts are included in the line "Other net profits / (losses)".

(All amounts are in € '000)

28. Suppliers and other liabilities

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Suppliers	122.997	123.730	335	301
Customer down payments	71.686	97.995	0	0
Unearned and deferred income	6.942	6.755	-	-
Amounts owed to related parties (note 40)	6.970	9.698	5.527	27.967
Accrued expenses	13.339	14.492	151	215
Liabilities from construction contracts	339	387	0	0
Social security organisations and other taxes / duties	9.574	19.783	409	574
Other liabilities	11.412	11.368	1.131	2.858
Total	**243.259**	**284.208**	**7.554**	**31.915**
Long-term liabilities	11.474	5.476	-	-
Short-term liabilities	231.785	278.731	7.554	31.915
	243.259	**284.208**	**7.554**	**31.915**

The credit provided to the Group is determined by the terms of payment that are specified in each contract with a supplier.

Suppliers and other liabilities can be broken down by currency as follows:

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Euro (EUR)	210.457	272.941	7.554	31.915
Dollar (USD)	24.961	10.905	-	-
Jordanian Dinar (JOD)	3.540	64	-	-
Northern Macedonia Dinar (MKD)	1.999	96	-	-
Romanian Lei (RON)	208	117	-	-
Other	2.094	84	-	-
	243.259	**284.208**	**7.554**	**31.915**

Contractual liabilities

Customer down payments and unearned and deferred income primarily relate to the integrated IT, public and private sector and construction solutions sectors. Additions in 2019 amounted to € 112 million for the Group (2018: € 59 million), while transfers to income amounted to € 138 million (2018: € 84 million).

Liabilities under construction contracts relate to the construction works sector. The additions in 2019 for the Group amounted to € 3.8 million (2018: € 2 million), while transfers to income amounted to € 3.8 million (2018: € 3 million).

(All amounts are in € '000)

29. Expenses per category

	Note	Group		Company	
		1/1 - 31/12/2019	1/1 - 31/12/2018	1/1 - 31/12/2019	1/1 - 31/12/2018
Employee benefits	30	119.540	111.705	1.824	1.802
Cost of inventories recognised in cost of goods sold		113.878	106.203	-	-
Depreciation on tangible assets	6	6.350	6.811	242	241
Depreciation of right-of-use assets	10	3.824	-	92	-
Depreciation of investment property	9	1.083	1.097	1.223	1.221
Depreciation on intangible assets	8	2.645	1.375	12	12
Impairment of inventories	17	790	615	-	-
Restoration from inventory deletions	17	(119)	(131)	-	-
Tangible asset repair and maintenance expenses		1.882	3.133	187	150
2018: Rents based on operating leases		-	7.818	-	159
Short-term leases		4.358	-	8	-
Leases of low value assets		652	-	6	-
Variable rents not included in lease liabilities		286	-	-	-
Subcontracting		185.265	140.208	-	-
Foreign exchange gains / (losses)		11	(29)	-	-
Telecom charges		1.672	1.664	-	-
Transport and travel expenses		7.556	8.194	106	132
Third party fees and expenses		37.910	48.378	752	1.000
Promotion and advertisement expenses		1.655	1.397	307	145
Other		16.703	17.792	1.413	2.133
Total		**505.943**	**456.229**	**6.171**	**6.995**
Allocation per operation					
Cost of sales		450.420	400.621	1.571	2.136
Selling expenses and research expenses		17.647	17.194	-	-
Administrative expenses		37.875	38.414	4.600	4.860
		505.943	**456.229**	**6.171**	**6.996**
Breakdown of depreciation per operation					
Cost of sales		7.077	6.246	89	135
Selling expenses and research expenses		589	497	-	-
Administrative expenses		6.237	2.540	1.479	1.339
		13.903	**9.283**	**1.568**	**1.474**

The fees for providing auditing services (annual mandatory audit and additional audits) are around € 538 for the Group and around € 57 for the Company. During the year ended the Company and Group were not provided with non-audit services.

30. Employee benefits

	Group		Company	
	1/1 - 31/12/2019	1/1 - 31/12/2018	1/1 - 31/12/2019	1/1 - 31/12/2018
Salaries and wages	94.664	88.588	1.524	1.320
Social security expenses for	20.906	19.267	257	218
Other employer benefits and expenses	1.806	579	28	25
Pension cost of defined benefit plans (note 24)	775	799	15	240
Other employee benefits after retirement	1.388	2.473	-	-
Total	**119.540**	**111.705**	**1.824**	**1.802**

(All amounts are in € '000)

31. Impairment losses for financial assets

	Group		Company	
	1/1 - 31/12/2019	1/1 - 31/12/2018	1/1 - 31/12/2019	1/1 - 31/12/2018
Financial assets measured at amortised cost				
- Gains/(losses) from impairment of trade receivables	(2.018)	(2.814)	-	-
- Reversal of previous impairment	360	108	-	-
Total	**(1.657)**	**(2.706)**	**-**	**-**

32. Other operating income

	Group		Company	
	1/1 - 31/12/2019	1/1 - 31/12/2018	1/1 - 31/12/2019	1/1 - 31/12/2018
Income from dividends	7	6	-	-
Income from rents	1.606	1.976	2.305	2.246
Depreciation of grants received (note 26)	5	5	-	-
Other grant income	780	269	-	-
Insurance compensation	209	308	-	-
Other	1.985	1.044	-	-
Total	**4.592**	**3.608**	**2.305**	**2.246**

The minimum future rental income for the Group and Company is as follows:

	Group		Company	
	1/1- 31/12/2019	1/1- 31/12/2018	1/1- 31/12/2019	1/1- 31/12/2018
Within 1 year	1.825	1.549	2.573	2.315
Between 1 and 2 years	2.062	1.770	2.799	2.573
Between 2 and 3 years	2.109	2.055	2.845	2.799
Between 3 and 4 years	1.912	2.098	2.122	2.845
Between 4 and 5 years	1.799	1.890	1.744	2.122
Over 5 years	7.813	6.848	5.487	7.298
	17.520	**16.210**	**17.570**	**19.952**

33. Other net profits/(losses)

	Group		Company	
	1/1 - 31/12/2019	1/1 - 31/12/2018	1/1 - 31/12/2019	1/1 - 31/12/2018
Losses from sale of tangible assets	(56)	(35)	-	(2)
Gains from sale of intangible assets	11	(0)	-	-
Profit / (loss) on fair value of financial assets through P&L	90	182	-	-
Profit from the sale of financial assets through P&L	-	221	-	-
Gains from sale of subsidiaries / (losses) from sale of percentage of subsidiaries	1.326	5.025	(903)	-
Net foreign exchange gains/(losses)	19	(21)	-	-
Other	1.923	2.231	(31)	530
Total	**3.314**	**7.604**	**(934)**	**528**

In 2019 profits from the sale of subsidiaries to the Group related to the sale of the subsidiary Intrablue (note 11). Losses from sale of a holding in subsidiaries for the Company primarily relate to sale of 20% to the subsidiary Intrakat (note 11).

