INTRACOM DEFENSE SINGLE MEMBER S.A.

Financial Statements
for the year ended December 31, 2021
in accordance with International Financial Reporting Standards

General Electronic Commercial Registry (G.E.MI.) No.: 006657001000

It is certified that the accompanying Financial Statements are those which were approved by the Board of Directors of "INTRACOM DEFENSE SINGLE MEMBER S.A." on 25 February 2022 and have been posted on the web site at the address http://www.intracomdefense.com

THE CHAIRMAN OF THE BoD	**THE VICE CHAIRMAN OF THE BoD**
D. CH. KLONIS ID No. AK 121708 / 07.10.2011	G.A. ANNINOS ID No AK 760212 / 28.08.2013
THE MANAGING DIRECTOR	**THE CHIEF FINANCIAL MANAGER**
G. I. TROULLINOS ID. No. S 681748 / 21.07.1999	K. D. PALMOS ID. No. AK 829005 / 11.02.2014 E.C.G. LICENCE No. 16941/A' CLASS

THE HEAD OF THE ACCOUNTING DEPT.

E. I. KOUFOPOULOS
ID. No. AM 213304 / 19.09.2015
E.C.G. LICENCE 5271/A' CLASS

Contents

A) Annual Report of the Board of Directors

of the company
"INTRACOM DEFENSE SINGLE MEMBER S.A."
DISTINCTIVE NAME: "IDE"
On the Financial Statements
For the year from 1 January to 31 December 2021

To the Annual General Meeting of Shareholders

Dear Shareholders,

We submit for approval the financial statements of the Company for the year from 1 January to 31 December 2021.

The financial statements for the present year, as also those for the previous years have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union.

This Annual Report of the Board of Directors was prepared in accordance with the provisions of article 150 of Law 4548/2018.

FINANCIAL RESULTS – ACTIVITY REVIEW

The company sales in fiscal year 2021, amounted to € 59.652 thousand against € 58.946 thousand in fiscal year 2020 increased by 1,2%.

The company's profits before income tax, financing, investing results and total depreciation (EBITDA), amounted to € 2.678 thousand, compared to profit of € 4.202 thousand in 2020, which is a decrease of 36,3%.

In terms of income before taxes (EBT), the Company recorded profit of € 1.429 thousand compared to profit of € 1.275 thousand in year 2020, increased by 12,1%.

The after tax profits amounted to € 635 thousand compared to profit of € 907 thousand in the prior year decreased by 30%.

These changes for the year 2021 and 2020 are presented in the following table:

Amounts in euro	1/1-31/12/2021	1/1-31/12/2020 (*)	Div(%)
Sales	59.652	58.946	1,2%
Gross profit	14.135	15.608	-9,4%
%	*23,70%*	*26,48%*	
Earnings Before Interest, Taxes, Depreciation & Amortazation (EBITDA)	2.678	4.202	-36,3%
%	*4,49%*	*7,13%*	
Earnings Before Interest, Taxes (EBIT)	933	2.735	-65,9%
%	*1,56%*	*4,64%*	
Earnings Before Taxes (EBT)	1.429	1.275	12,1%
%	*2,40%*	*2,16%*	
Earnings After Taxes (EAT)	635	907	-30,0%
%	*1,06%*	*1,54%*	

** Restated amounts due to change in accounting policy of IAS 19 "Employee Benefits" (see* note2.3)

The reduction of the gross profit margin is due to the composition of the projects that were invoiced during the fiscal year 2021.

The inventories amounted to € 32.551 thousand compared to € 30.056 thousand in the previous year, increased by 8,3%.

Trade receivables and other non-current assets in fiscal year 2021 amounted to € 27.857 thousand of which € 17.110 thousand relates to advances paid by the company to suppliers in the frame of projects implementation.

Trade payables and other liabilities amounted to € 44.829 thousand, of which the largest part of € 38.828 thousand, concerns customers advance payments in the frame of projects implementation.

Selling and research costs amounted to € 11.435 thousand compared to € 9.173 thousand in the previous year, showing an increase of 24.7%. This increase is mainly due to the implementation of granted research programs. The amount of the grant corresponding to these programs in the year 2021 amounted to € 1.477 thousand and is recorded in the item "Other income" of the statement of comprehensive income.

The administrative expenses amounted to € 3.487 thousand compared to € 3.858 decreased by 9,6%.

The company continues to have zero bank lending.

Cash and cash equivalents at the end of the year amounted to € 20.100 thousand compared to € 21.089 thousand at the end of the previous year.

The equity of the Company at the end of the year 2021 amounted to € 68.512 thousand against € 68.415 in the year 2020.

The total Assets amounted in 2021 to € 119.790 thousand against € 114.759 in the year 2020, increased by 4,4%.

The basic financial ratios that depict the financial position of the Company in a static format are as follows:

Ratios	**31/12/2021**	**31/12/2020 (*)**
a.Financial Structure Ratios		
Current Assets / Total Assets	67,2%	63,4%
Total Equity / Total Liabilities	133,6%	147,6%
Total Equity / Fixed Assets	174,4%	163,0%
Current Assets / Short- term Liabilites	167,9%	221,6%
b. Profitability Ratios		
Net Profit / Sales	1,1%	1,5%
Gross Profit / Sales	23,7%	26,5%
Sales / Total Equity	87,1%	86,2%

** Restated amounts due to change in accounting policy of IAS 19 "Employee Benefits" (see note2.3)*

MAIN EVENTS

February 2021: Marshall Aerospace and Defence Group (MADG) and IDE have signed an agreement that will see them collaborate on the development and support of advanced Hybrid Power solutions for the global security and defense markets.

March 2021: IDE has successfully completed a Maritime Surveillance Program for monitoring designated areas of vital national interest by the Hellenic Navy. A key element of the effectiveness in the information management and the distribution of the Surveillance Stations data to the designated command and control sites, is IDE's iDEFENDER Command and Control platform, which is successfully deployed for Air and Border Surveillance in Greece and abroad.

April 2021: IDE signed a 1,2 million Euro contract with the US company BOEING, a global leader in aerospace, defense and security, for the participation in US Air Force (USAF) Airborne Warning and Control System (AWACS) aircraft upgrade program, in the frame of an international tender. With this new award, IDE extends its existing cooperation with BOEING in the AWACS program and establishes further its position in the global aerospace domain, as a manufacturer of high quality products and a trusted Supplier to the world's leading aerospace and defense companies.

April 2021: IDE extends its cooperation with German based Diehl Defence with the receipt of a new order amounting 1,5 million Euro, for the continuation of production of crucial electronic missile components and the design & manufacturing of Ground support equipment for the IRIS-T family of air & surface launched missile systems.

July 2021: IDE participated in the International Defence & Security Exhibition "DEFEA 2021", held in Athens, Greece, 13-15 July 2021. The display of the RX-3plus Hellenic Tactical Unmanned System, the result of cooperation between the Aristotle University of Thessaloniki, IDE and CFT, was among the highlights of the exhibition.

July 2021: IDE participates as a partner in European project ODIN'S EYE. ODIN'S EYE ("multinatiOnal Development INitiative for a Space-based missilE earlY-warning architecturE") is one of the 26 selected projects for funding by the European Commission, in the frame of the European Defense Industrial Development Program 2020 (EDIDP 2020). ODIN's EYE targets the development of an autonomous European Space Based Missile Early Warning (SBMEW) system, to create situational threat awareness against ballistic and novel hypersonic threats. OHB System AG, a subsidiary of space and technology group OHB SE, leads the consortium of this space surveillance and early warning project. The ODIN's EYE consortium consists of 34 partners from 12 EU Member States, with the support, among others, of the Hellenic Ministry of Defense. IDE and OHB Hellas are valuable partners of ODIN's EYE consortium as they contribute with state-of-the-art technologies in Secure Communications and Cybersecurity frameworks (IDE) and On-Board Data Processing for satellites (OHB Hellas), applicable in the demanding field of the critical satellite systems. This marks the first presence of Greek industries in a European Space Defence project under the EDIDP framework.

September 2021: IDE exhibited in the Defense & Security Exhibition International "DSEI 2021", held in London, UK, between 14-17 September. IDE and Marshall Land Systems had the opportunity to jointly present their cooperation for markets of mutual interest in the sector of Hybrid Power Systems, which were a focal point of interest throughout the exhibition. Furthermore, in the frame of the Prototype Warfare Innovation program of the UK MoD, WiSPR CIS was on display by ATDU

(Armored Trials and Development Unit), integrated on a British Army Jackal 2A. During the same week, IDE also participated in AFCEA 2021 Exhibition in Bonn, Germany, an exhibition with particular focus in military communications, IT technology and the digitization of the armed forces. At the AFCEA Exhibition, IDE dynamically demonstrated, in cooperation with the vehicle integrator FFG (Flensburger Fahrzeugbau Gesellschaft), a Silent Auxiliary Power System (SAPS) capability upgrade on the G5 Armored Personnel Carrier, based on its Hybrid GENAIRCON architecture. The vehicle also incorporated WiSPR CIS for crew intercommunication.

September-October 2021: IDE signed a totaling 1,2 million Euro contracts with the Hellenic Army and the Hellenic Navy for the supply and support of communication systems.

October 2021: IDE participated in the "AUSA 2021" international Annual Meeting & Exposition, held in Washington DC, USA, between October 11-13.

November 2021: Rheinmetall and the Greek company IDE have agreed to cooperate closely in the field of vehicle-based C4I systems. The two companies will coordinate their activities for joint development and marketing of a vehicle-based C4I system to jointly address the needs of their domestic and international markets. Both partners complement each other in ideal fashion: while Rheinmetall Electronics concentrates on command and communication systems for communication between vehicles and the chain of command, IDE is a globally acknowledged specialist for intercom systems that enable crewmembers to communicate with each other. In concrete terms, cooperation will centre on combining Rheinmetall's TacNet tactical management system and expertise in soldier systems and C4ISTAR applications with Intracom Defense's WiSPRevo communication and information system and longstanding experience in the field of vehicle communications. Under the cooperation agreement, Rheinmetall and IDE will pool their technological, production and commercial capabilities to produce operationally excellent, user-friendly, cost-efficient C4I solutions for military vehicles – invariably geared to the needs of the customer.

December 2021: IDE successfully deployed its latest HEPS® HGT20K Hybrid Generator during Exercise STEADFAST LEDA 2021 (Poland, 21-30 Nov. 2021), a major NATO exercise to increase interoperability and operational effectiveness. The system was requested by NATO's Allied Rapid Reaction Corps (ARRC) HQ and the British Army to support their experimentation with advanced deployable power solutions.

December 2021: IDE announces the contract award by the NATO Support and Procurement Agency (NSPA) of 9 million Euro value for the upgrade of the Hellenic PATRIOT air defense system. The contract scope includes the installation, integration of hardware modifications and operational tests with the latest software for the engagement control, coordination and communication shelters (ECS, ICC, CRG) in all Hellenic PATRIOT battalions.

February-October 2021: IDE extends its cooperation with US based Raytheon Technologies for the supply of spare parts & engineering services for the PATRIOT air defense system, with the signature of multiple new contracts totaling 2,2 million USD.

The new contracts signed by the Company in 2021 amounted to € 28,7 million EUR.

GOALS – PERSPECTIVES

The company has adopted a specific policy over the last years and consistently works toward the following objectives:

- Boosting its exports to the US by joining the Patriot anti-aircraft missile program and other US defense international-market programs.
- Entering new markets with innovative products in areas such as Asia, South America and Africa.
- Expanding its partnership with large defense equipment manufacturers (System Integrators) for joining international product sale programs and achieving integration of IDE's telecommunication products into the integrated solutions offered as well as the joint promotions in third countries.
- Utilizing the existing know-how in the fields of Surveillance and Security and joining pertinent European programs (Horizon, Frontex, EDIDP).
- Promoting Hybrid Defense Energy Systems with a view to introducing new innovative products.
- Expanding its activities further, following the establishment and implementation of the National Defense Industrial Strategy.
- Expanding the services provided for supporting the weapon systems of the Armed Forces.

