

PAPAPANAGIOTOU A.B.E.E.A. “DROMEAS”

Responding to the letter of the Hellenic Capital Market Commission with protocol number 2503 / 18.11.2020 to the listed companies in the organized market of the Athens Stock Exchange and in the context of additional information to the investing public due to the special conditions in the market due to the ongoing COVID 19, the Group and the company PAPAPANAGIOTOU SA "DROMEAS" notes the following regarding the formation of its fundamental financial figures during the third quarter of the current fiscal year 2020 and the prospects of its activity.

Specifically, the results of the Group and the company for the 9 months of 2020 are analyzed below in comparison with the corresponding period last year:

- a) The turnover of the Group amounted to € 16,116k, compared to € 10,801k in the corresponding period of 2019, presenting a percentage increase of 49.20% and the corporate one to € 15,973k, compared to € 10,667k, presenting a percentage increase of 49.74% .
- b) Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted at Group level to € 2,894k, compared to € 2,353k, increased by 23.04% and at corporate level to € 2,801k versus € 2,349k, showing an increase of 19, 23%.
- c) Earnings before interest and taxes (EBIT) amounted at Group level to € 1,896k, compared to € 1,262k, increased by 50.31% and at the corporate level to € 1,903k compared to € 1,376k, showing an increase of 38.25% .
- d) Earnings before taxes (EBT) amounted to € 1,323k for the Group, compared to € 240k increased by 451.24% and for the Company to € 1,343k compared to € 363k increased by 269.51%.

The total bank lending of the Group on 30/9/2020 amounted to 25,133k €, cash and cash equivalents to € 1,259k and equity amounted to € 27,521k. Respectively of the company the bank lending 24,782k €, the cash available at 1,096k € and the equity amounted to 28.175k €.

All of the above, as well as the changes in the borrowing position, the capital structure and the other measures of the financial position that took place during the third quarter of the year 2020 are shown in the tables below:

STATEMENTS OF RESULTS (in thousand Euros)	GROUP			
	1/1-30/9/20	1/1-30/9/19	1/7-30/9/20	1/7-30/9/19
Sales	16,116	10,801	6,214	2,901
Earnings before interest, taxes, depreciation and amortization (EBITDA)	2,894	2,353	1,457	899
Earnings before interest and taxes (EBIT)	1,896	1,262	1,131	530
Earnings before taxes (EBT)	1,323	240	1,029	127

STATEMENTS OF RESULTS (in thousand Euros)	COMPANY			
	1/1-30/9/20	1/1-30/9/19	1/7-30/9/20	1/7-30/9/19
Sales	15,973	10,667	6,179	2,869
Earnings before interest, taxes, depreciation and amortization (EBITDA)	2,801	2,349	1,376	849
Earnings before interest and taxes (EBIT)	1,903	1,376	1,089	524
Earnings before taxes (EBT)	1,343	363	991	124

FINANCIAL STATEMENT DATA (in thousand Euros)	GROUP		
	30-09-20	30-06-20	31-12-19
Long-term loan liabilities	16,902	17,182	17,978
Short-term loan liabilities	8,231	9,419	7,944
Total equity	27,521	26,899	26,492
Commercial Liabilities	2,333	4,036	2,770
Commercial Receivables	9,570	9,661	8,801
Cash and Cash Equivalent	1,259	1,961	1,635

FINANCIAL STATEMENT DATA (in thousand Euros)	COMPANY		
	30-09-20	30-06-20	31-12-19
Long-term loan liabilities	16,656	16,936	17,711
Short-term loan liabilities	8,126	9,314	7,839
Total equity	28,175	27,646	27,184
Commercial Liabilities	2,607	4,276	3,055
Commercial Receivables	10,181	10,265	9,381
Cash and Cash Equivalent	1,096	1,799	1,491

It has been reported in the Financial Reports that were published earlier in the year that the Group Management from the first moment that raised the issue of the pandemic treated it as a major problem and tried to estimate the dimensions it could take for the company and the Group. This effort continues uninterruptedly and the data are evaluated daily by the Group Management in order to be able to predict and react immediately to possible problems from the moment they become visible. In this context and observing the protocols of ensuring the Health of the Personnel but also of the other involved Customers and Suppliers in accordance with the guidelines and recommendations of the World Health Organization, the National Agency for Public Health and the General Secretariat, the company produces the positive results described above.

We are going through the second and strongest phase of the pandemic as it turns out so far and despite the positive announcements about the vaccines that will deal with it, there is still a long way to go to gradually return to pre-Covid-19 normalcy. Experts do not rule out a new, more severe third phase of the pandemic, the scale and effects of which are difficult to assess. As reflected in the data above, the fundamental financial figures of the company have not been affected, nor has its general financial situation been differentiated. The effort of the Management to shield, among other things, the liquidity of the company has given very satisfactory results through the business support programs by the State. The immediate reaction, the observance of the measures and in general the cautious attitude and foresight of the Management in dealing with the problem has brought it in an advantageous position and allows it to be optimistic despite the general negative messages of the market, having ensured a satisfactory level of unfinished projects and having properly trained its staff in the observance of the measures that ensure its smooth operation. The strong uncertainty created by the crisis due to the pandemic does not allow us to rule out the possibility that the company's performance will be negatively affected in the future.

The company is pleased to base most of its sales on contracts with major International Organizations. So far, as historically proven by the announced results of 6 months and 9 months described above despite the problem of the pandemic, the closure of retail stores and stores of its representatives in the country, its course is steadily upward and positive. The decrease in sales in the internal market is partially offset by the significant increase in sales through e-shop but mainly through increased exports. The positive course of the company's sales and results is expected to continue at least until the end of this year. Care is taken and there is strong optimism, always according to the data in force at the time of writing and to the extent that it is possible to predict that despite the expected intensity of the problem that will burden a significant part of the new year the company will continue to rise of course.

