

# LYKOMITROS SOCIETE ANONYME



## VOLOS, ANO SPARTIA, SESKLO

Register of Societe Anonyme No. 67378/32B/08/020  
GENERAL COMMERCIAL REGISTRY NO: 051180744000

## ANNUAL FINANCIAL REPORT

For the Financial Year

1 July 2020 to 30 June 2021

## INTERNATIONAL FINANCIAL REPORTING STANDARDS

(“IFRS”)

(Pursuant to Law 3556/2007)

The attached Company Financial Statements were approved by the Board of Directors of “LYKOMITROS SOCIETE ANONYME” on 10 December 2021 and have been published by being posted on the internet at [http:// www.lykomitros-steel.gr /](http://www.lykomitros-steel.gr/)

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## Statements of the Directors

The members of the Board of Directors of “LYKOMITROS SOCIETE ANONYME” (the "Company"):

|                                |   |
|--------------------------------|---|
| VASILEIOS CHRISTOS LYKOMITROS  | Chairman & CEO                          |
| CHRISTOS VASILEIOS LYKOMITROS  | Vice-Chairman of the Board of Directors |
| EVANGELOS VASILEIOS LYKOMITROS | Director                                |

we certify and declare, to the best of our knowledge, that:

- The Financial Statements of “LYKOMITROS SOCIETE ANONYME” for the financial year from 1 July 2020 to 30 June 2021, which were prepared in accordance with the applicable International Financial Reporting Standards, fairly present the assets and liabilities, the equity and the profit & loss account of the issuer.
- the report of the Board of Directors truly reflects the development, performance and position of the Company, including the description of the major risks and uncertainties it faces.

Volos, 10 December 2021

|   |   |  |
|---|---|--|
| The Chairperson of the Board &<br>Chief Executive Officer | The Vice-Chairman of the BoD                    | Member of the Board of Directors                 |
| VASILEIOS CH. LYKOMITROS ID<br>Card No. AM 841843         | CHRISTOS V. LYKOMITROS ID<br>Card No. AM 835751 | LYKOMITROS V. EVANGELOS<br>ID Card No. AB 430450 |

## ANNUAL REPORT OF THE BOARD OF DIRECTORS of the Company “LYKOMITROS SOCIETE ANONYME”

### 1. Financial report

During the financial year from 1 July 2020 to 30 June 2021, LYKOMITROS SOCIETE ANONYME showed an increase in activities in an environment of national economic crisis.

The main points pertaining to business activities in the financial year from 1 July 2020 to 30 June 2021 are as follows:

#### Sales

Total sales amounted to € 34,571,847. Turnover increased by 80.28% compared to last year (€ 19,177,245).

#### Cost of Sales

The cost of sales amounts to € 27,284,846, an increase of 65.53% compared to last year (€ 16,483,283).

#### Gross Profit Margin

The Gross Profit Margin amounts to € 7,287,001, a decrease of 170.49% compared to last year (€ 2,693,962).

#### Operating Expenses

The remaining operating expenses amounted to € 1,955,634, increased by 36.74% compared to last year (€ 1,430,203).

#### Results before Taxes and Financial Expenses (EBITDA)

The result before Taxes and Financial Expenses (EBITDA) consists in profits of € 5,354,237 compared to € 2,338,105 in the previous financial year.

#### Financial Results

Financial expenses show an increase compared to the previous year and amounted to € 204,196 in the closing year, compared to € 479,843 in the previous financial year. Financial income decreased and amounted to € 332 compared to € 173 last year.

### 2. Ratios

The ratios that express the Financial position of the Company evolved as follows:

| A. Financial Structure                | 30/6/2021 | 30/6/2020 | Explanation  |
|---------------------------------------|-----------|-----------|--|
| Current assets/Total assets           | 56.56%    | 39.11%    | The distribution of Assets between current and fixed                 |
| Fixed assets/Total assets             | 43.44%    | 60.89%    |  |
| Equity/Total liabilities              | 76.07%    | 120.04%   | Relationship of own funds to loan funds                              |
| Own funds/Non-current assets          | 99.46%    | 89.59%    | Ratio of level of financing of the entity's fixed assets from Equity |
| Current assets/Short-term liabilities | 1.58      | 1.57      | Liquidity ratio  |

| B. Performance and Efficiency | 01/07/2020-<br>30/06/2021 | 01/07/2019 -<br>30/06/2020 | Explanation |
|-------------------------------|---------------------------|----------------------------|-------------|
|-------------------------------|---------------------------|----------------------------|-------------|

|  |         |         |                              |
|--|---------|---------|------------------------------|
| Net results for the period before taxes/Total Turnover | 10.42%  | 5.61%   | Net profit margin before tax |
| Net results for the period before taxes/Equity         | 13.97%  | 4.93%   | Return on Equity             |
| Gross Results/Total Turnover                           | 21.08%  | 14.05%  | Gross Profit Margin          |
| Gross results/Cost of sales                            | -26.71% | -16.34% | Gross profit on sales costs  |
| Total Turnover/Equity                                  | 134.07% | 87.73%  | Recycling of equity          |

| <b>EBITDA – EBITDA Margin</b>                                  | <b>01/07/2020-<br/>30/06/2021</b> | <b>01/07/2019 -<br/>30/06/2020</b> |
|--|-----------------------------------|------------------------------------|
| Operating results before financial taxes,<br>investing results | 4,081,366                         | 1,355,085                          |
| Total depreciation   | 1,272,872                         | 983,020                            |
| <b>EBITDA (A)</b>  | <b>5,354,237</b>                  | <b>2,338,105</b>                   |
| <br>   |                                   |                                    |
| <b>Turnover (B)</b>  | <b>34,571,847</b>                 | <b>19,177,245</b>                  |
| <br>   |                                   |                                    |
| <b>EBITDA margin (A)/(B)</b>                                   | <b>15.49%</b>                     | <b>12.19%</b>                      |