On 31.12.2021, the backlog of the Company's agreements was worth a total of € 92 mil.

RESEARCH AND DEVELOPMENT ACTIVITIES

The company has been consistently investing its funds in research for developing new, innovative products and integrated solutions. The department of research and development is run by highly experienced scientific staff who specialize in the fields of telecommunication, engineering and IT.

Innovation is at the center of the Company's growth model and is consistently supported through significant investments in research and development as well as multi-faceted partnerships with educational institutions and research groups.

Driven by market trends and aiming towards introducing new technologies, the Research & Development Department deals with designing and developing new differentiated products as well as improving existing ones with competitive innovative features.

In this context, the main focus areas prioritized by the Company are Broadband systems, Hybrid power and electricity storage systems, Real-time Data Processing and Geographic Display for Surveillance and Monitoring purposes as well as missile Electronic subsystems.

RISKS AND UNCERTAINTIES

Risks associated with the company's activity

Defense market trend

According to the International Institute for Strategic Studies (IISS), trends in global military spending trends in 2021 were as follows:

Global defense spending for 2021 is estimated to have been $ 1,92 trillion, representing a nominal growth of 3,4% against 2020 but a -1,8% reduction in real terms resulted by the surging inflation.

Following 13 consecutive years of successive increases, from 1998 to 2011, and relatively unchanged spending from 2012 to 2016, global defense spending rose in the years 2017 to 2020 and dropped in real terms in 2021. In 2021, the US, which is at the top of the world military spending list, spent a total of $ 754 billion, which accounts for more than one third (2021: 39%) of global spending, and more than 3 times higher than expenditures of China ($207 billion), which comes second in the world ranking. Regionally, percentage increases in military spending in 2021 compared to the previous year (2020) were made in Asia with real growth reaching 2.8% and in Europe, with increase by 4.8% in real terms, mainly driven by the United Kingdom and also by increases in Finland, France, Germany, Greece, Italy, and the Netherlands. High inflation rates resulted in real contractions in spending in Latin America, sub-Saharan Africa, Russia and Eurasia, and the Middle East and North Africa, even though there were nominal increases across most regions.

Economic Environment & Covid-19 Pandemic

From the beginning of the COVID-19 pandemic crisis, the Management of Intracom Defense (IDE), guided by the corporate social responsibility towards its employees and its associates, as well as the assurance of the normal operation of its activities, has immediately implemented a plan of measures and actions to create a safe work environment, while adopting distance work policies wherever this was feasible and necessary, conducting teleconferencing (video calling), and modern, flexible working methods.

The global economy continues to suffer from the negative effects of the Covid-19 pandemic that erupted in early 2020, bringing the business world and each one of us to face one of the greatest challenges we have ever faced. The risks are mainly focused on either the unpredictable global price increases during the Covid-19 pandemic period with a potential impact on cost of sales, or delays in project implementation due to Covid-19 restrictive measures and delays in the delivery of raw materials.

The situation is re-evaluated regularly and thoroughly, while the management of the Company is ready in case additional measures, to those that have been adopted since today, are required.

The Company has proven its ability to cope with difficulties and grow even during the recent financial crisis. Both on 31.12.2020 and today, the Company's financial position and liquidity, remain satisfactory in order to guarantee its normal activity.

Financial Risks

Foreign Exchange Risk

The Company'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 Company's policy is to hold the minimum amount required to cover its short-term liabilities in that currency.

Cash flow and fair value interest rate risk

The company is in minimal exposure to interest rate risk, due to the eliminated borrowings and the short-term horizon of the cash deposits.

Credit risk

The Company'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- the company 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.

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

Liquidity risk

The Company holds sufficient liquidity in cash and cash equivalents and has the ability to use available undrawn borrowing facilities.

ENVIRONMENTAL ISUESS

IDE as well as Intracom Holdings Group places emphasis on the commitment to environmental responsibility.

The company is committed to maintaining an environmentally sensitive and accountable position and managing its activities accordingly by applying preventive measures to protect the environment and minimizing any negative environmental impacts that may arise.

To this end, the company has developed and implemented Environmental Management System (EMS) which provide a well-structured approach to environmental issues and ensure the continuous improvement of environmental performance through the introduction of specific environmental objectives and the documentation and monitoring of programs pursuing to achieve these objectives.

The Company promotes the following Environmental Actions:

- Waste management
- Recycling
- Ecological Products Design (eg. Hybrid Energy systems)
- Saving of natural resources (investments in new technologies to reduce energy consumption)

SOCIAL RESPONSIBILITY

The company provides a safe working environment in which non-discriminatory policies are applied and equal opportunities are offered to all employees irrespective of gender, age, and nationality. Furthermore, employee trade union rights are respected, health & safety procedures are faithfully adhered to and open door policies are consistently implemented.

PERSONNEL

The number of company's employees at 31.12.2021 and 31.12.2020 reached 435 and 422 employees respectively.

Directors' remuneration and key management compensation amounted to € 976.494 in the year 2021 in comparison to € 1.247.379 in the previous year. There were no receivables or payables from or to the management at year end.

Dear Shareholders,

The Board of Directors will suggest to the Shareholders General Meeting not to distribute dividends from the current fiscal year 01.01.2021-31.12.2021 profit.

The Board of Directors considers the reported data as a statement of its proceedings and expects that the Annual General Meeting of Shareholders will approve the management according to the company's interests and the financial statements for the year ended on 31/12/2021.

It also expects that the Annual General Meeting of Shareholders by a special resolution will approve the overall management of the Company and will release the Auditors from any liability for the year from 1 January 2021 to 31 December 2021.

In order for the shareholders to be adequately informed, it is stated that the Company has not proceeded to acquisition of treasury shares.

True copy from the minute book of the Board of Directors

Koropi, 25 February 2022

THE MANAGING DIRECTOR (CEO)

GEORGE TROULLINOS

B) Independent Auditor's Report

To the Shareholders of **"INTRACOM DEFENSE SINGLE MEMBER S.A."**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of INTRACOM DEFENSE SINGLE MEMBER S.A. (the Company), which comprise the balance sheet as at 31 December 2021, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of INTRACOM DEFENSE SINGLE MEMBER S.A. as at 31 December 2021, its financial performance and its 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 Financial Statements" section of our report. We are independent of the Company throughout our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated into the Greek Legislation and the ethical requirements that are relevant to the audit of the 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

Report on other Legal and Regulatory Requirements

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

a) In our opinion the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of the article 150 of L. 4548/2018 and its content corresponds with the accompanying financial statements for the year ended 31.12.2021.

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

Athens, 03 March 2022

EFTHYMIOS P. TZORTZIS
Certified Public Accountant Auditor
Institute of CPA (SOEL) Reg. No. 42261

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C) Annual Financial Statements in accordance with IFRS

Contents

Balance Sheet

Amounts in euro	Note	31/12/2021	31/12/2020 (*)	01/01/2020 (*)
ASSETS				
Non-current assets				
Property, plant and equipment	6	32.223.845	29.226.331	29.751.578
Right-of-use assets	7	401.235	363.305	272.224
Other intangible assets	8	624.038	660.908	331.946
Investment property	9	1.507.107	1.542.217	1.574.595
Deferred income tax assets	10	4.524.351	4.892.181	4.825.382
Trade and other receivables	11	0	5.284.596	5.030
Total		**39.280.574**	**41.969.538**	**36.760.756**
Current assets				
Inventories	12	32.551.253	30.055.804	25.901.283
Trade and other receivables	11	27.857.398	21.402.821	26.368.469
Current income tax receivables		0	241.544	998.806
Cash and cash equivalents	13	20.100.370	21.089.108	5.480.102
Total		**80.509.020**	**72.789.278**	**58.748.659**
Total assets		**119.789.594**	**114.758.816**	**95.509.415**
EQUITY				
Share capital	14	52.906.568	52.906.568	52.906.568
Other reserves	15	9.754.135	9.738.750	9.738.379
Retained earnings		5.851.393	5.769.442	5.516.855
Total equity		**68.512.096**	**68.414.760**	**68.161.803**
LIABILITIES				
Non-current liabilities				
Lease liabilities	7	272.915	264.530	153.752
Retirement benefit obligations	16	1.890.683	1.815.425	1.699.718
Government grants	17	866.310	3.110.864	0
Long-term provisions for other liabilities and charges	18	288.490	465.151	371.292
Trade and other payables	19	14.060	7.845.285	1.422.501
Total		**3.332.457**	**13.501.255**	**3.647.262**
Current Liabilities				
Trade and other payables	19	44.275.012	30.699.680	22.878.000
Current income tax liabilities		298.669	0	0
Lease liabilities	7	140.598	103.746	121.651
Government grants	17	2.757.538	1.457.045	212.229
Short-term provisions for other liabilities and charges	18	473.223	582.331	488.471
Total		**47.945.040**	**32.842.801**	**23.700.350**
Total liabilities		**51.277.498**	**46.344.056**	**27.347.612**
Total equity and liabilities		**119.789.594**	**114.758.816**	**95.509.415**

* Restated amounts due to change in accounting policy of IAS 19 “Employee Benefits” (see note2.3)

The notes on pages 21 to 58 are an integral part of these financial statements.

Statement of Comprehensive Income

Amounts in euro	Note	1/1-31/12/2021	1/1-31/12/2020 (*)
Sales	20	59.651.865	58.946.476
Cost of goods sold	21	(45.517.244)	(43.338.020)
Gross profit		**14.134.622**	**15.608.455**
Selling and research costs	21	(11.434.626)	(9.173.214)
Administrative expenses	21	(3.487.090)	(3.857.666)
Impairment losses on trade receivables and reversals	23	32.477	(38.031)
Other income	24	1.599.739	457.125
Other gains/(losses) - net	25	87.780	(261.895)
Operating profit		**932.902**	**2.734.775**
Finance income	26	668.901	25.819
Finance cost	26	(172.856)	(1.485.858)
Finance costs - net	26	**496.045**	**(1.460.039)**
Profit before income tax		**1.428.946**	**1.274.736**
Income tax expense	27	(794.421)	(367.774)
Profit after tax for the period		**634.525**	**906.962**
Other comprehensive income:			
Available-for-sale financial assets - Fair value gains			
Actuarial gain/losses	16	(37.189)	(54.005)
Other comprehensive income, net of tax:		**(37.189)**	**(54.005)**
Total comprehensive income for the period		**597.336**	**852.957**
Profit per share			
basic	28	0,0275	0,0393

* Restated amounts due to change in accounting policy of IAS 19 “Employee Benefits” (see note2.3)

The notes on pages 21 to 58 are an integral part of these financial statements.