(All amounts are in € '000)

In 2018 profits from the sale of subsidiaries included € 4,796 which related to the sale of Inestia and € 236 which related to the sale of B-WIND.

34. Net financial expenses/(income)

	Group		Company	
	1/1 - 31/12/2019	1/1 - 31/12/2018	1/1 - 31/12/2019	1/1 - 31/12/2018
Financial expenses				
Interest and related expenses				
- Bank loans	9.918	9.643	906	929
- Bond loans	1.629	1.590	-	-
- Finance leases	1.215	422	316	326
- Guarantee letters	5.532	4.783	-	-
- Net foreign exchange gains/(losses)	(147)	(603)	-	(38)
-Other	1.449	1.978	-	-
	19.596	17.814	1.222	1.218
Financial income				
Interest	(107)	(903)	(21)	(1)
Income Interest from loans	(610)	(758)	(499)	(763)
Net foreign exchange gains	-	-	(14)	-
Other	(607)	(411)	(321)	(322)
	(1.324)	(2.072)	(855)	(1.086)
Net financial expenses/(income)	**18.272**	**15.742**	**367**	**131**

Group interest income shown on the "Other" line primarily relates to interest income related to sales to the public sector of € 363 (2018: € 355).

35. Income tax

	Group		Company	
	1/1 - 31/12/2019	1/1 - 31/12/2018	1/1 - 31/12/2019	1/1 - 31/12/2018
Tax for the year	(3.123)	(6.113)	-	-
Deferred tax (note 15)	(1.219)	(3.041)	43	242
Total	**(4.342)**	**(9.155)**	**43**	**242**

Under Article 22 of Law 4646/2019, the income tax rate for legal persons for income for 2019 onwards was set at 24%.

On 31.12.2019 the Group had recognised a deferred tax asset of € 6,550 (31.12.2018: € 6,576). The Group expects that it will have adequate tax profits in the years to come to use the interim differences which gave rise to the deferred tax asset.

(All amounts are in € '000)

Open periods

The years for which the Company and its subsidiaries have not been audited, and consequently their tax liabilities for those years have not been rendered final, are presented in note 43. The accumulated provision for open tax years for the Group is € 3,924.

In the 2013-2019 periods, the parent company and companies in the Group in Greece which underwent a tax audit by certified public accountants as required by the provisions of Article 82(5) of Law 2238/1994 and Article 65A of Law 4174/2013 received a tax compliance certificate without any substantive differences in relation to tax expenses and the relevant provision which had been recognised in the annual financial statements for those periods. The tax audit by certified public accountants for 2019 under the provisions of Article 65A(1) of Law 4174/2013, as in force, is under way and the relevant tax certificate is expected to be issued after the 2019 financial statements are published. In all events, Circular No. ΠΟΛ 1006/2016 does not exclude companies for which an unqualified tax compliance report has been issued for the years from 2014 onwards from ordinary tax audits by the competent tax authorities. Consequently, tax liabilities for the periods from 2014 onwards have not been rendered final. Group Management considers that upon completion of the tax audit there will be no additional tax liabilities which will have a material impact other than those recorded and shown in the financial statements.

Tax on Group and Company losses before tax differs from the theoretical amount which would arise using the weighted average tax rate on the profits/losses of consolidated companies. This difference is as follows:

	Group		Company	
	1/1 - 31/12/2019	1/1 - 31/12/2018	1/1 - 31/12/2019	1/1 - 31/12/2018
Earnings / (losses) before tax	4.858	6.842	(10.847)	(1.868)
Tax calculated based on current tax rates in Greece	(1.166)	(1.984)	2.603	542
Income not subject to tax	35	159	-	-
Expenses not deductible for tax purposes	(1.725)	(6.016)	(2.224)	31
Tax rate differences	(450)	(7)	-	-
Impact of tax rate change	160	1.020	30	125
Losses for period for which deferred tax was not calculated	(359)	(438)	(366)	(456)
Other	(838)	(1.889)	-	-
Taxes	**(4.342)**	**(9.155)**	**43**	**242**

36. Earnings / (losses) per share

Basic earnings / (losses) per share

The basic earnings / (losses) per share are calculated by dividing the profit / (loss) corresponding to parent company shareholders by the weighted average number of ordinary shares during the period, excluding the own shares purchased by the Company (note 21).

Diluted earnings / (losses) per share

Diluted earnings / (losses) per share are calculated by adjusting the weighted average number of ordinary shares, assuming that all potential securities such as stock options are converted to ordinary shares. For stock options, a calculation is made to determine the number of shares that could be acquired at fair value (determined by the average annual market price of the share) based on the monetary value of the options. This calculated number of shares is compared with the number of shares which would have been issued assuming that the options were exercised.

(All amounts are in € '000)

Calculation of the weighted average number of shares for diluted earnings per share has not resulted in any difference compared to the calculation of the basic earnings per share.

	Group		Company	
	1/1 - 31/12/2019	1/1 - 31/12/2018	1/1 - 31/12/2019	1/1 - 31/12/2018
Profits / (losses) corresponding to parent company shareholders	643	(694)	(10.803)	(1.626)
Weighted average number of shares	75.520	75.834	75.520	75.834
Total earnings / (losses) per share	0,01	(0,01)	(0,14)	(0,02)

The weighted average number of shares in 2018 has been adjusted taking into account the changes in share capital as explained in note 21.