### 3. Risk management

#### *Risks related to the Company*

The Company's risk management policies are applied to identify and analyse the risks faced by the company, and to set risk-taking limits and to apply controls thereon. Risk management policies and related systems are reviewed periodically to incorporate changes observed in market conditions and Company's activities.

The activities of the Company are subject to various risks and uncertainties that are basically related to the technical and time completion for project construction and achieving the projects' guaranteed characteristics.

The Company is not exposed to significant market risks (interest rates, market prices, etc.), credit risk and liquidity risk. This is achieved through cooperation with reliable and trustworthy customers, and low, short-term borrowing.

The Company, in its activities, is exposed to various financial risks:

#### ➤ **Credit Risk**

Credit risk refers to the Company's risk of incurring a loss in the event a customer or third party fails to fulfill his contractual obligations under a financial instrument agreement. It is preeminently related to receivables from customers.

The Company's exposure to credit risk is mainly affected by the specific characteristics of each customer. The Board of Directors has established a credit policy whereby each new customer is individually checked for creditworthiness before the usual payment terms are proposed. The creditworthiness check performed by the company includes examining banking sources. Credit limits are set on a customer by customer basis and are re-estimated according to current trends and, if necessary, the sales and collection terms are readjusted. When monitoring customer credit risk, customers are classified in accordance with their credit profile, the maturity of their liabilities and any prior collection problems encountered.

The company records a depreciation provision which represents its assessment of losses incurred in relation to customer liabilities, other receivables and investments in securities. This provision mainly consists of losses due to the devaluation of specific receivables that were deemed realizable in relation to specific conditions but which have not as yet been finalized.

The fact that the Company is not exposed to significant credit risk from commercial receivables is due, on the one hand, to the nature of the Company's activities and, on the other hand, to its policy which focuses on working with large and reliable customers with high creditworthiness in both domestic and international markets.

➤ **Liquidity risk**

Liquidity risk is the risk that the company may not be able to meet its financial obligations when they become due. The approach adopted by the company regarding liquidity management is to ensure, by maintaining minimum necessary cash reserves and sufficient credit limits from the banks with which it cooperates, that it will always have enough liquidity to fulfill its financial liabilities when those become due, under normal as well as exceptional circumstances, without incurring unacceptable losses or risking the Company's reputation.

Liquidity risk is also closely linked to the risk of good project execution and supply, due to the cash burden that may arise in the event of project failure under the terms of the contract.

Liquidity risk is kept low for the company, as it maintains sufficient cash and positive working capital. The Company manages its liquidity needs by carefully monitoring its obligations and its day-to-day payments.

➤ **Risk from changes in the level of interest rates**

Interest rate risk arises from changes in the rate markets. Interest rate fluctuations greatly affect the present value of expected flows from an investment or liability.

This risk arises from the possibility of an increase in short-term and long-term interest rates, given that the Company's total borrowing relates to floating rate loans.



The interest rate for the company's loan obligations is a floating rate. Exposure to interest rate risk relates to changes in floating interest rates. The Company does not use interest rate financial derivatives. The amount of the Company's bank lending keeps the above risk under control and prevents it from substantially affecting the activity and development of the Company.

The Management continuously monitors interest rate fluctuations and the company's financing needs and assesses, on a case-by-case basis, the duration of borrowings and the difference between fixed and floating interest rates.

The majority of available funds are sight deposits and therefore the Company is not significantly exposed to interest rate risk.

➤ **Foreign exchange risk**

The Company operates in Greece, as well as in European Union countries, the Balkans, and in Eastern European countries and therefore may be exposed to exchange rate risk that may arise from the exchange rate of the euro with other currencies and mainly with US dollars (USD). This type of risk can arise from foreign exchange trading, cash in foreign currency.

As far as the company's transactions with foreign companies are concerned, they are usually done with European groups where the settlement currency is the euro and therefore no such risk arises.

Therefore, the Company is not potentially exposed to risk due to possible fluctuations in the value of foreign currencies.

➤ **Market price risk**

The Company is exposed to changes in the value of raw materials and other materials supplied, due to uncertainty about their future prices. The risk of change in the value of raw materials and other materials is limited, as the contracts of large projects stipulated by the Company also set the prices of raw materials and other materials, respectively.

Due to the coronavirus, the production of industrial metals in 2020 showed a significant decline. The end of the year found producers trying to recover, as the increased demand of the last period put pressure on global production, starting a cycle of price increases which seems to have lasted.

For large orders that are closed with customers, the company makes sure to close a corresponding contract for the purchase of raw material. For other sales, the company makes sure to adjust the sales prices in a timely manner.