Statement of changes in equity

Amounts in euro	Note	Share capital	Other reserves	Retained earnings / (loss)	Total equity
Balance at 1 January 2020		**52.906.568**	**9.303.296**	**5.196.551**	**67.406.415**
Change in accounting policy (IAS 19)	2.3		**435.083**	**320.304**	**755.387**
Balance at 1 January 2020 restated		**52.906.568**	**9.738.379**	**5.516.855**	**68.161.803**
Actuarial gains/ (losses), net of tax restated	15		(54.005)		(54.005)
Profit for the period restated				906.962	906.962
Total comprehensive income for the period			**(54.005)**	**906.962**	**852.957**
Statutory reserves formation	15		54.376	(54.376)	-
Dividends				(600.000)	**(600.000)**
Balance at 31 December 2020		**52.906.568**	**9.738.750**	**5.769.442**	**68.414.760**
Balance at 1 January 2021		**52.906.568**	**9.738.750**	**5.769.442**	**68.414.760**
Actuarial gains/ (losses), net of tax	15		(37.189)	-	(37.189)
Profit for the period				634.525	634.525
Total comprehensive income for the period			**(37.189)**	**634.525**	**597.336**
Statutory reserves formation	15		52.575	(52.575)	-
Dividends				(500.000)	(500.000)
Balance at 31 December 2021		**52.906.568**	**9.754.135**	**5.851.393**	**68.512.096**

* Restated amounts due to change in accounting policy of IAS 19 “Employee Benefits” (see note2.3)

The notes on pages 21 to 58 are an integral part of these financial statements.

Cash flow statement

Amounts in euro	Note	1/1-31/12/2021	1/1-31/12/2020 (*)
Cash flows from operating activities			
Cash generated from operations	29	3.450.788	13.755.081
Financial expenses paid		(172.856)	(1.229.574)
Financial income received		618.968	-
Income tax paid		97.188	339.744
Net cash from operating activities		**3.994.087**	**12.865.251**
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(4.535.563)	(446.315)
Purchase of intangible assets	8	(262.520)	(491.811)
Proceeds from sale of property, plant & equipment		-	4.800
Interest income received		4.967	25.563
		(4.793.116)	**(907.763)**
Cash flows from financing activities			
Dividends paid to group shareholders		(500.000)	(600.000)
Government grants received	17	410.140	4.636.620
Principal elements of lease payments	7	(144.817)	(128.818)
Net cash used in financing activities		**(234.676)**	**3.907.802**
Net (decrease) / increase in cash & cash equivalents		**(1.033.705)**	**15.865.291**
Cash and cash equivalents at beginning of the period		21.089.108	5.480.102
Effects of exchange rate changes on cash and cash equivalents	26	44.966	(256.284)
Cash and cash equivalents at end of the period	**13**	**20.100.370**	**21.089.108**

* Restated amounts due to change in accounting policy of IAS 19 “Employee Benefits” (see note 2.3)

The notes on pages 21 to 58 are an integral part of these financial statements.

Notes to the Financial Statements for the year ended December 31, 2021

1. General Information

INTRACOM DEFENSE SINGLE MEMBER S.A. (“IDE”, “the Company”) was founded in Greece and operates mainly in the design, development and manufacturing of defense electronic products, systems and applications and the provision of technical support services and maintenance as well as in the provision of safety systems and related services.

The company operates in Greece and in foreign countries.

The Company’s registered office is at 21 km Markopoulou Ave., Koropi Attikis, Greece. Its website address is www.intracomdefense.com.

The sole shareholder of the Company is "INTRACOM TECHNOLOGIES S.a.r.l." based in Luxembourg. "INTRACOM TECHNOLOGIES S.a.r.l." is a subsidiary of "INTRACOM HOLDINGS S.A." with distinctive name "INTRACOM HOLDINGS. The percentage of participation of INTRACOM HOLDINGS in INTRACOM TECHNOLOGIES S.a.r.l amounts to 90.91%.

The Company is fully consolidated in the consolidated financial statements of Intracom Holdings.

These financial statements have been approved for issue by the Board of Directors on 25 February 2022, and are subject to approval by the Annual General Meeting of the Shareholders.

2. Significant accounting policies

2.1 Basis of preparation

The annual financial statements include the financial statements of the company for the year ended 31 December 2021 and have been prepared in accordance with International Financial Reporting Standards as they have been adopted by the European Union.

The financial statements have been prepared under the historical cost convention and the going concern principle.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. Moreover, the use of estimates and assumptions is required that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of preparation of financial statements and the reported income and expense amounts during the reporting period. Although these estimates are based on Management’s best possible knowledge with respect to current circumstances and actions, the actual results may eventually differ from these estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 below.

The accounting policies the Company has followed for the preparation of the annual financial statements for year ended 31 December 2021, are consistent with those described in the published financial statements for the year ended 31 December 2020, after being also taken into consideration the following amendments to standards and the new interpretations, that have been issued by the

International Accounting Standards Board (IASB), adopted by the European Union and their application is mandatory for the year ended 31 December 2021.

2.2 New standards, amendments to existing standards and interpretations

2.2.1 New Standards and Amendments Adopted by the Company

The Company adopted certain standards and amendments, compulsorily, for the first time for the fiscal year 2021. The Company has not previously adopted some other standard, interpretation or amendment issued but is not obligatory to be applied for the fiscal year 2021.

The nature and impact of each new standard or amendment related to the Company’s activity is described below.

Amendments to IFRS 16 Leases: Covid-19-Related Rent Concessions

In May 2020 the International Accounting Standards Board issued Covid-19-Related Rent Concessions, which amended IFRS 16 Leases. The amendment permitted lessees, as a practical expedient, not to assess whether particular rent concessions occurring as a direct consequence of the covid-19 pandemic are lease modifications and instead to account for those rent concessions as if they are not lease modifications. The amendment did not affect lessors. The amendments had no impact on the Company's financial statements.

IAS 19 Employee Benefits - IFRIC Agenda Decision: “Attributing benefits to periods of service”

In May 2021, the International Financial Reporting Standards Interpretations Committee (IFRIC) issued a final decision on the application of IAS 19 regarding the allocation of benefits towards the service period. The decision requires an entity to allocate benefits only to the periods in which the post-employment benefit obligation arises, ie the last years of working life. The impact of this decision was treated as a change in accounting policy and is presented in note (2.3) of the financial statements.

The following amendments which are mandatory for the current financial year 2021, are not related to the activity of the Company and have no impact on the financial statements:

- Amendments to IFRS 9, IAS 39 & IFRS 7: Reform of Major Reference Rates (Phase 2)

- Amendment to IFRS 4 Insurance policies: Extension of the temporary exemption from the application of IFRS 9

2.2.2 Standards and Interpretations mandatory for subsequent periods that have not been earlier applied by the Company

The following new standards, amendments of standards and interpretations have been issued, are related to the Company’s activity but are compulsory for later periods. The Company has not previously applied the following standards and is studying its impact on the financial statements

Amendments to IAS 1 Presentation of Financial Statements: Classification of liabilities as current or non-current

The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The amendments are effective to annual periods beginning on or after 1 January 2022 and are not expected to have an impact on the Company's financial statements.

Amendments to IAS 1 Presentation of Financial Statements: Disclosure of Accounting policies

The International Accounting Standards Board amended IAS 1 Presentation of Financial Statements to require entities to disclose their material accounting policy information rather than their significant accounting policies. The amendments are effective to annual periods beginning on or after 1 January 2023 and will not affect the Company's financial statements.

Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates

The amendments introduced the definition of accounting estimates and included other amendments to IAS 8 to help entities distinguish changes in accounting estimates from changes in accounting policies. The amendments are effective to annual periods beginning on or after 1 January 2023 and will not affect the Company's financial statements.

Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The amendments are effective to annual periods beginning on or after 1 January 2023 and will not affect the Company's financial statements.

Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use

The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss. The amendments are effective to annual periods beginning on or after 1 January 2022 and will not affect the Company's financial statements.

Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract

The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous. The amendments are effective to annual periods beginning on or after 1 January 2022 and will not affect the Company's financial statements.

Annual Improvements 2018-2020

Annual Improvements to IFRS standards 2018 – 2020 were issued by the IASB on 28 Mai 2020, are applicable for annual periods beginning on or after 1 January 2022. These amendments will not affect the Company's financial statements.

-IFRS 9 Financial Instruments

The amendment clarifies the fees a company includes in assessing the terms of a new or modified financial liability to determine whether to derecognise a financial liability.

-IFRS 16 Leases

The amendment removes the potential for confusion regarding lease incentives by amending an Illustrative Example accompanying IFRS 16.

IFRS 16 Leases: "COVID-19-Related Rent Concessions" - Extension of application period

The amendment extends the practical expedient for rent concessions by one year to cover rent reductions due on or before 30 June 2022 and is effective from annual accounting periods starting on or after 1 April 2021.

Other Amendments

The following amendments and the new standards, which are mandatory in subsequent periods are not relevant to the Company's operations and will not have an impact on the financial statements:

- IFRS 17 Insurance contracts (effective for annual periods beginning on or after 1 January 2023)

2.3 Change in accounting policies – Reclassifications

2.3.1 Change in accounting policies (IAS 19)

The International Financial Reporting Standards Interpretations Committee (IFRIC) issued in May 2021 the final decision on the agenda entitled "Attributing Benefits to Periods of Service (IAS 19)". This Decision includes explanatory material regarding the way of distribution of benefits in periods of service on a specific defined benefit plan proportionated to that defined in article 8 of Law 3198 / 1955 as to the way of composition of retirement benefit provision (the "Labor Law Defined Benefit Plan").

Pursuant to the above decision, the companies, implementing the defined benefit program, provided by the provisions of article 8 of Law 3198 / 1955, attribute the retirement benefits of the staff from the service per year of service of the employees, in the last 16 years until the date of employee retirement, in accordance with the conditions of establishment for receiving a full pension.

A reasonable basis for completing the formation of the provision for retirement benefit obligations is considered the age of 62 for the employees, so the distribution of retirement benefits takes place from 46th to 62nd year of age, subject to those cases where the retirement age is proven to be over 62 years, in which case the start-up time varies accordingly.

The new accounting treatment applied under the Commission Decision is assessed as a Change in Accounting Policy based on the provisions of IAS 8.

The impact of the above on the relevant items of the financial statements of the previous years of the Company is as follows:

Balance sheet

Amounts in euro	Published 31/12/2019	Change in accounting policy (IAS 19)	Restated 01/01/2020
ASSETS			
Non-current assets			
Deferred income tax assets	5.063.926	(238.543)	4.825.382
Total assets	**96.309.384**	**(238.543)**	**96.070.840**
EQUITY			
Other reserves	9.303.296	435.083	9.738.379
Retained earnings	5.196.551	320.304	5.516.855
Total equity	**67.406.415**	**755.387**	**68.161.803**
LIABILITIES			
Non-current liabilities			
Retirement benefit obligations	2.693.649	(993.931)	1.699.718
Total liabilities	**28.902.968**	**(993.931)**	**27.909.038**
Total equity and liabilities	**96.309.384**	**(238.543)**	**96.070.840**

Amounts in euro	Published 31/12/2020	Change in accounting policy (IAS 19)	Restated 31/12/2020
ASSETS			
Non-current assets			
Deferred income tax assets	5.137.203	(245.021)	4.892.181
Total assets	**115.003.838**	**(245.021)**	**114.758.816**
EQUITY			
Other reserves	9.200.460	538.290	9.738.750
Retained earnings	5.531.830	237.612	5.769.442
Total equity	**67.638.859**	**775.901**	**68.414.760**
LIABILITIES			
Non-current liabilities			
Retirement benefit obligations	2.836.348	(1.020.923)	1.815.425
Total liabilities	**47.364.979**	**(1.020.923)**	**46.344.056**
Total equity and liabilities	**115.003.838**	**(245.021)**	**114.758.816**