37. Operating cash flows

		Group		Company	
	Note	1/1 - 31/12/2019	1/1- 31/12/2018	1/1 - 31/12/2019	1/1 - 31/12/2018
Net profit / (losses)		516	(2.312)	(10.803)	(1.626)
Adjustments for:					
Income tax		4.342	9.155	(43)	(242)
Depreciation on tangible assets	6	6.350	6.811	242	241
Depreciation of right-of-use assets	10	3.824	-	92	-
Depreciation on intangible assets	8	2.645	1.375	12	12
Depreciation of investment properties	9	1.083	1.097	1.223	1.221
Impairment of investment properties	9	-	35	-	35
(Reversal) / impairment losses for tangible, intangible and investment properties	6	(152)	-	-	-
Losses from sale of tangible assets	33	56	35	-	2
Gains from sale of intangible assets	33	(11)	-	-	-
Fair value losses from investments in results	19	(90)	(182)	-	-
Impairment of subsidiaries	11	-	-	8.300	-
Profits from sale of subsidiaries	33	(1.342)	(5.148)	903	-
Impairment of financial assets	31	1.657	3.474	-	767
Losses from derecognition of financial assets at amortised cost		89	-	89	-
Losses from sale of associates and termination of joint ventures		152	-	-	-
Interest	34	(1.324)	(2.072)	(855)	(1.086)
Interest charges	34	19.596	17.814	1.222	1.218
Income from dividends	32	(7)	-	-	-
Impairment of inventories	17	671	-	-	-
Depreciation on government grants	26	(5)	(5)	-	-
Share of results in associates and joint ventures	12	38	355	-	-
Foreign exchange (gains) /losses		8	161	-	-
		38.096	**30.592**	**380**	**540**
Changes in working capital					
(Increase) / decrease in inventories		(1.134)	935	-	-
(increase) / decrease in receivables		13.764	(66.238)	686	(2.596)
Increase / (decrease) in liabilities		(37.756)	32.583	(2.410)	21.069
Increase / (decrease) in provisions		1.987	(120)	-	(1.816)
Increase / (decrease) in staff pension benefit liabilities		280	542	15	240
		(22.858)	**(32.298)**	**(1.709)**	**16.897**
Net cash flow from operating activities		**15.238**	**(1.705)**	**(1.330)**	**17.437**

(All amounts are in € '000)

38. Commitments

Capital commitments

There were no commitments to purchase tangible assets on the Group's balance sheet date (2018: €-).

Commitments from operating leases

	Group 31/12/2018	Company 31/12/2018
Up to 1 year	4.115	101
From 2 to 5 years	8.493	93
Over 5 years	9.108	-
	21.716	**193**

As outlined in note 41, from 1.1.2019 the Group and Company has applied the new IFRS 16 on leases and consequently recognise right-of-use assets and lease liabilities (notes 10 and 25).

39. Contingent liabilities / pending litigation

The Group and Company have contingent liabilities relating to banks, other guarantees and other issues arising in the context of normal activities as follows:

	Group		Company	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Advance payment bonds	61.177	88.679	42.154	61.431
Performance bonds	137.545	160.372	107.585	127.849
Tender procedure participation bonds	30.522	22.984	22.632	13.212
Others	22.607	19.855	-	-
	251.852	**291.889**	**172.371**	**202.493**

The Company has guaranteed banks loans from subsidiaries and other companies worth a total of € 150,963 (2018: € 155,748).

Pending litigation

Teledome S.A. and its main shareholders have filed various actions against Intracom Holdings, Hellas Online and members of the management team requesting, inter alia, that the decisions of the bodies (Boards of Directors and General Meetings of the said companies) which cancelled the planned mergers between Hellas Online, Unibrain and the plaintiff, Teledome, be declared invalid. These actions request that the Company and its aforementioned former subsidiary, Hellas Online, and members of the management team, pay compensation of approximately € 122 million for consequential damages and restitution of the moral harm which the plaintiffs allegedly suffered.

After Hellenic Supreme Court Judgment No. 1852/2017 was handed down, which irrevocably rejected the actions of main shareholders of Teledome S.A. dated 31.12.2007 (Nos. 279874/12598/2007), 18/01/2008 (No. 38548/1838/2008) and 18/01/2008 (No. 38520/1835/2008) against Intracom

Holdings S.A., the same shareholders filed their action of 1.6.2007 on 1.6.2018 (No. 52815/1997/2018) claiming a new amount of € 20.4 million. The action is now expected to be heard before the competent court on 30.1.2020, at which time the relevant judgment is expected. Relying on the view of its legal advisor, according to which the likelihood of the claims of Teledome's main shareholders being rejected is clearly stronger than any likelihood of them succeeding, the Company did not form a provision.

On 10.2.2015 the Company was notified of an action in which the main shareholders of Teledome S.A. are once again seeking the release of guarantees to banks worth around € 13 million. It had been set for hearing before the Athens Multi-Member Court of First Instance on 14.12.2017 but was the hearing was unable to take place. In light of the fact that Hellenic Supreme Court Judgment No. 1852/2017 was handed down, which rejected the main actions on an irrevocable basis, the outcome of this case, which is dependent on that irrevocable outcome, lies with the other side to choose whether to continue the court proceedings or not. In all events, it is considered that the likelihood of rejection of the said action is much higher than the likelihood of a negative outcome for the Company and thus no provision has been formed.

In the context of the same dispute, the Company has filed: (a) Action No. 70009/2590/2018 of 9.7.2018 against the shareholders of Teledome S.A., from whom it had acquired 39% of the share capital via final sale and transfer agreements, which seeks to award compensation of € 9.3 million to make good the loss it suffered from the said sale. It should be noted that aspects of this action were associated with criminal proceedings against the defendant shareholders of Teledome S.A. which ceased following a decision handed down by the Athens Court of Misdemeanours Judicial Council which ruled that due to the lack of adequate indications of guilt, that they should not be charged with the crime the complaint related to. (b) Action No. 680/19/2019 of 4.1.2019 against key shareholders in Teledome S.A. claiming a total of € 2.8 million as compensation for the costs incurred for payment of commission for issuing and retaining in effect letters of guarantee in their favour due to Athens Single-Member Court of First Instance Judgment No. 179/2014 (Injunctive Relief Procedure) having been handed down in the past and the final rejection of those actions by Hellenic Supreme Court Judgment No. 1852/2017.

The Company had been informed via a judicial assistance procedure between the Greek authorities and their Romanian counterparts that the latter are conducting criminal investigations against the state lottery CNLR to determine whether the crime of playing games of chance without the relevant permit has been committed, associated with the latter's activities, and for any accomplices in that matter. In the past the Company had a contractual relationship with the CNLR state lottery in the context of the Supply Credit Agreement FN/2003 between (a) COMPANIA NATIONALA LOTERIA ROMANIA (CNLR) and (b) LOTROM S.A., INTRALOT S.A. and INTRACOM HOLDINGS S.A. - ex INTRACOM S.A. According to that information received by the Company, both it and the companies Intralot S.A. and Lotrom S.A. (a subsidiary of Intralot S.A.) were purported to be accomplices of the said state lottery CNLR when the crime was committed. The Company refuted this charge in a memo filed by it. Given the nature of the case and the fact that it is still at an early stage, without any developments having occurred for a long time, it is not possible to comment further on the issue and to assess any negative economic impact on the Company's financial results.

Intracom Telecom filed three actions before the Athens Multi-Member Court of First Instance against the Company and companies in the Group namely (a) Intrakat and (b) Rural, requesting:

(a) that the three companies be obliged to pay it the sum of € 4.5 million in the case of Intrakat, € 2 million in the case of Intracom Holdings, and € 1 million in the case of Rural as penalties and compensation, for purported infringements of the contractual terms of the agreement of 1.10.2014 between them and the plaintiff.