➤ **Other risks and uncertainties**

**Insurance Risk**

Insurance risk arises from the activities of the Company and is related to adverse events, such as accidents, damage, equipment damage and force majeure events. All the above are highly probable to cause delays or,

in a worst-case scenario, suspension of projects. Any such developments would complicate the financial position and results of the Company.

In order to deal with the aforementioned risks, the Company insures 100% of these risks by covering the total value of its projects and activities with all-risk insurance contracts, third party liability, employer liability, machinery, etc., stipulated with leading international insurance companies.

Existing insurance policies, however, may not always provide full coverage for potential damages that may result from unexpected events, such as natural disasters, wars or terrorist acts.

➤ **Capital risk management**

The Company's objectives in managing capital are to ensure the Company's ability to continue to be an entity in the future in order to be able to offer returns to shareholders and benefits to all.

➤ **Special reference to the impact of the COVID-19 coronavirus**

The COVID-19 pandemic has led to an unprecedented crisis in global health and the economy. The Company responded immediately at all levels through a special action plan which evolved according to the progress of the pandemic. Since the outbreak of the COVID-19 pandemic, the company's priorities have been, and remain, to ensure that employees and society are protected and safe and that the company's business operations can continue unhindered.

The Company has implemented a plan of measures and actions with the following main objectives: the safety and health of all employees, the utilization of the most modern information technology to limit movements and travel to a minimum, as well as modern, flexible ways of working depending on the individual or specific needs of groups of employees, so that the Company can immediately respond to the requirements of all organizational - functional units of the corporate structure.

In order to ensure the smooth operation of the Company, a special remote working program was implemented for a significant number of employees, as well as shift work for those who need to be at the Company's premises. Special care is given to the parents of underage children and to those who need increased attention and care. Extremely strict operating rules have been adopted and are being applied to constantly ensure the highest possible level of safety for all.

More specifically, the Management has taken measures to:

- supply the necessary sanitary material in good time and in sufficient quantities for all employees and to promptly take all necessary measures to protect staff from the transmission of the disease in accordance with the instructions of state agencies.
- suspend all employee travel in Greece and abroad.
- prepare and adapt the Company's systems and equip and train employees for remote work.
- strictly observe distances between workers in the workplace.

In addition, the Management has adopted measures to:

- strictly adhere to the daily and weekly cleaning schedule for production and administrative areas and equipment, in accordance with the Company's procedures and the quality standards applied.
- ensure that workers strictly observe all personal hygiene measures;
- implement an intensive program of daily disinfection of the production premises;
- apply a loading and landing protocol for all drivers employed by suppliers, distribution partners and customers.
- inform all customers of the protection measures in place.

The Company continues to closely monitor all factors under its control in order to maintain adequate levels of liquidity due to prolonged uncertainty, while supporting initiatives that ensure the long-term growth of its activities.

While the outlook for the global economy in 2021 remains uncertain and the vaccination process is underway, the Company's management remains optimistic due to its strong financial position and significant cash reserves.

#### 4. **Subsequent events**

From the date of closing of the financial year from 1 July 2020 to 30 June 2021, i.e. from 30/6/2021 to this day, no important events have occurred that significantly affect the company's financial standing.

#### 5. **Details on the development and performance of the activities**

##### **Brief description of the business model**

"LYKOMITROS SOCIETE ANONYME" is a Greek societe anonyme based in Ano Spartia, Sesklo, Volos.

"LYKOMITROS SA" was founded on 01/10/2008 (from the conversion of LYKOMITROS LTD L.2166/930) with legalization document no.18030-11-11-2008 Kerasia Kalogeropoulou-Kaltsogianni (Government Gazette 14105, 24/12/2008).

The objects of the company are: a) operation of a steel constructions and industrial buildings coatings industrial unit. b) Marketing of metals, both domestically and abroad, either previously converted or processed or not, as well as any work related to the foregoing.

Since 11-10-2018, the Company has had a branch in the 2nd Industrial Area of Volos.

##### **Objectives, main values and key strategies**

The goals of the Company are the understanding and satisfaction of the individual needs of each customer and the creation of constructive relationships. The Company always operates with a focus on and commitment to the principles and philosophy which lead to a successful result.

The Company implements very demanding projects:

Oil & gas: Drilling rigs and platforms (land, sea, desert)

Civil engineering works: buildings, airport facilities, sports facilities, shopping malls, hospitals, logistics centers, parking & special projects

Infrastructure: road bridges - railway bridges

Energy: power stations, oil & gas projects

Industry: handling of materials (conveyor belts), crane bridges

### **Administration principles and internal management systems**

The company's management provides direction, leadership, as well as a suitable environment for its operation, to ensure that all its employees are fully active in the achievement of its objectives.

## **6. Environmental issues**

The activity of the company, due to its nature, does not have an impact on the environment. Nevertheless, appropriate initiatives have been taken to recycle materials such as scrap metal, packaging materials, batteries, paper, etc. that are used on its premises.

The Company recognises its responsibilities and obligations towards the environment and people and develops procedures in order to continuously improve its environmental performance. To achieve this purpose, it applies recycling and energy-saving procedures to continuously reduce its environmental footprint.

## **7. Labour issues**

The Company implements a policy of diversification and equal opportunities, with respect for the rights of employees and their freedom of association. The Company also ensures that all necessary measures are taken and practices are adopted, in order to fully and absolutely comply with the applicable provisions of labour and insurance legislation.