Statement of Comprehensive Income

Amounts in euro	Published 1/1-31/12/2020	Change in accounting policy (IAS 19)	Restated 1/1-31/12/2020
Statement of Comprehensive Income			
Cost of goods sold	(43.278.849)	(59.171)	(43.338.020)
Gross profit	15.667.627	(59.171)	15.608.455
Selling and research costs	(9.131.360)	(41.854)	(9.173.214)
Administrative expenses	(3.849.886)	(7.781)	(3.857.666)
Operating profit	2.843.581	(108.806)	2.734.775
Profit before income tax	1.383.542	(108.806)	1.274.736
Income tax expense	(393.887)	26.113	(367.774)
Profit after tax for the period	**989.655**	**(82.693)**	**906.962**
Other comprehensive income:			
Actuarial gain/losses	(157.212)	103.206	(54.005)
Other comprehensive income, net of tax:	(157.212)	103.206	(54.005)
Total comprehensive income for the period	**832.443**	**20.514**	**852.957**
Profit per share			
Basic	0,0428	(0,0036)	0,0393

Cash generated from operations

Amounts in euro	Published 1/1-31/12/2020	Change in accounting policy (IAS 19)	Restated 1/1-31/12/2020
Profit for the year	989.655	(82.693)	906.962
Tax	393.887	(26.113)	367.774
Increase/ (decrease) in retirement benefit obligations	(64.158)	108.806	44.648
Cash generated from operations	**12.865.251**	**-**	**12.865.251**

2.3.2 Reclassifications of accounts

For purposes of comparability and more accurate presentation in the comparative data of the Cash Flow Statement and the Balance Sheet of the previous year, the following reclassifications were made:

Cash Flow Statement

Amounts in euro	Published 1/1-31/12/2020	Reclassifications	Restated 1/1-31/12/2020
Interest expense	279.776	1.206.082	1.485.858
Exchange gains / losses	155.715	(256.284)	(100.569)
Financial expenses paid	(279.776)	(949.798)	(1.229.574)
Net cash from operating activities	**12.865.251**	-	**12.865.251**
Purchase of property, plant and equipment	(474.015)	27.700	(446.315)
Purchase of intangible assets	(464.111)	(27.700)	(491.811)
Cash and cash equivalents at end of the period	**21.089.108**	**-**	**21.089.108**

Balance sheet

Amounts in euro	Published 1/1-31/12/2020	Reclassifications	Restated 1/1-31/12/2020
Prepayments and assets under construction	27.700	(27.700)	-
Property, plant and equipment	**29.226.331**	**(27.700)**	**29.198.631**
Prepayments and intagible assets under development	-	27.700	27.700
Other intangible assets	**660.908**	**27.700**	**688.608**

The above reclassifications did not affect neither the equity, nor the total income of the comparative period.

2.4 Summary of significant accounting policies

2.4.1 Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Euros, which is the 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. Foreign exchange gains and losses resulting from the settlement of such transactions during the year and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Receiving an advance or paying in foreign currency respectively leads to the recognition of a non-monetary item (asset or liability) that is not measured at the balance sheet date. The transaction date for the purposes of initial recognition of the related expense or revenue assets is the date of payment or collection of the relevant advance.

2.4.2 Revenue from Contracts with Customers

The Company recognizes revenue from a contract with a customer when (or as) a performance obligation is satisfied by transferring a promised good or service (i.e., an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. The customer obtains control of a good or a service when it has the ability to direct the use of, and obtain substantially all of the remaining benefits from it.

As revenue shall be defined the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Variable amounts are included in the consideration and are calculated using either the "Expected Value" method or the "Most Likely Amount" method.

The performance obligation of the contract can be fulfilled either at a point in time or over time.

The performance obligation to sell a good or provide a service is satisfied either at a point in time or over time when:

i) the customer simultaneously receives and consumes the benefit provided by the entity's performance as the entity performs,

ii) the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced,

iii) the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

When the company performs the contractual obligations by transferring goods or services to a customer, before the customer pays consideration or before payment is due, the company presents the contract as a contract asset. A contract asset is an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer.

When the customer pays consideration or the company has the unconditional right to receive consideration before the Company's contractual obligations for goods or service transfers then the company presents the contract as contractual liability. The contract liability is derecognized when the contractual obligations are fulfilled and the revenue is recorded in the statement of comprehensive income.

(a) Sales of goods

Revenue from the sale of the Company's assets includes the construction of parts of electronic units mainly related to missile and telecommunication systems and the construction of integrated electromechanical missile systems, and in the majority include a single implementation obligation. Revenue from the sale of equipment is recognized at a point in time when the asset is transferred to the customer, in particular when the goods are transferred to and accepted by the customer.

i) Variable exchange

The Company's contracts with its customers do not include variable remuneration elements due to discounts, price subsidies, refunds, credits, price reductions, incentives, additional performance benefits, sanctions or other similar items.

ii) Warranties

The Company provides two-year repair guarantees for all products sold, in line with industry practice. The guarantees provided by the Company are assurances that the product meets the assurance-type warranties in accordance with IFRS 15 that the Company accounts for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and are included in the item "Forecasts "(note 18).

iii) Contractual assets and liabilities

The contractual assets of the Company relate mainly to accrued income and are included in the item "Trade and other receivables" (note 11), while the liabilities refer to deferred income and customer advances and are presented in the item "Trade and other payables" (note 18) respectively in the balance sheet.

(b) Sales of services

Revenue from provision of services mainly concerns maintenance and support contracts, on-site design and development services, and instrument calibration and testing services. They are recognized over a long period of time by the fixed method during the contract as the customers receive and at the same time reap the benefits resulting from the provision of the service on the part of the Company. Primarily, the services include a single enforcement obligation.

(c) Rental income

Rental income arising from operating leases on investment properties is accounted on a straight line basis during the lease term and is included in other income in the statement of comprehensive income.

2.4.3 Government Grants

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

Government grants relating to costs are deferred and recognized in profit or loss over the period necessary to match them with the costs they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

2.4.4 Current and deferred income tax

The fiscal year taxation includes the current and deferred tax. The taxation is recognized in the results unless it is related to items recognized in the other total income or directly in the net position. In this case, the tax is also recognized in the other total income or directly in the net position, respectively.

Current income tax

The current income tax is calculated based on the taxation result, according to the taxation laws applied in Greece. The expenditure for the current income tax includes the income tax arising from the Company's profits, as shown in its tax statement and provisions for additional taxes for not-audited fiscal years and is calculated according to the laid-down or substantially laid-down tax rates.

Deferred income tax

The deferred income tax arises from the provisional differences between the tax base and the book value of the assets and liabilities. Deferred income tax is not taken into account if it arises from the initial recognition of assets or liabilities in a transaction, except business venture, which when made did not affect the accounting or taxation profit or loss.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The deferred tax is determined taking into account the tax rates (and tax laws) in force on the balance sheet date and expected to be in force when the deferred tax asset is paid or the deferred tax is settled.

The deferred tax assets are set off with the deferred tax liabilities when settled at the same tax authority.

2.4.5 Property, plant and equipment

Property, plant and equipment ("PPE") is stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method over their estimated useful lives, as follows:

- Buildings	33 - 34 Years
- Machinery, installations and equipment	10 Years
- Vehicles	5-7 Years
- Other equipment	5-10 Years

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

If the asset's carrying amount is greater than its estimated recoverable amount, the asset's carrying amount is written down to its recoverable amount, and the difference (impairment) is immediately recorded in the income statement.

When an asset is sold, the difference between the proceeds and its carrying amount is recognized as gains or losses in the income statement.

Finance charges directly attributable to the construction of PPE assets are capitalized for the period that is required until the completion of the constructed item. All other finance charges are recognized in the income statement as incurred.

2.4.6 Investment Property

Investment property, principally comprising land and buildings, is held for long-term rental yields and is not occupied by the Company. Investment property is measured at cost less depreciation and impairment. The land classified as investment property is not depreciated. Depreciation on buildings is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life, which is 33-34 years.

When the carrying amount of the investment property is greater than its recoverable amount, the resulting difference (impairment loss) is recognized immediately as an expense in the income statement.

2.4.7 Leases

The Company as lessee

Right -of –use assets

The company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are subject to impairment.

The right-of-use assets are presented separately in the balance sheet.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

For short-term leases and leases in which the underlying asset has a low value, the Lease payments are recognised as expense on a straight-line basis over the lease term according IFRS16 exemptions.

The company doesn’t separate non-lease components from lease components and accounting each lease component and any associated non-lease component as a single lease component.

The Company as Lessor

Leases in which all the risks and benefits of ownership are maintained by the Company are classified as operational leases. Revenues from operational leases are recognized in the results using the fixed method during each lease.

The company has not contracted any financial leases.

2.4.8 Intangible assets

Computer software

Acquired computer software licenses are measured at cost less accumulated amortization. Amortization is calculated using the straight-line method over the estimated useful lives of the assets, which is 3 to 8 years.

Costs associated with maintaining computer software programs are recognized as an expense as incurred.

2.4.9 Impairment of non-financial assets

The book values of non-current assets are controlled for impairment purposes when incidents or changes in the conditions denote that the book value may not be recoverable. When the book value of an asset exceeds the recoverable amount an impairment loss is recognized in the results. The recoverable value is determined as the highest value between the fair value minus the sale cost and the use value. The fair value minus the sale cost is the price one would get for the sale of an asset in a normal transaction between market participants after deducting any additional direct sale cost of the asset, while use value is the net present value of the estimated future cash flows expected to be realized from the continuous use of an asset and the expected proceeds from its sale at the end of the estimated useful life. For the determination of the impairment, the assets are grouped at the lowest level for which the cash flows can be separately determined.

2.4.10 Financial instruments

a. Financial assets

i. Initial Recognition and Derecognition

The Company recognizes a financial asset when it becomes one of the parties of the financial instrument.

A financial asset is derecognised when the contractual rights to the cash flows of the financial asset expire or the financial asset is transferred and the transfer qualifies for derecognition.

ii. Classification and Measurement

Financial assets at initial recognition are measured at their fair value (usually the transaction price, ie the fair value of the consideration given or received) plus transaction costs directly attributable to their acquisition or issue, unless it is for financial assets measured at fair value through profit or loss where transaction, issue, etc. costs are borne by the results.

The trade receivables that do not include a significant portion of funding are measured at the transaction price.

For subsequent measurement purposes, financial assets are classified in accordance with the entity's business model for the management of financial assets and their contractual cash flows.

Financial assets are classified into one of the following three categories, which determines their subsequent measurement:

- Amortised cost,

- fair value through other comprehensive income (fair value through OCI) and

- fair value through profit or loss.

The Company does not hold any other financial assets except trade receivables from customers and cash and cash equivalents. The company has classified trade receivables at amortized cost and measures them subsequently, using the effective interest rate method if they have a long-term share.

iii. Impairment

For trade receivables, the Company applies the simplified approach of the Standard and calculates the expected credit losses on the basis of the expected credit losses over the whole life of those items.

b. Financial liabilities

i. Initial Recognition and Derecognition

An entity recognizes a financial liability in its statement of financial position when and only when the entity becomes a party to the financial instrument.

All the financial liabilities are initially recognized at their fair value and, in the case of loans, net of the direct costs of the transaction.

A financial liability is written off from the statement of financial position when it is settled.

A material change in the terms of an existing financial liability (difference of at least 10% at present value with the initial interest rate) is accounted for as a repayment of the initial financial liability and recognition of a new financial liability. Any difference is recorded in the results.

ii. Classification and Measurement

The financial liabilities are classified at the initial recognition as financial liabilities measured at amortized cost or financial liabilities that are measured at fair value through profit or loss.

The Company's financial liabilities include trade and other payables.

The Company's trade and other payables are subsequently measured by the amortized cost method using the effective interest rate. The Company has not undertaken liabilities that are measured at fair value through profit or loss.

c. Offsetting financial instruments

Financial assets are set off and the net amount is presented in the balance sheet when there is a legal right to set off amounts that have been recognized and there is also the intention of entering a settlement on a net base or the acquisition of the asset and the settlement of the liability are carried out simultaneously.