(b) that Intrakat must be ordered to pay it the total sum of € 4.9 million as unpaid contractual consideration owed under the subcontracting agreement and

c) that Intrakat and Rural be obliged to jointly and severally pay it the sum of € 11.4 million approximately as contractual consideration for the subcontracting agreement and the sum of € 200,000 as financial satisfaction for moral harm due to termination.

Those actions were heard by the Athens Multi-Member Court of First Instance on 15.2.2017 and judgment No. 4338/2017 was handed down which postponed their hearing until a final arbitration award was handed down on a related and joined dispute which was referred to arbitration. Following an appeal filed by Intracom Telecom against the first instance judgment, Athens Court of Appeal Judgment No. 1947/2020 was handed down which rejected the appeal filed and confirmed the rulings made in the first instance judgment.

Likewise, along with the companies Intrakat and Rural, the Company has filed 3 applications for arbitration in order to acknowledge the legitimacy of termination of the agreement with Intracom Telecom, to acknowledge that there is no obligation to pay compensation to Intracom Telecom on any ground, on any legal basis or in any amount, and to acknowledge that Intracom Telecom is obliged to pay the plaintiffs, as joint creditors, the sum of € 10 million from penalties imposed, and we are waiting to see how the relevant matters will progress before the competent courts.

Relying on the view of the legal advisor of the Company and other co-defendants, which is that the likelihood of rejection of Intracom Telecom's claims is clearly stronger than any likelihood of them succeeding, these parties did not form a provision.

Following the gathering of witness testimony which was completed in 2010, OTE S.A. brought for hearing once again before the Athens Multi-Member Court of First Instance its action against the Company dated 26.9.1994 (No. 8042/1994). The contested claim relates to contracts for the supply of telecommunications equipment which included a term about the Company providing a discount as a supplier offset against the corresponding value of the materials in a specific telecom system where in the context of the next OTE S.A. tender procedure to meet its needs at new digital centres under the 1994-1995 programme, the lowest bidder generated a more favourable financial – technical result for it. The amount claimed in action on this basis was 5.3 billion GRD. It should be noted that the contractual scope on which the action, and consequently the related claim, is based belongs to a sector of the Company which was spun off in 2006 and contributed to Intracom Telecom S.A. The hearing which had been set for 30.4.2020 before the Athens Multi-Member Court of First Instance, was cancelled due to suspension of the operation of the Greek courts, and so a new hearing date is expected to be set. We consider, having weighed up the legal issues, the true facts, the case law and the irrevocable outcome of a related case with a similar supplier of telecommunications equipment, that the claim in the action has a major likelihood of being rejected.

Following completion of tax audits for 2012, 2013 and 2014 for the Greek branch of the subsidiary Intrasoft International, and the 2011 fiscal year for INTRACOM IT SERVICES (which was absorbed by Intrasoft International) taxes, VAT, fines and surcharges of € 5 million were imposed, which were paid.

Insofar as the tax audit for 2012 (taxes, fines and surcharges of € 2.5 million) is concerned, the company has filed an administrative appeal against the relevant audit reports rebutting the assertions made, setting forth its views and requesting annulment of the final tax assessment decisions. The matter was heard by the Athens Administrative Court of Appeal on 15.1.2020 and a judgment is awaited. The company's legal advisor considers that this case has a well-founded likelihood of success.

As far as other tax audit cases (taxes, etc. of € 2.5 million) are concerned, the company has filed administrative appeals before the dispute resolution directorate requesting annulment of the final tax assessment decisions which are expected to be heard by 22.6.2020. In all events, the company will lodge all legal remedies. The company's legal advisor considers that these cases have a well-founded likelihood of success. A provision of € 3.9 million has been formed for these tax cases and for the open tax years of the branch.

(All amounts are in € '000)

Provisions of € 1.5 million and € 1.8 million respectively have been formed for litigation, court rulings or disputes in arbitration relating to the Company and Group.

40. Related party transactions

The following transactions are with related parties:

	Group		Company	
	1/1 - 31/12/2019	1/1 - 31/12/2018	1/1 - 31/12/2019	1/1 - 31/12/2018
Sales of goods and services:				
To subsidiaries	-	-	2.409	2.158
To associates	354	-	-	-
To other relates parties	7.082	4.236	248	303
	7.437	**4.236**	**2.657**	**2.461**
Purchase of goods and services:				
From subsidiaries	-	-	141	134
From other related parties	628	304	18	34
	628	**304**	**159**	**168**
Income from rent:				
From subsidiaries	-	-	1.130	1.071
From associates	4	-	-	-
From other related parties	878	653	560	560
	881	**653**	**1.690**	**1.630**
Income from interest:				
From subsidiaries	-	-	743	597
To associates	141	-	-	-
From other related parties	-	-	-	3
	141	**-**	**743**	**600**

	Group		Company	
	1/1 - 31/12/2019	1/1 - 31/12/2018	1/1 - 31/12/2019	1/1 - 31/12/2018
Fixed asset purchases:				
From subsidiaries	-	-	36	23
From other related parties	4	-	-	-
	4	**-**	**36**	**23**

Services to and from related parties and sales and purchases of goods are effectuated in accordance with the price lists which apply for non-related parties. Other related parties are primarily associated companies and companies in which the Company participates and exerts material influence as a main shareholder.

In addition to the above transactions, in 2019 the sale of all holdings in Moreas S.A. and Moreas Motorway Service Areas S.A. and the subordinated bonds for a price of € 21,192 (note 14) was completed and as outlined in note 11 in 2018 it purchased from the subsidiary Intrakat S.A. all shares held by Intrakat S.A. in four companies for a total price of € 22,086 and likewise sold the shares it held in the company Hellenic Energy and Development for a price of € 769.

The balances at the end of the year from transactions with related parties were as follows:

(All amounts are in € '000)

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
-Receivables from related parties:				
From subsidiaries	-	-	18.488	19.551
From associates	7.534	5.999	-	-
From other related parties	8.172	4.964	2.121	1.541
	15.706	**10.963**	**20.610**	**21.092**
Liabilities to related parties:				
To subsidiaries	-	-	64	22.144
To associates	383	-	-	-
To other relates parties	6.587	9.698	5.463	5.823
	6.970	**9.698**	**5.527**	**27.967**

Management benefits

In 2019 the Company and Group paid total fees to members of the Board of Directors, senior executives and other related parties of € 575 and € 3,098 respectively (2018: € 571 and € 3,309 respectively). On 31 December 2019 and 2018 there were no receivables and liabilities to and from members of Management in relation to the Company. At the Group on 31.12.2019 liabilities to members of Management stood at € 25 (2018: € 2,800) and receivables from members of Management were € 2,042 (2018: € 2,000).