The Management of LYKOMITROS STEEL SA has executive responsibility for the health and safety of workers and is fully committed to taking all necessary measures to improve conditions and enforce health and safety rules with a view to protecting the physical integrity and health of all employees, including subcontractors, suppliers, visitors and other third parties who enter the company's premises, as well as the construction sites where work is performed, as defined by the provisions and requirements of Greek and European legislation. The health and safety of employees is the primary concern of the Management of LYKOMITROS STEEL SA. In the context of the elaboration and implementation of its policy for Occupational Health and Safety (OSH), the Company has sufficient resources (in human resources and equipment), and assigns the relevant responsibilities to qualified personnel who have the required knowledge and know-how in all departments of the company.

The Management provides all the necessary means for training the staff in matters of health and safety, taking care of the division of duties and responsibilities within the company. It also offers incentives to all employees in order to minimise precarious actions and working conditions, so that each employee involved in the procedures and processes of the company contributes both individually and collectively to the improvement of the working environment.

The ultimate goal of LYKOMITROS STEEL SA is to implement each project under the best possible conditions

in terms of quality and time, without any work accidents or incidents that could harm the health of employees.

All staff, at every administrative level of the company, must comply with the policy and goals of LYKOMITROS STEEL in the field of health and safety of employee; together, by recognising the risks we face at an individual level in our workplace, we must contribute to the improvement in the operation of the OSH management system.

## 8. Research and development

The company has not developed any research activity.

## 9. Own shares

The Company does not hold own shares.

## 10. Buildings - building installations

The Company owns the following properties:

| Type of property    | Address   | Surface (m2) |
|---------------------|---|--------------|
| Plot                | Ano Spartia, Sesklo                                 | 37,197.45    |
| Industrial building | Ano Spartia, Sesklo                                 | 13,237.61    |
| Plot                | Agios Georgios Feron - 2nd Industrial Area of Volos | 68,244.00    |
| Industrial building | Agios Georgios Feron - 2nd Industrial Area of Volos | 26,556.15    |
| Plot                | Agios Georgios Feron, location Fanari               | 2,548.40     |
| Industrial building | Agios Georgios Feron, location Fanari               | 1,008.88     |

## 11. Branches

Since 11-10-2018, the company has been operating a branch in the 2nd Industrial Area of Volos.

## 12. Conclusions - outlook

For LYKOMITROS SOCIETE ANONYME the next financial year is expected to be a year of development and exploitation of new opportunities. The company will seek the timely performance of existing contracts and the undertaking of new projects in targeted markets.

Having already performed the new projects undertaken, we hope that the company will continue with higher profitability as it will perform a significant part of the new projects and will not be significantly affected by the country's economic crisis, since these projects are orders from abroad.

The excellent factory facilities we own, as well as our highly specialised scientific and technical staff, are the guarantees for the development and the future strength of the Company.

### Macroeconomic conditions in Greece

In 2020, the Company was primarily affected by the COVID-19 health crisis which disrupted economies globally and had a significant negative impact on many activities. In Greece, the temporary suspension of the activity of many businesses and the great recession in tourism led to a large fall in GDP, which is estimated to have reached -8.2% compared to 1.9% in 2019.

Following the lifting of the restrictions in May and June, domestic demand for goods and services showed a recovery.

The Company, with a sense of responsibility towards people, customers and the community, responded immediately to developments, taking the appropriate measures of information, prevention and protection to limit the spread of the COVID-19 pandemic.

The estimates for the evolution of the Greek economy in 2021 will be determined by the impact of the spread of the COVID-19 pandemic, the quantification of which is changing dynamically, as are the macroeconomic aggregates that may affect the course of the Company.

The management continuously assesses the potential impact of any changes in the macroeconomic and financial environment in Greece to ensure that all necessary actions and measures are taken to minimise any impact on the company's activities. The Management is not in a position to foresee future developments in the Greek economy with precision. However, its assessments lead it to conclude that no additional provisions are required to cover impairment of the Company's financial and non-financial assets as at 30 June 2021.

The company aims to maintain and strengthen its leading position in the domestic market as well as to expand its export activity to new countries.

The prospects for the fiscal year 2022 are an increase in domestic and foreign turnover as well as an increase in profitability. We believe that the objectives will be achieved, taking account of the apparent persistence of the current negative climate.

The Company also continues unhindered to implement its investment plan, which is expected to be completed by the end of the financial year 2021.

In the light of the COVID-19 pandemic, the future of which is yet uncertain and which is an unprecedented challenge for the world, the company has prepared preventive measures and a special action plan in order to ensure its business operates smoothly and that its employees and society as a whole remain safe. The management estimates that, after this disturbed period, the level of consumption will return to normal levels. Moreover, the Company's funding limits and strong cash reserves offer security and support so it can deal with any negative effects. The management maintains its confidence in the company's ability to meet the challenges and, its main priority being to ensure business continuity and the safety of the employees and the society, will consistently follow the strategic expansion plan of the company.