2.4.11 Inventories

Inventories are stated at the lower value between the acquisition cost and the net realizable value. The cost is determined using the weighted average method. The cost of finished products and semi-finished inventories includes the cost for materials, the direct labour cost and a proportion of the general production expenses. The net realizable value is estimated based on the current reserve sale prices in the context of the usual activity deducting possible sale expenses and for semi-finished products the estimated expenses for their finishing. An impairment provision for slowly moving or depreciated inventories is formed if necessary. Impairments are recognized in the related results.

2.4.12 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents have low risk of changes in value.

2.4.13 Share capital

The share capital includes the Company’s ordinary shares. The ordinary shares are included in the equity.

Direct expenses for the issuance of shares are shown after deducting the relevant income tax, in reduction of the issuance product.

The acquisition cost of own shares is shown as a deduction of the Company’s equity up to when the own shares are sold or cancelled. Each gain or loss from the sale of own shares, net of any expenses and taxes related directly to the transaction, is shown in the retained earnings.

2.4.14 Employee Benefits

(a) Short-term benefits

Short-term benefits for the personnel in money and kind are entered as expenses when they become accrued.

(b) Post-employment benefits

Benefits upon leaving the service include both defined contribution plans (state plans) and defined benefit plans.

The accrued cost of the defined contribution plans is entered as expenses in the related period.

The obligations arising from defined benefit plans for the personnel are calculated at the discounted value of the future benefits for the personnel that have been accrued on the balance sheet date. The obligation of the defined benefit is calculated annually by an independent actuary using the projected unit credit method.

The actuarial profits and losses arising from experiential adjustments and changes in the actuarial assumptions are recognized in the other total revenues in the related period.

The work experience cost is directly recognized in the results.

(c) Termination benefits

The benefits for employment termination are payable when the Company either terminates the employment of employees before retirement or after the decision of employees to accept an offer of benefits by the Company in exchange of terminating their employment. The Company recognizes the benefits for employment termination as an obligation and expenditure on the earlier among the following dates: a) when the entity cannot withdraw the offer of said benefits; and b) when the entity recognizes the restructuring cost falling within the scope of IAS 37 and meaning the payment of benefits for employment termination. Benefits for employment termination due to be paid 12 months after the balance sheet date are discounted.

2.4.15 Provisions

Provisions are recognised when:

- There is a present obligation (legal or constructive) as a result of past events.

- It is probable that an outflow of resources will be required to settle the obligation.

- The amount can be reliably estimated.

When the effect of the time value of money is material, the amount of the provision is the present value of the expense that is expected to be required to settle the obligation. The discount rate will be a pre-tax interest rate that reflects the current market estimates for the time value of money and liability-related risks.

(a) Warranties

The Company recognizes a provision that represents the present value of the estimated obligation for the repair or replacement of guaranteed products or concerning the delivery of projects / rendering of services at the balance sheet date. This provision is calculated on the basis of historical facts over repairs and replacements.

(b) Full-pay leave of absence

The compensation for employee annual full-pay leave is recognized as incurred. The Company recognizes the expected cost of short-term employee benefits in the form of full-pay leave of absence on the basis of services rendered by employees to the balance sheet date.

2.4.16 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are approved by the General Meeting of shareholders.

2.4.17 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the company and held as treasury shares.

Diluted earnings per share is calculated by dividing the net profit attributable to equity holders of the parent (after deducting interest expense on convertible shares, net of tax) by the weighted average number of shares in issue during the year (adjusted for the tax effect of dilutive convertible shares).

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

3. Financial risk management

3.1 Financial risk factors

Intracom Defense is exposed to financial risks such as market risks (changes in exchange rates, interest rates, market prices), credit risk and liquidity risk. Risk management of the Company operates within the framework of the general risk management program of the Intracom Holdings Group and seeks to minimize the potential negative impact of the volatility of the financial markets on its financial performance.

The financial liabilities of the Company consist mainly of trade payables. Additionally, the Company manages financial assets, mainly in the form of short-term deposits, derived from operating activity. The company with its funds finances its needs in working capital as well as its investments in capital equipment. At the end of the current period there are no open positions in financial derivatives. In any case, such products are used solely for the management of interest rate or foreign exchange risk, since according to the approved policy of the "Intracom Holdings" group use thereof is not allowed for speculation.

3.1.1 Market risk

Foreign exchange risk

The Company's currency risk is relatively limited because, in most cases where there are receivables from foreign currency contracts, there are corresponding liabilities in the same currency. Foreign currency contracts are almost all in USD, as are the corresponding liabilities.

In cases where satisfactory natural hedging is not possible due to particularly high foreign currency liabilities, use of forward currency contracts is considered.

With respect to holding reserve assets in foreign currency, the Company's policy is to hold the minimum necessary amount to cover short-term liabilities in that currency.

The following table presents an analysis of the Company's net results sensitivity to possible changes in the exchange rate for the years 2021 and 2020. This analysis took into account the Company's cash reserves and trade receivables and liabilities in USD on 31 December 2021 and 2020 respectively.

Change in EUR/USD rate by	Effect on net results 31/12/2021	Effect on net results 31/12/2020
3,00%	(318.787)	(109.846)
6,00%	(637.575)	(219.693)
9,00%	(956.362)	(329.539)
12,00%	(1.275.149)	(439.385)
-3,00%	318.787	109.846
-6,00%	637.575	219.693
-9,00%	956.362	329.539
-12,00%	1.275.149	439.385

Price risk

The company is not exposed to price risk.

Cash flow and fair value interest rate risk

Interest rate risk for the company is limited given that there is no borrowing. Any risk arises from the company's cash reserves held in interest-bearing placements. The following tables present an analysis of the Company's net results sensitivity to possible interest rate fluctuations for the years 2021 and 2020. This analysis took into account the cash reserves of the Company as at 31 December 2021 and 2020 respectively.

Financial instruments in Euro

Interest rates cahnge (base units)	Effect on net results 31/12/2021	Effect on net results 31/12/2020
(100)	(131.839)	(109.115)
(75)	(98.879)	(81.836)
(50)	(65.920)	(54.557)
(25)	(32.960)	(27.279)
25	32.960	27.279
50	65.920	54.557
75	98.879	81.836
100	131.839	109.115

Financial instruments in USD

Interest rates cahnge (base units)	Effect on net results 31/12/2021	Effect on net results 31/12/2020
(100)	(71.838)	(104.637)
(75)	(53.879)	(78.478)
(50)	(35.919)	(52.319)
(25)	(17.960)	(26.159)
25	17.960	26.159
50	35.919	52.319
75	53.879	78.478
100	71.838	104.637

3.1.2 Credit risk

The Company's trading takes place almost entirely with highly reputable private or public sector organizations. In many cases, there is a many years of good cooperation history. Consequently, it is considered that the risk of bad debts is very limited.

Despite the advent of COVID-19 pandemic (note. 3.3) the credit risk was not increased, due to high credit quality of the Company’s clientele.

In relation to credit risk associated with cash deposits, it is noted that the Company collaborates only with financial institutions with a high credit rating.

3.1.3 Liquidity risk

Liquidity risk is kept at a low level by keeping sufficient cash and sufficient free credit limits.

3.2 Capital risk management

The purpose of the Company in managing funds is to safeguard the Company's ability to continue its business in order to ensure returns for shareholders and the benefits of the other parties that are related to the Company and to maintain an optimal capital structure.

There is no capital risk for the Company. All its liabilities fall far short of the capital and there are no loans. Dividend payments are always covered by the Company's cash and cash equivalents.

3.3 Economic environment and pandemic COVID-19

From the beginning of the COVID-19 pandemic crisis, the Management of Intracom Defense (IDE), guided by the corporate social responsibility towards its employees and its associates, as well as the assurance of the normal operation of its activities, has immediately implemented a plan of measures and actions to create a safe work environment, while adopting distance work policies wherever this was deemed feasible and necessary, conducting teleconferencing (video calling), and modern, flexible working methods.

The global economy continues to suffer from the negative effects of the Covid-19 pandemic that erupted in early 2020, bringing the business world and each one of us to face one of the greatest challenges we have ever faced. The risks are mainly focused on either the unpredictable global price increases during the Covid-19 pandemic period with a potential impact on cost of sales, or delays in project implementation due to Covid-19 restrictive measures and delays in the delivery of raw materials.

The situation is re-evaluated regularly and thoroughly, while the management of the Company is ready in case additional measures, to those that have been adopted since today, are required.

The Company has proven its ability to cope with difficulties and grow even during the recent financial crisis. Both on 31.12.2020 and today, the Company's financial position and liquidity, remain satisfactory in order to guarantee its normal activity.

4. Critical accounting estimates and Judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

4.1 Useful life of property, plant and equipment

The management makes estimates for the useful life of depreciable fixed assets. More information is given in 2.4.5, 2.4.6 and 2.4.8.

4.2 Estimated net realizable value of inventories

Under the accounting policy referred to in paragraph 2.4.11, the estimate of the net realizable value of inventories is the Management's best estimate, based on historical sales trends and its view on the quality and volume of inventories, to the extent that available inventories at the balance sheet date will be sold below cost.

4.3 Provision for impairment of doubtful receivables

The Company makes estimates to determine the expected credit losses of trade receivables that are based on the financial position of customers and the economic environment (note 2.4.10).

The amount of expected credit losses depends to a large extent on changes in the circumstances and the future financial situation. Furthermore, past experience and estimates may not lead to conclusions indicative of the actual amount of customer default in the future.

4.4 Employee retirement benefit obligations

Employee retirement benefit obligations are calculated on the basis of actuarial methods that require from the management to assess specific parameters such as the future increase in employee remuneration, the discount rate for these liabilities, the severance rate of employees, etc. The Management tries at each reporting date where this provision is reviewed to best estimate these parameters.

4.5 Income Tax

The Company recognizes receivables and payables for current and deferred income taxes, as well as the results associated there with, based on estimates of the amounts expected to be collected from or be paid to tax authorities for the current and future fiscal years. Estimates are influenced by factors such as the practical application of the relevant legislation, expectations of future taxable profits and the resolution of any disputes with tax authorities, etc. Future tax audits, changes in tax legislation and the amount of taxable profits made may result in adjusting the amount of receivables and payables for current and deferred income tax and in the payment of tax amounts other than those recognized in the Company's financial statements. Any adjustments are recognized in the year within which they are finalized.

4.6 Warranties provisions

The Company recognizes a provision that corresponds to the present value of the estimated liability for the repair or replacement of warranted products or the delivery of projects / services at the balance sheet date. This estimate is calculated on the basis of historical data on repairs and replacements.

5. Segmental Information

Sectors are determined on the basis of the internal information received by the Company's Management and presented in the financial statements on the basis of this internal classification.

The Company is active in the field of Defense Electronic Systems. Geographically, the Company is operating in the Greek Territory and sells products and services to EU countries, European countries outside the EU, the United States of America, Middle East and Southeast Asia.

There is only one business sector in which the company is operating, that of defense systems.

Geographical segment

Amounts in euro	Sales		Non Currents Assets(*)	
	1/1-31/12/2021	1/1-31/12/2020	31/12/2021	31/12/2020
Greece	2.699.883	7.686.919	34.756.224	31.792.761
European Union	9.625.854	7.559.981	-	-
Other European countries	50.109	333.817	-	-
Other countries	47.276.019	43.365.758	-	-
Total	**59.651.865**	**58.946.476**	**34.756.224**	**31.792.761**

The sales revenue is allocated to the geographical areas based on the country in which the customer is located. The Assets are allocated based on where the assets are located.

(*) Financial assets and deferred tax assets are not included

Sales revenue by category

See analysis of revenue by category in note 20 below.