41. Adoption of IFRS 16

The Group has adopted IFRS 16 "Leases" retrospectively from 1.1.2019 and has not recast the comparative data for the 2018 reporting period as permitted by the transitional provisions of the standard. Reclassifications and adjustments arising from the new leasing rules are therefore recognised in the opening balance on 1.1.2019.

α. Impact on financial statements when adopting IFRS 16

For leases where the Group is a lessee, upon adoption of IFRS 16 the Group recognised lease liabilities in relation to leases which had previously been classified as operating leases in accordance with the principles in IAS 17 Leases. These liabilities were valued at the present value of the remaining rents, discounted using the lessee's incremental borrowing rate on 1.1.2019. The weighted average discount rate used was 4.8% for the Group and 5.2% for the Company. Right-of-use assets were valued at an amount equal to the lease liability.

For leases which under IAS 17 had been categorised as finance leases, the Group and Company recognised the right-of-use assets and lease liabilities at the book value of assets and rent financial liabilities recognised on 31.12.2018. The relevant amounts were reclassified on 1.1.2019 under the "right-of-use assets" lines (apart from right-of-use assets relating to investment properties which were already recognised in the "Investment property" line) and "Lease liabilities" respectively.

There was no impact on the Group as a lessor.

The change in accounting policy did not affect the Group's equity while the following items in the Group and Company's balance sheet respectively were affected on 1.1.2019 as follows:

Group

- Right-of-use assets – increase by €18,934
- Tangible assets – reduction by € 2,962
- Lease liabilities - increase by € 24,392
- Borrowing - reduction by € 8,529
- Customers and other receivables - reduction by € 110

Company

- Right-of-use assets – increase by €163
- Lease liabilities- increase by €7,275
- Borrowing - reduction by €7,112

Moreover, on 1.1.2019 recognised investment properties with a carried value of € 14,523 for which the Group and Company had sold and leased back in previous years remained in the "Investment property" line.

The reconciliation of lease liabilities on 1.1.2019 with operating lease commitments on 31.12.2018 is set out below:

(All amounts are in € '000)

Group

(i) Adjustments recognised when adopting IFRS 16

Commitments from operating leases notified on 31.12.2018	21.716
(Less): short-term leases not recognised as liabilities	(634)
(Less): leases with a low value underlying asset not recognised as liabilities	(9)
Plus/(less): contracts re-examined as leases	701
Plus/(less): adjustments due to different treatment of extension and termination rights	(4)
Total rents included in lease liability	**21.771**
Discounted rents using the lessee's incremental borrowing rate on the date of first application of the standard	15.863
Plus: Finance lease liabilities recognised on 31.12.2018	8.529
Lease liabilities recognised on 1.1.2019	**24.392**

These can be broken down into:	
Short-term liabilities	4.656
Long-term liabilities	19.736

(All amounts are in € '000)

Company

(i) Adjustments recognised when adopting IFRS 16

Commitments from operating leases notified on 31.12.2018	193
(Less): short-term leases not recognised as liabilities	(13)
(Less): leases with a low value underlying asset not recognised as liabilities	
Plus/(less): contracts re-examined as leases	
Plus/(less): adjustments due to different treatment of extension and termination rights	(4)
Total rents included in lease liability	**176**
Discounted rents using the lessee's incremental borrowing rate on the date of first application of the standard	163
Plus: Finance lease liabilities recognised on 31.12.2018	7.112
Lease liabilities recognised on 1.1.2019	**7.275**
These can be broken down into:	
Short-term liabilities	442
Long-term liabilities	6.833

The recognised right-of-use assets on 31.12.2019 stood at € 17,069 and € 210 for the Group and Company respectively and are broken down in note 10. Likewise, the lease liabilities stood at € 22,775 and € 6,967 for the Group and Company respectively and their transactions are presented in note 25.

In addition to the above, right-of-use investment properties worth € 14,215 are included in the "Investment property" line of the Group and Company (note 9).

Practical approaches taken

When IFRS 16 was first applied, the Group took the following practical approaches which are permitted by the standard for leases which were previously classified as operating leases in accordance with IAS 17:

- Use of a single discount rate for a portfolio of leases with similar characteristics.
- Treatment of leases with a residual term of less than 12 months from 1.1.2019 as short-term leases.
- Exclusion of initial direct costs for measurement of right-of-use assets on the date of first application.
- Use of subsequent knowledge to determine the duration of leases whose contract includes a term on extension or expiry of the contract.

42. Events occurring after the balance sheet date

On 8.1.2020 the Company signed a binding agreement with Cubico Sustainable Investments Limited to sell and transfer its wholly owned subsidiary K-WIND. The main price was € 19 million, and the final completion date, following an extension due to the Covid-19 pandemic, was 30.6.2020.

The Coronavirus (COVID-19) pandemic

The health problem caused worldwide by the new COVID-19 virus in the first half of 2020 led the global economy to recession.

In order to safeguard public health, the governments of many countries, including the Greece, implemented emergency, temporary measures to restrict traffic and travel and also put in place strict quarantine measures.

In Greece, from 20 March 2020 onwards, strict measures were taken to safeguard public health and vulnerable groups and to ensure the financial survival of employees and businesses, which were implemented until 4 May 2020. After 4 May 2020 the Greek Government began gradually relaxing the restrictive lockdown measures and implementing the government plan to gradually move towards the new reality.

By focusing on the health and safety of its employees and associates, and on minimising the unavoidable impact on its financial performance, the INTRACOM Group's management team immediately implemented a set of measures and actions to create a safe working environment for its employees, in parallel with the adoption of remote working policies where that was considered feasible and necessary, video calls and modern, flexible working methods.

The scale of the impact of the current crisis on the global economy will, of course, be determined by the duration and extent of the pandemic, the time required to develop effective methods for treating the disease (whether a vaccine and/or treatment) and above all by the effectiveness of fiscal and other measures taken by governments and decisions of the supervisory authorities of banking institutions to provide liquidity and support to businesses and households. Consequently, the impacts of this phenomenon cannot be reasonably estimated at present.

However, working on the basic assumption that the pandemic peaked in April/May 2020, theoretically the majority of the economic recession could be placed in the first half of 2020, and one could take the view that the recovery will start to emerge from the third quarter of 2020, though it will be very different between countries and sectors.

In all events, any uncertainty which arises about the business environment in Greece and internationally, after May 2020 due to the impacts of COVID-19,which could affect the Company's and Group's activities in the future, is not considered to be material.

Work on the Group's most important projects is fully under way and is being carried out as normal based on the time frames specified and the completion schedule.