Volos, 10 December 2021

The Chairperson of the Board &  
Chief Executive Officer

CH. LYKOMITROS son of  
VASILEIOS ID card AM 841843

The Vice-Chairman of the BoD

CHRISTOS V. LYKOMITROS ID  
Card No. AM 835751

Member of the Board of  
Directors

EVANGELOS V. LYKOMITROS ID  
Card No. AB 430450



**LYKOMITROS SOCIETE ANONYME**

Annual Financial Report for the Year from 1st July 2020 to 30th June 2021

## **Independent Certified Auditor-Accountant's Report**

### **Independent Certified Auditor-Accountant's Report**

To the Shareholders of the Company "LYKOMITROS SOCIETE ANONYME"

#### **Audit Report on the Financial Statements**

##### **Opinion**

We have audited the attached Financial Statements of the company "LYKOMITROS SOCIETE ANONYME", which comprise the balance sheet as at 30 June 2021, the income statement and other total income statement, the statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting principles and methods and other explanatory notes.

In our opinion, the attached financial statements constitute an appropriate presentation, in all material aspects, of the financial position of the company "LYKOMITROS SOCIETE ANONYME" as at 30 June 2021, and of its financial performance and its cash flows for the year that ended on the above date, in accordance with the International Financial Reporting Standards as adopted by the European Union.

##### **Basis of opinion**

We have conducted our audit in accordance with the International Auditing Standards (IAS), as transposed into Greek legislation. Our responsibilities under those standards are further described in the section of our report entitled 'Auditor's responsibilities for the audit of the financial statements'. We are independent of the Company, during the whole period of our appointment, in accordance with the Code of Ethics for Professional Auditors established by the International Ethics Standards Board for Accountants, as transposed into Greek Legislation, as well as the ethical requirements related to the audit of financial statements in Greece, and we have fulfilled our ethical obligations in accordance with the requirements of the applicable legislation and the abovementioned Code of Ethics. We believe that the audit evidence we have obtained is sufficient and adequate as a basis for our audit opinion.

##### **Management's Responsibilities for the Financial Statements**

The management is responsible for the preparation and fair presentation of these Financial Statements, in accordance with International Financial Reporting Standards, as adopted by the European Union, and for those safeguards that the management thinks are necessary to enable preparation of Financial Statements free of material misstatements due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's ability to continue its activities, disclosing, where applicable, any issues related to the going concern and the use of the accounting basis of the going concern, unless the management either intends to liquidate the Company or to discontinue its activities or has no other realistic option than to take such actions.

##### **Auditor's responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report presenting our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit carried out in accordance with the IAS, as transposed into Greek legislation, will always identify a material misstatement, if any. Misstatements may result from fraud or error and are considered material when, individually or collectively, they could reasonably be expected to affect the financial decisions users make on the basis of these financial statements.

As a duty of the audit, according to the IAS as transposed into Greek legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. Moreover:



- We identify and assess the risks of material misstatements in the financial statements, whether due to fraud or error, by designing and performing audit procedures that respond to those risks and we 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 safeguards.
- We understand the related internal safeguards with a view to designing audit procedures appropriate to the circumstances, but not in order to express an opinion on the effectiveness of the Company's internal safeguards.
- We assess the appropriateness of the accounting principles and methods used and the reasonableness of accounting estimates and respective disclosures made by the Management.
- We make a decision on the appropriateness of the management's use of the going concern accounting principle and, based on the audit evidence obtained, on whether there is material uncertainty about events or circumstances that may indicate material uncertainty as to the ability of the Company to continue its activity. If we conclude that there is material uncertainty, we are required to draw attention to the relevant disclosures in the financial statements in the auditor's report or to indicate whether these disclosures are insufficient to differentiate our opinion. Our findings are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may result in the Company ceasing to operate as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements reflect the underlying transactions and events in a manner ensuring their reasonable presentation.

Among other matters, we report the planned scope and scheduling of the audit to the management, as well as significant audit findings, including any significant deficiencies in the internal safeguards that we identify in the course of our audit.

**Report on Other Legal and Regulatory Requirements**

Taking into account that the Management is responsible for drawing up the Management Report of the BoD, pursuant to paragraph 5 of Article 2 (Part B) of Law 4336/2015, it should be noted that:

- a) In our opinion the Board of Directors Management Report has been drawn up according to the current legal requirements of Article 150 of Law 4548/2018 and its contents correspond to the attached financial statements for the year ended on 30/6/2021.
- b) On the basis of the information obtained during our audit in relation to the Company “LYKOMITROS SOCIETE ANONYME” and the environment it operates in, we did not identify any material misstatements in the Directors’ Report.

**ORION CHARTERED AUDITORS ACCOUNTANTS SA**

Institute of Certified Public Accountants of Greece (SOEL) : 146

Vlachernon 10, 151 54, Maroussi

Maroussi, 20 December 2021

The Certified Auditor Accountant

Konstantinos I. Niforopoulos

Institute of Certified Public Accountants

of Greece (SOEL) Reg. No of the

Inspector 16541

## **ANNUAL FINANCIAL STATEMENTS**

for the financial year from 1 July 2020 to 30 June 2021

Prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union

## Statement of Comprehensive Income and Other Comprehensive Income for the year ended 30 June 2021

(amounts in euro)