6. Property, plant and equipment

Amounts in euro	Land - buildings	Machinery	Vehicles	Furniture & other equipment	Prepayments and assets under construction	Total
Cost						
Balance at 1 January 2020	**53.849.518**	**15.177.033**	**200.065**	**3.659.828**	**-**	**72.886.444**
Additions	72.050	159.811	-	351.627	-	583.488
Sales of assets / Write offs	-	-	(36.228)	(73.859)	-	(110.087)
Reclassifications	-	-	-	-	-	-
Transfer to investment property (note 9)	(2.659)	-	-	-	-	(2.659)
Balance at 31 December 2020	**53.918.909**	**15.336.844**	**163.836**	**3.937.597**	**-**	**73.357.186**
Accumulated depreciation						
Balance at 1 January 2020	**25.735.633**	**13.886.996**	**197.415**	**3.314.822**	**-**	**43.134.866**
Depreciation charge	765.030	245.263	776	122.054	-	1.133.122
Sales of assets / Write offs	-	-	(36.228)	(73.205)	-	(109.433)
Balance at 31 December 2020	**26.500.663**	**14.132.259**	**161.962**	**3.363.671**	**-**	**44.158.555**
Net book amount at 31 December 2020	**27.418.246**	**1.204.585**	**1.874**	**573.926**	**-**	**29.198.631**
Cost						
Balance at 1 January 2021	**53.918.909**	**15.336.844**	**163.836**	**3.937.597**	**-**	**73.357.186**
Additions	35.916	336.033	-	635.417	3.298.880	4.306.246
Sales of assets / Write offs	-	(675)	-	(166.208)	-	(166.883)
Reclassifications	-	-	-	-	-	-
Transfer to investment property (note 9)	-	-	-	-	-	-
Net book amount at 31 December 2021	**53.954.825**	**15.672.202**	**163.836**	**4.406.805**	**3.298.880**	**77.496.548**
Accumulated depreciation						
Balance at 1 January 2021	**26.500.663**	**14.132.259**	**161.962**	**3.363.671**	**-**	**44.158.555**
Depreciation charge	766.640	253.050	776	260.225	-	1.280.691
Sales of assets / Write offs	-	(675)	-	(165.867)	-	(166.542)
Balance at 31 December 2021	**27.267.303**	**14.384.634**	**162.738**	**3.458.029**	**-**	**45.272.704**
Net book amount at 31 December 2021	**26.687.521**	**1.287.568**	**1.099**	**948.776**	**3.298.880**	**32.223.845**

There are no real lines on the above assets.

At 31.12.2021 the Company had no contractual obligations for purchase of PPE assets.

7. Right-of-use assets

Amounts in euro	Right-of-use Motor vehicles	Right-of-use Printers	Total	Lease liabilities
Balance at 1 January 2019	272.224	-	272.224	275.402
Additions	222.229	-	222.229	222.229
Changes in lease terms	-	-	-	(538)
Depreciation	(131.148)	-	(131.148)	-
Interest (note 26)				12.619
Payments				(141.437)
Balance at 31 December 2020	**363.305**	**-**	**363.305**	**368.275**
Balance at 1 January 2021	363.305	-	363.305	368.275
Additions	155.528	32.780	188.308	188.308
Changes in lease terms	1.312	-	1.312	1.747
Depreciation	(145.134)	(6.556)	(151.690)	-
Interest (note 26)			-	23.824
Payments			-	(168.640)
Balance at 31 December 2021	**375.011**	**26.224**	**401.235**	**413.513**

The lease liabilities are as follows:

Amounts in euro	**31/12/2021**	**31/12/2020**
Current lease liabilities	140.598	103.746
Non-current lease liabilities	272.915	264.530
Total	**413.513**	**368.275**

The maturity analysis of lease liabilities based on undiscounted gross cash flows is as follows:

Amounts in euro	**31/12/2021**	**31/12/2020**
Not later than one month	15.071	10.559
Later than one month and not later than three months	28.348	21.117
Later than three months and not later than one year	115.497	88.424
Later than one year and not later than five years	289.123	286.736
Total contractual cash flows	**448.039**	**406.836**

Reconciliation of liabilities arising from financing activities

Amounts in euro	31/12/2020	Cash flows from financing activities	Non-cash Changes		31/12/2021
			Additions	Changes in lease terms	
Lease liabilities	368.275	(144.817)	188.308	1.747	**413.513**
Dividends paid to group shareholders		(500.000)			
Government grants received		410.140			
Total liabilities from financing activities	**368.275**	**(234.676)**	**188.308**	**1.747**	**413.513**

8. Intangible assets

Amounts in euro	Software	Prepayments and intagible assets under development	Total
Cost			
Balance at 1 January 2020	3.612.012	-	3.663.252
Additions	497.002	27.700	524.702
Disposals	(16.140)	-	(27.140)
Balance at 31 December 2020	**4.092.875**	**27.700**	**4.160.814**
Accumulated depreciation			
Balance at 1 January 2020	**3.280.066**	**-**	**3.331.305**
Depreciation charge	168.041	-	168.041
Disposals	(16.140)	-	(27.140)
Balance at 31 December 2020	**3.431.967**	**-**	**3.472.207**
Net book amount at 31 December 2020	**660.908**	**27.700**	**688.608**
Cost			
Balance at 1 January 2021	**4.092.875**	**27.700**	**4.160.814**
Additions	161.570	51.452	213.022
Disposals	(214.367)	-	(214.367)
	50.081	(50.081)	-
Net book amount at 31 December 2021	**4.090.158**	**29.071**	**4.159.469**
Accumulated depreciation			
Balance at 1 January 2021	**3.431.967**	**-**	**3.472.207**
Balance at 1 January 2020	277.591	-	277.591
Disposals	(214.367)	-	(214.367)
Balance at 31 December 2021	**3.495.191**	**-**	**3.535.431**
Net book amount at 31 December 2021	**594.967**	**29.071**	**624.038**

9. Investment Property

Amounts in euro	31/12/2021	31/12/2020
Cost		
Balance at beginning of year	**2.716.206**	**2.713.547**
Transfer from PPE (note 6)	-	2.659
Balance at end of year	**2.716.206**	**2.716.206**
Accumulated depreciation		
Balance at beginning of year	**1.173.989**	**1.138.952**
Depreciation charge	35.110	35.037
Balance at end of year	**1.209.099**	**1.173.989**
Net book amount at end of year	**1.507.107**	**1.542.217**

The carrying value of investment property approximates their fair value.

Rental income for 2021 and 2020 amounted to € 104.279 and € 107.419 respectively (note 24).

The minimum future rental income is as follows:

Amounts in euro	31/12/2021	31/12/2020
Up to 1 year	111.044	108.138
Later than 1 year and no later than 2 years	88.364	85.458
Later than 2 years and no later than 3 years	88.364	85.458
Later than 3 years and no later than 4 years	73.637	85.458
Later than 3 years and no later than 5 years	-	71.215
Total	**361.409**	**435.729**

10. Deferred income tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

Amounts in euro	31/12/2021	31/12/2020 (*)
Deferred tax assets:	(5.596.169)	(6.081.188)
Deferred tax liabilities:	1.071.819	1.189.007
	(4.524.351)	**(4.892.181)**

Most of the deferred tax assets / liabilities are recoverable / payable after 12 months.

The total movement in deferred income tax is as follows:

Amounts in euro	31/12/2021	31/12/2020 (*)
Balance at the beginning of the year:	**(4.892.181)**	**(4.825.382)**
Income statement charge (Note 27)	351.396	(49.745)
Charged/ (credited) to the other Comprehensive income	16.435	(17.054)
Balance at the end of the year	**(4.524.351)**	**(4.892.181)**

Deferred tax that is charged directly to equity during the current and prior year relates to the recognition of actuarial gains from re-measurement of the defined benefit plans to employees (note 16).

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same jurisdictions, is as follows:

Deferred tax liabilities:	Accelerated tax depreciation	Total
Balance at 1 January 2020	**1.201.684**	**1.201.684**
Charged / (credited) to the income statement	(12.677)	(12.677)
Balance at 31 December 2020	**1.189.007**	**1.189.007**
Balance at 1 January 2021	**1.189.007**	**1.189.007**
Change in accounting policy		
Charged / (credited) to the income statement	**(117.188)**	**(117.188)**
Balance at 31 December 2021	**1.071.819**	**1.071.819**

Deferred tax assets:	Impairments of Land	Impairments of inventories	Accrued expenses	Provisions	Other	Total
Balance at 1 January 2020 (*)	**(2.551.553)**	**(2.767.353)**	**(407.932)**	**(206.343)**	**(93.885)**	**(6.027.066)**
Charged / (credited) to the income statement (*)	-	(31.480)	(10.715)	(45.053)	50.180	(37.068)
Charge in the other Comprehensive income (*)	-	-	(17.054)	-	-	(17.054)
Balance at 31 December 2020	**(2.551.553)**	**(2.798.832)**	**(435.702)**	**(251.396)**	**(43.705)**	**(6.081.188)**
Balance at 1 January 2021	**(2.551.553)**	**(2.798.832)**	**(435.702)**	**(251.396)**	**(43.705)**	**(6.081.188)**
Charged / (credited) to the income statement	212.629	119.731	3.317	83.819	49.088	468.584
Charge in the other Comprehensive income	-	-	16.435	-	-	16.435
Balance at 31 December 2021	**(2.338.923)**	**(2.679.101)**	**(415.950)**	**(167.577)**	**5.382**	**(5.596.169)**

* Restated amounts due to change in accounting policy of IAS 19 “Employee Benefits” (see note 2.3)

11. Trade and other receivables

Amounts in euro	**31/12/2021**	**31/12/2020**
Trade receivables	8.481.684	7.980.566
Less: provision for impairment	(301.717)	(334.195)
Trade receivables - net	**8.179.967**	**7.646.371**
Receivables from related parties (note 29)	81.010	71.819
Prepayments to creditors	17.109.760	16.209.201
Other prepayments	256.728	300.897
V.A.T. Receivables from Tax Authorities	1.902.604	2.390.730
Other receivables	327.329	68.400
Total	**27.857.398**	**26.687.417**

Non-current assets	-	5.284.596
Current assets	27.857.398	21.402.821
Total	**27.857.398**	**26.687.417**

The change in the amounts of advance payments to suppliers is related to the implementation of the projects undertaken by the Company.

The fair value of receivables approximates their carrying amounts.

The movement in the provision for trade receivables is as follows:

Amounts in euro	31/12/2021	31/12/2020
Opening loss allowance as at 1 January 2020	**334.195**	**296.164**
Increase in loss allowance recognised in profit or loss during the period	21.303	53.780
Unused amounts reversed	(53.780)	(15.750)
Balance at the year end	**301.717**	**334.195**

Trade and other receivables are denominated in the following currencies:

Amounts in euro	31/12/2021	31/12/2020
Euro	4.751.418	3.244.535
US Dollar	23.063.223	23.310.628
GBP	9.164	71.910
CHF	33.585	60.344
Other	8	-
Total	**27.857.398**	**26.687.417**

12. Inventories

Amounts in euro	31/12/2021	31/12/2020
Raw & auxiliary materials	22.623.170	21.763.156
Semi-finished goods	18.105.803	16.672.842
Finished goods	1.665.295	1.922.557
Work in progress	2.328.279	1.351.993
Merchandise	6.437	7.058
Total	**44.728.985**	**41.717.606**
Less: Provisions for obsolete inventories		
Raw & auxiliary materials	7.034.034	7.199.142
Semi-finished goods	4.427.896	3.772.023
Finished goods	715.802	690.636
Total	**12.177.732**	**11.661.802**
Net realisable value	**32.551.253**	**30.055.804**

The movement of the provision is as follows:

Amounts in euro	31/12/2021	31/12/2020
At the beginning of the year	11.661.802	11.530.637
Provision for impairment	1.146.019	783.485
Amount of provision reversed during the year	(630.089)	(652.320)
At the year end	**12.177.732**	**11.661.802**

13. Cash and cash equivalent

Amounts in euro	31/12/2021	31/12/2020
Cash in hand	10.136	35.903
Cash at bank	13.380.010	9.403.910
Short-term bank deposits	6.710.224	11.649.295
Total	**20.100.370**	**21.089.108**

The effective interest rate on short-term bank deposits in Euro and USD was 0,05% and 0,06% respectively (2020: 0,14% and 0,22% for Euro and USD respectively).