The problem-free development of Group projects during 2020, especially after the emergence of COVID-19, is the result of measures taken by Management to manage the situation, which give rise to the belief that an intensification of activities in the remainder of 2020 will limit any losses to date in terms of sales and profitability.

Even during the financial crisis, the Company and Group have proven their ability to face difficulties and continue to grow. Both on 31.12.2019 and today the Company and Group have a satisfactory financial position and liquidity.

(All amounts are in € '000)

43. Group structure:

Below are the companies in the Group included in the consolidated financial statements and their direct holdings.

31 December 2019

	Name	Country of incorporation	Direct interest held %	Consolidation method	Unaudited tax years
*	Intracom Technologies SARL	Luxembourg	100%	Full	2019
	Intracom S.A. Defence Electronic Systems	Greece	100%	Full	2014-2019
	- Intrasoft International S.A.	Λουξεμβούργο	100%	Full	2011-2019
	- Intrasoft SA	Greece	99%	Full	2013-2019
	- Intrasoft International Belgium	Belgium	100%	Full	2012-2019
	- Intrasoft International Bulgaria	Bulgaria	100%	Full	2012-2019
	- Intrasoft International Scandinavia (πρώην IT Services Denmark AS)	Denmark	100%	Full	2007-2019
	- Intracom Cyprus Ltd	Cyprus	100%	Full	2013-2019
	- Intrasoft Information Technology UK Ltd	United Kingdom	100%	Full	2011-2019
	- Intrasoft International USA Inc	USA	100%	Full	2014-2019
	- Intrasoft International ME FZC	UAE	80%	Full	-
	- Intrasoft JORDAN	Jordan	100%	Full	2010-2019
	- Intrasoft International East Africa	Kenya	88%	Full	2015-2019
	- Valeu Consulting	Belgium	50%	Full	2017-2019
	- Wemetrix S.A.**	Greece	60%	Full	2018-2019
	- Intrasoft International South Africa	South Africa	100%	Full	2018-2019
	- Intrasoft International Doha LLC **	Qatar	80%	Full	2018-2019
	- Incelligent S.A. **	Greece	20%	Equity	2015-2019
*	Intracom Holdings International Ltd	Cyprus	100%	Full	2014-2019
	- Intracom Operations Ltd	Cyprus	100%	Full	2014-2019
	- Intracom Group USA	USA	100%	Full	From incorporation to 2019
	Advanced Transport Telematics S.A.	Greece	79,78% (note 1)	Full	2014-2019
*	Intrapower S.A. Energy Projects	Greece	100%	Full	2014-2019
	- J/V Proteas ATEE-Intrapower SA (Road lighting Municipality kalamata)	Greece	50%	Proportional	2018-2019
*	K-Wind Kitheronas Energy S.A. (former A. Katselis Energeiaki S.A.)	Greece	100%	Full	2014-2019
*	Rural Connect S.A.	Greece	75,74% (note 2)	Full	2014-2019
*	Intradevelopment S.A. Real Estate Development & Exploitation	Greece	100%	Full	2014-2019
	- Anaptyxiaki Kykladon S.A. Real Estate Development	Greece	100%	Full	2014-2019
	- Intrakyklades S.A. Real Estate Development	Greece	100%	Full	2014-2019
	- Kekrops S.A.	Greece	34,32%	Equity	2014-2019
	- Devenetco Ltd.	Cyprus	50%	Equity	2016-2019
	- Grayalfa Holdings Ltd.	Cyprus	50%	Equity	2017-2019
	- B.L. Bluepro Holdings Ltd.	Cyprus	50%	Equity	2016-2019
	- Benecielo Co Ltd	Cyprus	50%	Equity	2017-2019
	- Stuerza Properties Ltd	Cyprus	50%	Equity	2017-2019
	- INTRA ATHENS HOTEL S.A.**	Greece	50,98%(note 3)	Full	2018-2019

(*) Direct holdings

Note 1: The total indirect holding in Advanced Transport Telematics (79.78%) is formed from the holding of the subsidiaries Intrasoft International S.A. (direct holding of 50%) and Intrakat S.A. (direct holding of 50%).

Note 2: The total indirect holding in Rural Connect S.A. (75.74%) is formed from the Company's holding (direct holding of 30%) and that of the subsidiaries Intrakat S.A. (direct holding of 60%) and Intrasoft International S.A. (direct holding of 10%).

Note 3: The total indirect holding in Intra Athens Hotel S.A. was 80.18% via the holding of the subsidiary Intrakat.

(All amounts are in € '000)