|  | Note        | 01/07/2020-<br>30/06/2021 | 01/07/2019 -<br>30/06/2020 |
|--|-------------|---------------------------|----------------------------|
|  |             | Continuing<br>Operations  | Continuing<br>Operations   |
| <b>Turnover</b>  | <b>4.26</b> | <b>34,571,847</b>         | <b>19,177,245</b>          |
| Cost of goods sold   | <b>4.27</b> | (27,284,846)              | (16,483,283)               |
| <b>Gross profit</b>  |             | <b>7,287,001</b>          | <b>2,693,962</b>           |
| Other operating income   | <b>4.29</b> | 405,177                   | 196,197                    |
| Distribution expenses  | <b>4.27</b> | (102,745)                 | (97,920)                   |
| Administrative expenses  | <b>4.27</b> | (1,852,889)               | (1,332,283)                |
| Other operating expenses   | <b>4.29</b> | (1,655,179)               | (104,872)                  |
|  |             | <b>4,081,366</b>          | <b>1,355,085</b>           |
| <b>Profit/ (loss) before tax, financing &amp; investing results</b>                              |             |                           |                            |
| Financial income   | <b>4.30</b> | 332                       | 173                        |
| Financial expenses   | <b>4.30</b> | (479,843)                 | (278,481)                  |
| <b>Profit/(Loss) before taxes</b>  |             | <b>3,601,855</b>          | <b>1,076,776</b>           |
| Income tax   | <b>4.31</b> | (557,682)                 | (320,034)                  |
| <b>Net profit/(loss) for the period</b>  |             | <b>3,044,173</b>          | <b>756,742</b>             |
| <i>Profit/ (loss) after taxes per share - basic</i>  | <b>4.32</b> | <b>44.3757</b>            | <b>11.0312</b>             |
| <b>Weighted average number of shares, basic and diminished</b>                                   |             |                           |                            |
| <i>Weighted average of common shares</i>   |             | 68.600                    | 68.600                     |
| <b>Profit/(Loss) after taxes</b>   |             | <b>3,044,173</b>          | <b>756,742</b>             |
| <b>Other comprehensive income</b>  | -           |                           |                            |
| <b>Other total income not transferred to the results in subsequent periods:</b>                  |             |                           |                            |
| <i>Liability for staff benefits - actuarial gains/(losses)</i>                                   | <b>4.19</b> | (7,064)                   | (6,023)                    |
| <i>Corresponding income tax</i>  |             | 1 554                     | 1,446                      |
|  |             | <b>(5,510)</b>            | <b>(4,578)</b>             |
| <b>Other total income items that may be transferred to profit or loss in future periods</b>      |             |                           |                            |
| Effect from real estate revaluation  |             | 311,031                   |                            |
| <i>Deferred fair value reserve taxes (change in tax rate)</i>                                    |             |                           |                            |
| <b>Total comprehensive income in the period after taxes</b>                                      |             | <b>3,349,695</b>          | <b>752,164</b>             |
| <b>Results before taxes, financing &amp; investing results and depreciation and amortisation</b> |             | <b>5,354,237</b>          | <b>2,338,105</b>           |

The accompanying notes are an integral part of the Financial Statements.

## Statement of financial position (Balance Sheet) as at 30 June 2021

(amounts in euro)

|  | Note | 30/6/2021         | 30/6/2020         |
|--|------|-------------------|-------------------|
| <b>Assets</b>  |      |                   |                   |
| <b>Non-current assets</b>                                      |      |                   |                   |
| Tangible fixed assets  | 4.4  | 25,282,882        | 24,152,874        |
| Investment property  | 4.5  | 169,368           | 169,368           |
| Intangible assets  | 4.6  | 52,160            | 77,204            |
| Other non-current receivables                                  | 4.7  | 423,259           | 1,292             |
|  |      | <b>25,927,669</b> | <b>24,400,738</b> |
| <b>Current assets</b>  |      |                   |                   |
| Inventories  | 4.8  | 2,006,542         | 2,593,022         |
| Receivables from customers and other trade receivables         | 4.9  | 6,268,547         | 8,390,925         |
| Other receivables  | 4.12 | 296,178           | 640,188           |
| Other current Assets   | 4.10 | 14,897,279        | 3,193,316         |
| Investments held to maturity                                   | 4.11 | 402,405           | 220,020           |
| Cash and cash equivalents                                      | 4.13 | 9,884,907         | 633,892           |
|  |      | <b>33,755,858</b> | <b>15,671,363</b> |
| <b>Total Assets</b>  |      | <b>59,683,527</b> | <b>40,072,100</b> |
| <b>Equity and Liabilities</b>                                  |      |                   |                   |
| <b>Equity</b>  |      |                   |                   |
| Share capital  | 4.14 | 2,058,000         | 2,058,000         |
| Revaluation reserves   | 4.15 | 11,580,030        | 11,268,998        |
| Other reserves   | 4.16 | 6,887,388         | 6,102,575         |
| Results carried forward  |      | 5,261,319         | 2,431,025         |
| <b>Total Equity</b>  |      | <b>25,786,736</b> | <b>21,860,598</b> |
| <b>Long-term liabilities</b>                                   |      |                   |                   |
| Long-term borrowings   | 4.17 | 8,984,127         | 4,099,695         |
| Deferred tax liabilities                                       | 4.18 | 2,877,271         | 3,496,490         |
| Employee retirement compensation liabilities                   | 4.19 | 107,233           | 92,245            |
| Other long-term liabilities                                    | 4.20 | 240,767           | 304,147           |
| Grants   | 4.21 | 219,754           | 111,951           |
| Provisions   | 4.22 | 100,000           | 100,000           |
| <b>Total long-term liabilities</b>                             |      | <b>12,529,153</b> | <b>8,204,529</b>  |
| <b>Current liabilities</b>                                     |      |                   |                   |
| Trade and other payables                                       | 4.23 | 18,467,199        | 7,560,678         |
| Current tax liabilities  | 4.24 | 81,640            | 733,847           |
| Short-term borrowings  | 4.17 | 0                 | 10                |
| Long term loans payable in the next financial year             | 4.17 | 1,799,508         | 1,132,460         |
| Other long-term liabilities payable in the next financial year | 4.20 | 63,380            | 63,380            |
| Other current liabilities                                      | 4.25 | 955,910           | 516,599           |
| <b>Total Current Liabilities</b>                               |      | <b>21,367,637</b> | <b>10,006,974</b> |
| <b>Total Liabilities</b>                                       |      | <b>33,896,791</b> | <b>18,211,503</b> |
| <b>Total Equity and Liabilities</b>                            |      | <b>59,683,527</b> | <b>40,072,100</b> |