The above amounts are the cash and cash equivalents for the purposes of the cash flow statement.

Cash and cash equivalents are analysed in the following currencies:

Amounts in euro	31/12/2021	31/12/2020
Euro (EUR)	13.003.323	10.762.009
US Dollar (USD)	7.085.418	10.320.400
UK Pound (GBP)	11.268	6.460
Bulgarian Leva (BGN)	5	-
Poland Zloty (PLN)	50	-
Other	306	240
Total	**20.100.370**	**21.089.108**

14. Share capital

Amounts in euro	Number of Shares	Common Shares	Total
Balance at 1 January 2020	23.103.305	2,29	52.906.568
Balance at 31 December 2020	23.103.305	2,29	52.906.568
Balance at 31 December 2020	**23.103.305**	**2,29**	**52.906.568**

15. Reserves

Amounts in euro	Statutory reserves	Tax free reserves	Extraordinary reserves	Actuarial gains/ (losses) reserve	Total
Balance at 1 January 2020 (*)	**866.558**	**9.274.814**	**341.041**	**(744.035)**	**9.738.379**
Transfer from retained earnings	54.376	-	-	-	**54.376**
Actuarial gains/ (losses) (*)	-	-	-	(54.005)	**(54.005)**
Balance at 31 December 2020	**920.934**	**9.274.814**	**341.041**	**(798.040)**	**9.738.750**
Balance at 1 January 2021 (*)	**920.934**	**9.274.814**	**341.041**	**(798.040)**	**9.738.750**
Statutory reserve formation	52.575	-	-	-	**52.575**
Actuarial gains/ (losses)	-	-	-	(37.189)	**(37.189)**
Other Changes	-	(179.480)	179.480	-	-
Balance at 31 December 2021	**973.509**	**9.095.334**	**520.521**	**(835.229)**	**9.754.135**

(a) Statutory reserve

A statutory reserve is created under the provisions of Greek Company law (Law 2190/20, articles 44 and 45) according to which, an amount of at least 5% of the annual net profit shall be transferred to a statutory reserve until this reserve amounts to one third of the paid up share capital. This reserve can be used, upon resolution of the Annual General Meeting of shareholders, to offset accumulated losses and therefore cannot be used for any other purpose.

(b) Tax free reserve

This account includes reserves created from profits, which regarded as tax-free under special provisions of development laws in force each time. In other words, this reserve is created from profits for which no tax is calculated or paid.

(c) Extraordinary reserves

The extraordinary reserves include amounts that were created following resolutions of the Annual General Meetings, have no specific purpose and can therefore be used for any purpose upon relevant resolution of the Annual General Meeting, as well as amounts, which were created under the provisions of Greek law. The above reserves have been created from taxed profits and are therefore not subject to any additional taxation in case of their distribution or capitalization.

In year 2021 an amount of 179.480 € was transferred from Tax Free Reserves to the Extraordinary Reserves, due to finalization of tax audit and payment of the corresponding tax (recovery of tax free reserves Law 3614-2007).

(d) Actuarial gains/ (losses) reserve

In this reserve are recognized the actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions in measuring the obligation for employee retirement benefits. (note 16)

* Restated amounts due to change in accounting policy of IAS 19 “Employee Benefits” (see note 2.3)

16. Retirement benefit obligations

Amounts in euro	31/12/2021	31/12/2020 (*)	31/12/2020 Published	Differences
Balance sheet obligations for :				
Pension benefits	1.890.683	1.815.425	2.836.348	(1.020.923)
Total	**1.890.683**	**1.815.425**	**2.836.348**	**(1.020.923)**
Income statement charge				
Pension benefits (note 22)	343.317	486.828	378.022	108.806
Total	**343.317**	**486.828**	**378.022**	**108.806**
Actuarial (gains) / losses (Other comprehensive income)				
Pension benefits	20.754	71.060	206.857	(135.798)
Total	**20.754**	**71.060**	**206.857**	**(135.798)**

The amounts recognized in the balance sheet are determined as follows:

Amounts in euro	31/12/2021	31/12/2020 (*)	31/12/2020 Published	Differences
Present value of unfunded obligations	1.890.683	1.815.425	2.836.348	(1.020.923)
Liability in the Balance Sheet	**1.890.683**	**1.815.425**	**2.836.348**	**(1.020.923)**

The amounts recognized in Statement of Comprehensive Income are as follows:

Amounts in euro	1/1-31/12/2021	1/1-31/12/2020 (*)	1/1-31/12/2020 Publised	Differences
Current service cost	166.621	152.326	34.664	117.662
Interest cost	10.893	19.547	30.977	(11.430)
Losses from settlements	165.803	314.956	312.382	2.574
Total, included in staff costs (note 22)	**343.317**	**486.828**	**378.022**	**108.806**

The total charge is allocated as follows:

Amounts in euro	1/1-31/12/2021	1/1-31/12/2020 (*)	1/1-31/12/2020 Publised	Differences
Cost of goods sold	205.432	271.248	212.077	59.171
Selling and research costs	117.576	197.187	155.333	41.854
Administrative expenses	20.308	18.393	10.612	7.781
Total	**343.317**	**486.828**	**378.022**	**108.806**

The liability change recognized in the balance sheet is as follows:

Amounts in euro	31/12/2021	31/12/2020 (*)	1/1-31/12/2020 Publised	Differences
Balance at the beginning of the year	**1.815.425**	**1.699.718**	**2.693.648**	**(993.931)**
Total expense charged / (credited) in the income statement	343.317	486.828	378.022	108.806
Contributions paid	(288.813)	(442.181)	(442.181)	-
Total	**1.869.929**	**1.744.365**	**2.629.490**	**(885.125)**
Actuarial gains/ (losses) from changes in financial	1.702	54.166	178.477	(124.310)
Other Actuarial gains/ (losses)	19.052	16.893	28.381	(11.487)
Balance at the end of the year	**1.890.683**	**1.815.425**	**2.836.348**	**(1.020.923)**

The principal actuarial assumptions used are as follows:

	1/1-31/12/2021	1/1-31/12/2020
	%	%
Discount rate	0,60%	0,60%
Inflation rate	1,80%	1,50%
Future salary increases	2,00%	2,00%

The present value's sensitivity analysis for the changes in principal actuarial assumptions is as follows:

	Assumption Change		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	
Actuarial Assumption	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Discount rate	0,50%	0,50%	3% decrease	6% decrease	3% increase	6% increase
Future salary increases	0,50%	0,50%	2% increase	5% increase	2% decrease	5% decrease

The average expected maturity of the retirement benefit obligation (plan duration) is as follows:

	31/12/2021	31/12/2020 (*)
	years	years
Pension benefits	5,23	5,59

* Restated amounts due to change in accounting policy of IAS 19 "Employee Benefits" (see note 2.3)

17. Grants

Amounts in euro	31/12/2021	31/12/2020
Balance at 1 January 2019	**4.567.908**	**212.229**
Additions	410.140	4.636.620
Charged to the income statement	(1.354.201)	(280.941)
Utilised during the year	**3.623.848**	**4.567.908**
Current liabilities	2.757.538	1.457.045
Non- current liabilities	866.310	3.110.864
Total	**3.623.848**	**4.567.908**

Government Grants are related to Research and Development projects with European Commission as well as with the Hellenic General Secretariat for Research and Innovation.

18. Provision

Amounts in euro	Warranties	Other provisions	Total
Balance at 1 January 2020	**742.583**	**117.179**	**859.762**
Additional provision for the period	259.664	-	259.664
Unused amounts reversed	(71.944)	-	(71.944)
Balance at 31 December 2020	**930.303**	**117.179**	**1.047.482**
Additional provisions	288.490	-	288.490
Unused amounts reversed	(352.238)	-	(352.238)
Utilised during the year	(222.022)	-	(222.022)
Balance at 31 December 2021	**644.533**	**117.179**	**761.712**

Analysis of total Provisions:

Amounts in euro	31/12/2021	31/12/2020
Current liabilities	473.223	582.331
Non- current liabilities	288.490	465.151
Total	**761.712**	**1.047.482**

Provisions for repairs or materials replacement concerning projects under warranty period are included in warranties.

19. Trade and other payables

Amounts in euro	31/12/2021	31/12/2020
Trade payables	3.808.369	5.157.000
Amounts due to related parties (note 31)	371.068	498.827
Accrued expenses	142.892	52.342
Social security and other taxes	1.118.050	1.215.275
Advances from customers	38.828.051	31.597.402
Other payables	20.641	24.119
Total	**44.289.072**	**38.544.965**
Non-current liabilities	14.060	7.845.285
Current liabilities	44.275.012	30.699.680
Total	**44.289.072**	**38.544.965**

The increase in customer advances is due to the implementation of new projects undertaken by the company. The non-current liabilities related to advances from customers.

Trade and other payables are denominated in the following currencies:

Amounts in euro	31/12/2021	31/12/2020
Euro (EUR)	3.414.667	1.079.588
US Dollar (USD)	40.774.884	37.292.573
UK Pound (GBP)	99.519	172.804
Other	2	-
Total	**44.289.072**	**38.544.965**

The average credit payment term of the Company’s trade payables is 60 days.

20. Sales by category

Analysis of revenue by category is as follows:

Amounts in euro	1/1-31/12/2021	1/1-31/12/2020
Sales of products	56.080.317	52.589.876
Revenue from services	3.571.548	6.356.600
Total	**59.651.865**	**58.946.476**

21. Expenses by nature

Amounts in euro	Note	1/1-31/12/2021	1/1-31/12/2020 (*)
Employee benefit expense	22	(16.468.669)	(16.446.255)
Inventory cost recognised in cost of goods sold		(33.153.461)	(29.162.907)
Depreciation of property, plant and equipment	6	(1.280.691)	(1.133.122)
Depreciation of right-of-use assets	7	(151.690)	(131.148)
Depreciation of investment property	9	(35.110)	(35.037)
Amortisation of intangible assets	8	(277.591)	(168.041)
Impairment of Inventories		(1.146.019)	(783.485)
Reversal of Inventories write down		630.089	652.320
Subcontractors		(2.903.287)	(3.337.170)
Impairment for doubtful debts		(1.207.943)	(1.081.606)
Subcontractors' fees		(46.999)	(55.359)
Leases of low-value underlying assets		(2.074)	(9.825)
Transportation and travelling expenses		(1.014.665)	(739.246)
Telecommunication, lighting & heating		(923.102)	(764.297)
Third party fees		(1.212.230)	(1.526.983)
Hospitality Expenses, conferences, exhibitions, advertising, etc.		(668.375)	(300.049)
Taxes and duties		(130.443)	(442.075)
Other expenses		(446.699)	(904.614)
Total		**(60.438.960)**	**(56.368.900)**

Amounts in euro	1/1-31/12/2021	1/1-31/12/2020 (*)
Split by function:		
Cost of goods sold	(45.517.244)	(43.338.020)
Selling and research costs	(11.434.626)	(9.173.214)
Administrative expenses	(3.487.090)	(3.857.666)
Total	**(60.438.960)**	**(56.368.900)**

Amounts in euro	1/1-31/12/2021	1/1-31/12/2020 (*)
Split of depreciation and amortisation by function:		
Cost of goods sold	(732.908)	(742.850)
Selling and research costs	(806.729)	(556.043)
Administrative expenses	(205.445)	(168.456)
Total	**(1.745.082)**	**(1.467.349)**

* Restated amounts due to change in accounting policy of IAS 19 “Employee Benefits” (see note 2.3)

22. Employee benefits

Amounts in euro	1/1-31/12/2021	1/1-31/12/2020 (*)
Wages and salaries	(12.814.417)	(12.568.744)
Social security costs	(2.681.819)	(2.917.293)
Other employers' contributions and expenses	(629.116)	(473.390)
Pension costs - defined benefit plans (note 16)	(343.317)	(486.828)
Total	**(16.468.669)**	**(16.446.255)**

The average number of staff employed in the years 2021 and 2020 was 427 and 419 respectively, while at 31 December 2021 and 31 December 2020 the company employed 435 and 422 people respectively.