Name	Country of incorporation	Direct interest held %	Consolidation method	Unaudited tax years
Intrakat S.A.	Greece	60%	Full	2014-2019
- Intracom Construct SA	Romania	97,17%	Full	2014-2019
- Oikos Properties SRL	Romania	100,00%	Full	2014-2019
- VITA P K IKAT Anaptyxiaki S.A. (Former Vita Anaptyxiaki Kykladon S.A.)	Greece	100,00%	Full	2016-2019
- Rominplot SRL	Romania	99,99% (note 4)	Full	2014-2019
- Intrakat International Ltd	Cyprus	100,00%	Full	2017-2019
- Alpha Mogilany Development SP Z.O.O.	Poland	25,00%	Equity	2014-2019
- Controlled Parking System of the Municipality of Thessaloniki S.A.	Greece	95,00%	Full	2017-2019
- "Controlled Parking System of the Municipality of Thessaloniki S.A." special-purpose entity	Greece	60,00%	Full	2017-2019
- Serres Urban Solid Waste Treatment Unit Operating Company S.A. (ΕΛΜΕΑΣ Α.Ε.)	Greece	45,00%	Equity	2017-2019
- Serres Urban Solid Waste Management Company S.A. (ΣΙΡΡΑ Α.Ε.)	Greece	45,00%	Equity	2017-2019
- MESTROLIO SA BIOGAS DEVELOPMENT INVESTMENTS	Greece	50,00%	Equity	2014-2019
- INTRA ATHENS HOTEL S.A.**	Greece	49,02%	Equity	2018-2019
- Fracasso Hellas S.A. Design & construction of road safety systems	Greece	100,00%	Full	2014-2019
- Fracasso Holdings D.O.O	Croatia	50,00%	Equity	2015-2019
Mobile Composting S.A.	Greece	24,00%	Equity	2014-2019
- J/V Intrakat - "J/V Archirodon Hellas S.A. - Intrakat" (General Detainment Facility of Eastern Macedonia & Thrace)	Greece	80,00%	Full	2014-2019
- J/V Intrakat - Proteas (Omvria Anavisou)	Greece	50,00%	Proportional	2014-2019
J/V AKTOR S.A. - J&P Avax - Intrakat (J/V Moreas)	Greece	13,33%	Proportional	2014-2019
J/V Intrakat- Elter (EPA 7 - Natural gas pipeline distribution network in Attica South Regi	Greece	49,00%	Proportional	2014-2019
J/V Anastilotiki - Getem - Eteth - Intrakat (Museum of Patras)	Greece	25,00%	Proportional	2014-2019
J/V Anastilotiki - Getem - Intrakat (Peiros-Parapeiros Dam)	Greece	33,30%	Proportional	2014-2019
J/V Intrakat - K.Panagiotidis & Co (Transfer line 1 project)	Greece	60,00%	Proportional	2014-2019
J/V Ekter S.A. - Erteka S.A. - Themeli S.A. - Intrakat (networks of Filothei region in Kifissia)	Greece	24,00%	Proportional	2014-2019
J/V Intrakat - G.D.K. Texniki LLP "J/V for the construction of Filiatrinou Dam"	Greece	70,00%	Proportional	2014-2019
J/V J&P AVAX - AEGEK - Intrakat (Construction of Kiato - Rododafni railway line)	Greece	33,33%	Proportional	2014-2019
J/V AKTOR S.A. - Intrakat (Eschatias Dam)	Greece	25,00%	Proportional	2014-2019
J/V AKTOR - J&P AVAX - Intrakat (Panagopoulas Tunnel)	Greece	25,00%	Proportional	2014-2019
J/V AKTOR S.A. - Intrakat (Tracking Payment Aposelemis Reservoir)	Greece	50,00%	Proportional	2014-2019
J/V ATERMON S.A. - Intrakat (Supply of materials & construction of transmission line 400 KV RIC-Lagada RIC Philipon and change of transmission line 400 RIC Thessalonikis - RIC Lagada RIC Philipon)	Greece	50,00%	Proportional	2014-2019
J/V JP AVAX - TERNA - AKTOR - Intrakat (Votanikos Mosque)	Greece	25,00%	Proportional	2016-2019
J/V INTRAKAT - ERGO S.A. (Construction of distribution network & gas pipelines in Attiki)	Greece	50,00%	Proportional	2014-2019
J/V INTRAKAT - EURARCO S.A. - Envitec (Construction of Serres Urban Solid Waste Treatment Unit)	Greece	45,00%	Proportional	2017-2019
J/V INTRAKAT -Watt S.A. (Construction of a Waste Treatment Unit in the 2nd Municipal Unit of Boeotia Prefecture)	Greece	50,00%	Proportional	2017-2019
J/V ATERMON - Intrakat INDEPENDENT POWER TRANSMISSION OPERATOR 2018	Greece	50,00%	Proportional	2018-2019
J/V ATERMON - Intrakat INDEPENDENT POWER TRANSMISSION OPERATOR 2019**	Greece	50,00%	Proportional	2019
J/V Intrakat - Mesogeios S.A. (West Attica sanitary landfill)**	Greece	50,00%	Proportional	2017-2019
- J/V Intrakat/Mesogeios-WATT (West Attica sanitary landfill)**	Greece	33,34%	Proportional	2017-2019
	Greece	92,46%	Proportional	2019
J/V TOPLOU CRETE WIND FARM NOSTIRA-INTRAKAT	Greece	10,00%	Proportional	2019
J/V P.&C. DEVELOPMENT S.A. INTPAKAT A.E	Greece	50,00%	Proportional	2019
J/V INTRAKAT- PROTEAS (INFRASTRUCTURE I)	Greece	50,00%	Proportional	2019

(*) Direct holdings

Note 4: The total holding in Rominplot SRL is 100% through the holding in another subsidiary.

During the current period which ended on 31.12.2019, all companies in the table with ** in their title had been included in the consolidation for the first time and had not been included in the consolidation in the corresponding period in 2018.

Conversely, the companies Global Net Solutions Ltd, whose liquidation was completed in 2019 (1.1.-31.12.2019) and Intrablue Hotel and Tourism Enterprises S.A., were not included in the corresponding period in 2018 and the company Alpha Cyclades Development S.A. was absorbed by Intradevelopment.

(All amounts are in € '000)

31 December 2018

Name	Country of incorporation	Direct interest held %	Consolidation method	Unaudited tax years
Intracom S.A. Defence Electronic Systems	Greece	100%	Full	2013-2018
Intracom Holdings International Ltd	Cyprus	100%	Full	2013-2018
- Intracom Operations Ltd	Cyprus	100%	Full	2013-2018
- Intracom Group USA	USA	100%	Full	From incorporation to 2018
Intrasoft International S.A.	Luxembourg	100%	Full	2013-2018
- Intrasoft S.A.	Greece	99%	Full	2013-2018
- Intrasoft International Belgium	Belgium	100%	Full	2012-2018
- Intrasoft International Bulgaria	Bulgaria	100%	Full	2012-2018
- Global Net Solutions Ltd (under liquidation)	Bulgaria	100%	Full	2009-2017
- Intrasoft International Scandinavia (former IT Services Denmark AS)	Denmark	100%	Full	2007-2018
- Intracom Cyprus Ltd	Cyprus	100%	Full	2013-2018
- Intrasoft Information Technology UK Ltd	United Kingdom	100%	Full	2011-2018
- Intrasoft International USA Inc	USA	100%	Full	2014-2018
- Intrasoft International ME FZC	UAE	80%	Full	-
- Intracom IT Services Middle East & Africa	Jordan	100%	Full	2010-2018
- Intrasoft International East Africa	Kenya	88%	Full	2015-2018
- Valeu Consulting	Belgium	50%	Full	2017-2018
- Wemetrix S.A.**	Greece	40%	Equity	2018
- Intrasoft International South Africa**	South Africa	100%	Full	2018
Advanced Transport Telematics S.A.	Greece	89,78% (note 1)	Full	2014-2018
Intrapower S.A. Energy Projects	Greece	100,00%	Full	2013-2018
Intrablue Hotel and Tourist Enterprises S.A.	Greece	50,00%	Full	2014-2018
K-Wind Kitheronas Energy S.A. (former A. Katselis Energeiaki S.A.)	Greece	80,00%	Full	2013-2018
Rural Connect S.A.	Greece	87,73% (note 2)	Full	2014-2018
Intradevelopment S.A. Real Estate Development & Exploitation	Greece	100%	Full	2013-2018
- Anaptyxiaki Kykladon S.A. Real Estate Development	Greece	100%	Full	2013-2018
- Intrakyklades S.A. Real Estate Development	Greece	100%	Full	2013-2018
- Alfa Anaptyxiaki Kykladon S.A.	Greece	100%	Full	2013-2018
- Kekrops S.A.	Greece	34,32%	Equity	2013-2018
- Devenetco Ltd.	Cyprus	50%	Equity	2016-2018
- Grayalfa Holdings Ltd.	Cyprus	100%	Equity	2017-2018
- B.L. Bluepro Holdings Ltd.	Cyprus	100%	Equity	2016-2018
- Benecielo Co Ltd	Cyprus	100%	Equity	2017-2018
- Stuerza Properties Ltd	Cyprus	100%	Equity	2017-2018
- INTRA ATHENS HOTEL S.A.**	Greece	50,98%	Full	2018

Note 1: The total indirect holding in Advanced Transport Telematics (89.78%) is formed via the participation of the subsidiaries Intrasoft International S.A. (direct holding of 50%) and Intrakat S.A. (direct holding of 50%).