The accompanying notes are an integral part of the Financial Statements

## Statement of Changes in Equity for the year ended on 30 June 2021

(amounts in euro)

|  | Share capital    | Statutory Reserves | Fair value reserves | Special Reserve under Investment Law 4399/2016 | Tax-exempt reserve under Law 3299/2004 | Results carried forward | Total             |
|--|------------------|--------------------|---------------------|--|--|-------------------------|-------------------|
| <b>Balance as at 1 July 2020</b>                     | <b>2,058,000</b> | <b>309,378</b>     | <b>11,268,998</b>   | <b>2,500,000</b>                               | <b>3,293,197</b>                       | <b>2,431,025</b>        | <b>21,860,598</b> |
| Reserve formed                                       |                  | 196,608            |                     |  |  | (196,608)               | 0                 |
| Dividends  |                  |                    |                     |  |  |                         | 0                 |
| Tax-exempt reserve under Law 3299/2004               |                  |                    |                     |  | 11,761                                 | (11,761)                | 0                 |
| Changes in figures over the fiscal period            |                  |                    |                     |  | 576,443                                |                         | 576,443           |
| Total comprehensive income of the period after taxes |                  |                    |                     |  |  | 3,044,173               | 3,044,173         |
| Effect of tax rate change on fair value reserve      |                  |                    | 311,031             |  |  |                         | 311,031           |
| Other comprehensive income                           |                  |                    |                     |  |  | (5,510)                 | (5,510)           |
| <b>Equity Balance as at 30 June 2021</b>             | <b>2,058,000</b> | <b>505,986</b>     | <b>11,580,030</b>   | <b>2,500,000</b>                               | <b>3,881,402</b>                       | <b>5,261,319</b>        | <b>25,786,736</b> |

|  | Share capital    | Statutory Reserves | Fair value reserves | Special Reserve under Investment Law 4399/2016 | Untaxed reserves under Laws 3299/2004 4399/2016 | Results carried forward | Total             |
|--|------------------|--------------------|---------------------|--|---|-------------------------|-------------------|
| <b>Balance as at 1 July 2019</b>                     | <b>2,058,000</b> | <b>256,378</b>     | <b>10,080,144</b>   | <b>2,500,000</b>                               | <b>3,293,197</b>                                | <b>1,731,860</b>        | <b>19,919,580</b> |
| Reserve formed                                       |                  | 53,000             |                     |  |   | (53,000)                | 0                 |
| Dividends  |                  |                    |                     |  |   |                         | 0                 |
| Effect of real estate appraisal at fair value        |                  |                    | 1,188,854           |  |   |                         | 1,188,854         |
| Total comprehensive income of the period after taxes |                  |                    |                     |  |   | 756,742                 | 756,742           |
| Effect of tax rate change on fair value reserve      |                  |                    |                     |  |   |                         | 0                 |
| Other comprehensive income                           |                  |                    |                     |  |   | (4,578)                 | (4,578)           |
| <b>Equity Balance as at 30 June 2020</b>             | <b>2,058,000</b> | <b>309,378</b>     | <b>11,268,998</b>   | <b>2,500,000</b>                               | <b>3,293,197</b>                                | <b>2,431,025</b>        | <b>21,860,598</b> |

The accompanying notes are an integral part of the Financial Statements.

## Cash Flow Statement (Indirect Method) for the year ended 30 June 2021

(amounts in euro)