* Restated amounts due to change in accounting policy of IAS 19 “Employee Benefits” (see note 2.3)

23. Net impairment gains/ (losses)

Amounts in euro	1/1-31/12/2021	1/1-31/12/2020
-Impairment gains/ (losses) on trade receivables	(21.303)	(53.780)
-Reversal of previous impairment losses	53.780	15.750
Total	**32.477**	**(38.031)**

24. Other operating income

Amounts in euro	1/1-31/12/2021	1/1-31/12/2020
Income from grants	1.477.093	315.822
Rental income	104.279	107.419
Insurance Compensation	3.224	8.493
Other	15.143	25.391
Total	**1.599.739**	**457.125**

25. Other gain / (losses) – net

Amounts in euro	1/1-31/12/2021	1/1-31/12/2020
Net foreign exchange gains / (losses)	88.555	(266.579)
Gains/ (losses) from disposal of PPE	(339)	4.146
(Profit)/ Loss on disposal of right-of-use assets	(435)	538
Total	**87.780**	**(261.895)**

26. Finance costs – net

Amounts in euro	1/1-31/12/2021	1/1-31/12/2020
Finance expenses		
- Lease liabilities	(23.824)	(12.619)
- Letters of guarantee	(112.561)	(191.965)
- Other	(36.472)	(75.193)
- Net losses from realized exchange differences	-	(949.798)
- Net losses from exchange rate differences in cash valuation	-	(256.284)
Total	**(172.856)**	**(1.485.858)**
Finance income		
-Interest income	4.967	25.819
- Net profits from realized exchange differences	618.968	-
- Net profits from exchange rate differences in cash valuation	44.966	-
Total	**668.901**	**25.819**
Finance costs – net	**496.045**	**(1.460.039)**

Foreign exchange differences classified in financial income refer to foreign exchange differences arising from the cash and cash equivalents of the Company.

27. Income tax expense

Amounts in euro	1/1-31/12/2021	1/1-31/12/2020 (*)
Current tax	(443.025)	(417.519)
Deferred tax (Note 9)	(351.396)	49.745
Total	**(794.421)**	**(367.774)**

The tax on the profits before tax of the Company differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the Company as follows:

Amounts in euro	1/1-31/12/2021	1/1-31/12/2020 (*)
Profit before tax	**1.428.946**	**1.274.736**
Tax calculated at tax rates applicable to Greece (2021: 22%,2020: 24%)	(314.368)	(305.937)
Expenses not deductible for tax purposes	(14.189)	(35.264)
Differences from changes in tax rates	(386.681)	-
Provision Differences	17.259	-
Tax audit disputes	(96.442)	-
Other	-	(26.573)
Tax charge	**(794.421)**	**(367.774)**

* Restated amounts due to change in accounting policy of IAS 19 “Employee Benefits” (see note 2.3)

Unaudited tax years

The company has not been tax audited for fiscal years 2017-2020. During year 2021, the tax audit for the years 2015 and 2016 was completed while no tax differences arose.

Audit Tax Certificate

From the year ended 31 December 2011 onwards, in accordance with Law 4174/2013 (article 65A), as in force (and as defined by article 82 of Law 2238/1994), Greek limited companies (S.A) and limited liability companies (EPE) whose annual financial statements must mandatorily be audited by statutory auditors, were required until the years starting prior to 1st January 2016 to receive an "Annual Tax Certificate", issued after a relevant tax audit by the statutory auditor or audit firm auditing the annual financial statements. For the years starting from 1 January 2016 onwards, the "Annual Tax Certificate" is optional, but the Company has chosen to receive it.

The Compliance Reports for the years 2017 to 2020 were issued without reservation.

The tax audit by the company's auditors for the year 2021 is in progress and is expected to be completed after the publication of the Financial Statements; however any additional charges to arise after its completion are not expected to have a material effect on the Financial Statements

According to the Greek tax legislation and the corresponding Ministerial Decisions, companies for which a tax certificate is issued without any indications of breaches of tax legislation are not excluded from the imposition of additional taxes and fines by the Greek tax authorities after the completion of a relevant tax audit in the framework of the law restrictions (as a general principle, 5 years as of the end of the fiscal year in which the tax return should have been submitted). The Company's Management estimates that in the case of tax audit by the tax authorities no additional tax liabilities will arise that may have a material effect beyond those recorded and presented in the financial statements.

Change of tax rates

With the enactment of the Law 4799/2021, changes were made to the Income Tax Code (Law 4172/2013 – Tax Income Code) according to which the income tax rate of legal entities is reduced to 22% (from 24%) for the current fiscal year (2021) income and onwards.

28. Earnings / (Loss) per share

Basic earnings / (loss) per share

Basic earnings / (loss) per share is calculated by dividing the net profit / (loss) attributable to equity holders by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares held as treasury shares.

Amounts in euro	**1/1-31/12/2021**	**1/1-31/12/2020 (*)**
Profit/(Losses) attributable to the equity holders of the Company	634.525	906.962
Weighted average number of shares	23.103.305	23.103.305
Earnings /(Losses) per share (euro per share)	**0,0275**	**0,0393**

The number of shares of the company has not changed during the year. The Company does not hold any treasury shares.

Diluted earnings / (loss) per share

Diluted earnings / (loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares, such as stock options. For the share options a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

Diluted earnings per share of the Company do not differ from basic earnings per share.

* Restated amounts due to change in accounting policy of IAS 19 "Employee Benefits" (see note 2.3)

29. Cash generated by operations

Amounts in euro	Note	1/1-31/12/2021	1/1-31/12/2020 (*)
Profit for the year		**634.525**	**906.962**
Adjustments for:			
Tax	27	**794.421**	**367.774**
Depreciation of property, plant & equipment	6	1.280.691	1.133.122
Depreciation of investment property	9	35.110	35.037
Depreciation of right-of-use assets	7	151.690	131.148
Amortisation of intangible assets	8	277.591	168.041
(Profit)/ Loss on disposal of property, plant & equipment	25	339	(4.146)
(Profit)/ Loss on disposal of right-of-use assets	25	435	(538)
Interest income	26	(668.901)	(25.819)
Interest expense	26	172.856	1.485.858
Amortisation of government grants	17	(1.354.201)	(280.941)
Exchange gains / losses		20.644	(100.569)
Impairment charges on inventories	12	515.930	131.165
		1.861.132	**3.947.095**
Changes in working capital			
(Increase) / decrease in Inventories		(3.011.378)	(4.285.687)
(Increase) / decrease in trade and other receivables		(1.092.617)	(253.504)
Increase/ (decrease) in trade and other payables		5.924.917	14.114.810
Increase/ (decrease) in provisions		(285.770)	187.720
Increase/ (decrease) in retirement benefit obligations		54.504	44.648
		1.589.656	**9.807.986**
Cash generated from operations		**3.450.788**	**13.755.081**

* Restated amounts due to change in accounting policy of IAS 19 "Employee Benefits" (see note 2.3)

30. Contingent liabilities/receivables

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

Guarantees

Amounts in euro	31/12/2021	31/12/2020
Guarantees for advance payments	4.349.431	4.580.619
Guarantees for good performance	505.479	737.740
Guarantees for participation in contests	96.887	64.516
Total	**4.951.797**	**5.382.876**

Letters of guarantees include letters of guarantee issued to the Customs authorities concerning the import of materials under specific customs regimes. The amount of these guarantees is 3.633.000 at 31/12/2021 and 3.297.900 at 31/12/2020 respectively.

Outstanding legal cases

There are no legal or arbitration proceedings and decisions of judges or arbitrators which have or may have a material effect on the financial position or operations of the Company.

31. Related party transactions

The affiliated parties of the Company include:

(a) the parent company Intracom Holdings, the entities that are controlled, jointly controlled or significantly affected by it,

(b) affiliates and other related companies of the Intracom Holdings Group,

(c) the key members of the Company's Management, close relatives, and entities controlled or jointly controlled by such persons; and

(d) Persons or a close member of those person’s family (and entities controlled or jointly controlled by these persons) that control or jointly control or have a significant influence over the parent company Intracom Holdings.

The related parties Transactions for the current and prior period are as follows:

Amounts in euro	1/1-31/12/2021	1/1-31/12/2020
Sales of goods / services:		
To INTRACOM HOLDINGS group Subsidiaries	-	-
To other related parties	164.113	152.856
Total	**164.113**	**152.856**
Purchases of goods / services:		
From parent company INTRACOM HOLDINGS	199.786	247.658
From INTRACOM HOLDINGS group Subsidiaries	946.597	906.825
From other related parties	338.403	340.335
Total	**1.484.786**	**1.494.818**
Purchases and advaced paymets for purcahasing of fixed assets:		
From parent company INTRACOM HOLDINGS	3.456	-
From INTRACOM HOLDINGS group Subsidiaries	3.232.809	43.014
Total	**3.236.265**	**43.014**
Rental Income		
From other related parties	85.943	86.764
Total	**85.943**	**86.764**

Year-end balances arising from transactions with related parties are as follows:

Amounts in euro	31/12/2021	31/12/2020
Receivables from related parties		
From INTRACOM HOLDINGS group Subsidiaries	-	2.681
From other related parties	81.010	69.138
Total	**81.010**	**71.819**
Payables to related parties		
To parent company INTRACOM HOLDINGS	41.203	7.706
To INTRACOM HOLDINGS group Subsidiaries	50.165	211.421
To other related parties	279.700	279.700
Total	**371.068**	**498.827**

Services by and to related parties as well as sales and purchases of goods, take place on the basis of the price lists in force with non-related parties.

Key management compensation

Directors’ remuneration and key management compensation amounted to € 976.494 during the year 2021 in comparison to € 1.247.379 during the previous year.

32. Independent auditors’ fees

The contractual fees of the auditing company “Associate Certified Accountants SA” for the current and previous years are as follows:

Amounts in euro	1/1-31/12/2021	1/1-31/12/2020
Fees for the financial statements audit	30.000	30.000
Fees for the Annual Tax Certificate	30.000	30.000
Fees for the other audits	8.500	6.500
Total	**68.500**	**66.500**

33. Dividends

The company paid dividends amounted at € 500.000 during current year (2020: € 600.000). The Board of Directors will suggest to the Shareholders General Meeting not to distribute dividends from the current fiscal year 01.01.2021-31.12.2021 profit.

34. Events after the balance sheet date

Further to those already referred there are no significant subsequent to 31 December 2021 events, which should either be referred or that should differ the items of the published financial statements.