Note 2: The total indirect holding in Rural Connect S.A. (87.73%) is formed via the Company's holding (direct holding of 30%) and the subsidiaries Intrakat S.A. (direct holding of 60%) and Intrasoft International S.A. (direct holding of 10%).

(All amounts are in € '000)

Name	Country of incorporation	Direct interest held %	Consolidation method	Unaudited tax years
Intrakat S.A.	Greece	79,56%	Full	2013-2018
- Intracom Construct S.A.	Romania	97,17%	Full	2013-2018
- Oikos Properties SRL	Romania	100%	Full	2013-2018
- VITA P K IKAT Anaptyxiaki S.A. (Former Vita Anaptyxiaki Kykladon S.A.)	Greece	100%	Full	2016-2018
- Rominplot SRL	Romania	99,99% (note 3)	Full	2013-2018
- J/V Aktor S.A. - Lobbe Tzilalis - Eurokat S.A. (Treatment of sludge from sewage treatment plant)	Greece	50%	Proportional	2013-2018
- Intrakat International Ltd	Cyprus	100%	Full	2013-2018
- Alpha Mogilany Development SP Z.O.O.	Poland	25%	Equity	2013-2018
- Controlled Parking System of the Municipality of Thessaloniki S.A.	Greece	95%	Full	2017-2018
- "Controlled Parking System of the Municipality of Thessaloniki S.A." special-purpose entity	Greece	60%	Full	2017-2018
- Serres Urban Solid Waste Treatment Unit Operating Company S.A. (ΕΛΜΕΑΣ Α.Ε.)	Greece	45%	Equity	2017-2018
- Serres Urban Solid Waste Management Company S.A. (ΣΙΡΡΑ Α.Ε.)	Greece	45%	Equity	2017-2018
- Fracasso Hellas S.A. Design & construction of road safety systems	Greece	80%	Full	2013-2018
- Fracasso Holdings D.O.O	Croatia	50%	Equity	2015-2018
- J/V Intrakat - "J/V Archirodon Hellas S.A. - Intrakat" (General Detainment Facility of Eastern Macedonia & Thrace)	Greece	80%	Full	2013-2018
- J/V Intrakat - Proteas (Omvria Anavisou)	Greece	50%	Proportional	2014-2018
Mobile Composting S.A.	Greece	24%	Equity	2013-2018
J/V Panthessaliko Stadium	Greece	15%	Equity	2013-2018
J/V Intrakat - ATTIKAT (Egnatia Road)	Greece	50%	Proportional	2013-2018
J/V AKTOR S.A. - J&P Avax - Intrakat (J/V Moreas)	Greece	13,33%	Proportional	2013-2018
J/V Intrakat- Elter (EPA 7 - Natural gas pipeline distribution network in Attica South Region)	Greece	49%	Proportional	2013-2018
J/V Anastilotiki - Getem - Eteth - Intrakat (Museum of Patras)	Greece	25%	Proportional	2013-2018
J/V Anastilotiki - Getem - Intrakat (Peiros-Parapeiros Dam)	Greece	33,30%	Proportional	2013-2018
J/V Intrakat - K.Panagiotidis & Co (Transfer line 1 project)	Greece	60%	Proportional	2013-2018
J/V Altec - Intrakat - Anastilotiki (Thessaloniki Airport)	Greece	46,90%	Proportional	2013-2018
J/V Ekter S.A. - Erteka S.A. - Themeli S.A. - Intrakat (networks of Filothei region in Kifissia)	Greece	24%	Proportional	2013-2018
J/V Intrakat - G.D.K. Texniki LLP "J/V for the construction of Filiatrinou Dam"	Greece	70%	Proportional	2013-2018
J/V J&P AVAX - AEGEK - Intrakat (Construction of Kiato - Rododafni railway line)	Greece	33,33%	Proportional	2013-2018
J/V AKTOR S.A. - Intrakat (Eschatias Dam)	Greece	25%	Proportional	2013-2018
J/V Intrakat - Proteas (Xiria Corinth torrent arrangement)	Greece	50%	Proportional	2014-2018
J/V AKTOR - J&P AVAX - Intrakat (Panagopoulas Tunnel)	Greece	25%	Proportional	2014-2018
J/V AKTOR S.A. - Intrakat (Tracking Payment Aposelemis Reservoir)	Greece	50%	Proportional	2014-2018
J/V ATERMON S.A. - Intrakat (Supply of materials & construction of transmission line 400 KV RIC-Lagada RIC Philipon and change of transmission line 400 RIC Thessalonikis - RIC Lagada RIC Philipon)	Greece	50%	Proportional	2014-2018
J/V JP AVAX - TERNA - AKTOR - Intrakat (Votanikos Mosque)	Greece	25%	Proportional	2016-2018
J/V INTRAKAT - ERGO S.A. (Construction of distribution network & gas pipelines in Attiki)	Greece	50%	Proportional	2014-2018
J/V INTRAKAT - EURARCO S.A. - Envitec (Construction of Serres Urban Solid Waste Treatment Unit)	Greece	45%	Proportional	2017-2018
J/V INTRAKAT -Watt S.A. (Construction of a Waste Treatment Unit in the 2nd Municipal Unit of Boeotia Prefecture)	Greece	50%	Proportional	2017-2018
J/V ATERMON - Intrakat INDEPENDENT POWER TRANSMISSION OPERATOR 2018**	Greece	50%	Proportional	2018
J/V Intrakat - Mesogeios S.A. (West Attica sanitary landfill)**	Greece	50%	Proportional	2018
- J/V Intrakat/Mesogeios-WATT (West Attica sanitary landfill)**	Greece	66,67%	Proportional	2018
J/V INTRAKAT - SIDIRODROMIKA ERGA S.A.**	Greece	50%	Proportional	2018

Note 3: The total holding in Rominplot SRL is 100% through the holding in another subsidiary.

(*) Direct holdings

During 2018, all the above companies in the table with ** in their title had been included in the consolidation for the first time and had not been included in the consolidation in the corresponding period in 2017.