|   | 01/07/2020-<br>30/06/2021 | 01/07/2019 -<br>30/06/2020 |
|---|---------------------------|----------------------------|
| <b>Operating activities</b>   |                           |                            |
| Net profit/(loss) for the financial year before taxes from continuing operations                          | 3,601,855                 | 1,076,776                  |
| <i>Plus/less adjustments for:</i>   |                           |                            |
| Depreciation and amortisation   | 1,272,872                 | 983,020                    |
| Provisions  | 14,988                    | 15,562                     |
| Foreign exchange differences  | 0                         | 4,239                      |
| Results (income, expenses, profit and loss) from investing activities                                     | (196,116)                 | (1,694,203)                |
| Debit interest and related expenses   | 479,843                   | 278,481                    |
| <i>Plus/ less adjustments for changes in working capital accounts or related to operating activities:</i> |                           |                            |
| Decrease/(increase) in inventories  | 586,480                   | (1,518,683)                |
| Decrease/(increase) in receivables  | (11,288,324)              | (4,407,510)                |
| (Decrease)/ increase of liabilities (except banks)  | 11,951,875                | 5,202,917                  |
| <i>Less:</i>  |                           |                            |
| Debit interest and related expenses paid  | (479,843)                 | (278,481)                  |
| Taxes paid  | 456                       | 850,696                    |
| <b>Total inflows/(outflows) from operating activities (a)</b>   | <b>5,944,085</b>          | <b>512,813</b>             |
| <b>Investing activities</b>   |                           |                            |
| Acquisition of subsidiaries, affiliates, joint ventures and other investments                             |                           |                            |
| Purchase of tangible and intangible fixed assets  | (2,377,835)               | (1,754,696)                |
| Proceeds from the sale of tangible and intangible assets  | 0                         | 56,600                     |
| Purchase of investment property   | 0                         | (84,980)                   |
| Exchange differences received   |                           |                            |
| Interest received   | 332                       | 173                        |
| <b>Total inflows/(outflows) from investing activities (b)</b>   | <b>(2,377,503)</b>        | <b>(1,782,903)</b>         |
| <b>Financing activities</b>   |                           |                            |
| Proceeds from investment grants   | 132,963                   |                            |
| Proceeds from borrowings/loans received   | 6,987,449                 | 5,975,000                  |
| Loan repayment  | (1,435,978)               | (4,259,627)                |
| Payment of leases (amortisation)  | 0                         | (61,203)                   |
| <b>Total inflows/(outflows) from financing activities (c)</b>   | <b>5,684,433</b>          | <b>1,654,170</b>           |
| <b>Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)</b>                             | <b>9,251,015</b>          | <b>384,080</b>             |
| Cash and cash equivalents at year start   | 633,892                   | 249,812                    |
| <b>Cash and cash equivalents at year end</b>  | <b>9,884,907</b>          | <b>633,892</b>             |

The accompanying notes are an integral part of the Financial Statements

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2021**

### **1. Company formation and activities**

“LYKOMITROS SA” was founded on 01/10/2008 (from the conversion of LYKOMITROS LTD L.2166/930) with legalization document no.18030-11-11-2008 Kerasia Kalogeropoulou-Kaltsogianni (Government Gazette 14105, 24/12/2008). The registered office of the Company is the Municipality of Volos, Municipal Unit of Aisonia, Local Community of Sesklo in the specific location “ANO SPARTIA” and the company is registered in the Register of Societes Anonymes with number 67378/32/B/08/020 and in the General Commercial Registry with number 051180744000

#### **Nature of activities**

The **Company** is active in the Metallurgical Enterprises Sector and specifically in the Sector of Industrial Production, Processing and Processing of Ferrous Metals.

The objects of the Company are:

- a) operation of a steel construction and industrial building coatings industrial unit;
- b) marketing of metals, both domestically and abroad, either previously converted or processed or not, as well as any work related to the foregoing.

The Company implements very demanding projects:

Oil & gas: Drilling rigs and platforms (land, sea, desert)

Civil engineering works: buildings, airport facilities, sports facilities, shopping malls, hospitals, logistics centers, parking & special projects

Infrastructure: road bridges - railway bridges

Energy: power stations, oil & gas projects

Industry: handling of materials (conveyor belts), crane bridges

#### **Information on members of the management**

The company’s Board of Directors consists of the following members:

VASILEIOS CHRISTOS LYKOMITROS - Chairman and CEO from 10/03/2020 to 31/12/2021

LYKOMITROS CHRISTOS VASILEIOS - Vice-Chairman from 10/03/2020 to 31/12/2021

EVANGELOS VASILEIOS LYKOMITROS - Director from 10/03/2020 to 31/12/2021

EMMANOUIL GEORGIOS VLACHOS - Director from 10/03/2020 to 31/12/2021

ANTIGONI EVANGELOS MARGARITI - Director from 10/03/2020 to 31/12/2021

KLAVARIOTIS KYRIAKOS NIKOLAOS - Director from 10/03/2020 to 31/12/2021

The number of employees of the Company on 30 June 2021 amounted to 125 people with an employment contract (30 June 2020: 117 people with an employment contract).

These Financial Statements (the "Financial Statements") are subject to approval by the Annual General Meeting of the Company which is expected to meet in December 2021.



The Financial Statements have been published by being posted on the internet, at the address of the Company "[http:// www.lykomitros-steel.gr /](http://www.lykomitros-steel.gr/)"

## **2. Basis of presentation of the financial statements**

### **2. 1 Basis of drafting of the Financial Statements**

The financial statements of LYKOMITROS SOCIETE ANONYME as at 30 June 2021, which cover the period from 1 July 2020 until 30 June 2021 included have been drawn based on the acquisition value principle, as amended by the adjustment of specific assets and liabilities to reasonable current value and the going concern principle and comply with the International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and endorsed by the European Union (EU), and the interpretations thereof, and specifically in accordance with IFRS 1 “First-time application of the IFRS”

Starting from the current financial year, the Company is applying the IAS/IFRS for the second time, with all the interpretations and any revisions or changes thereto, in accordance with the decision of the Extraordinary General Meeting of the Shareholders on 22/5/2020, and they are applicable to the financial statements from 01/07/2020.

The preparation of financial statements in line with the IFRS requires the use of critical significant accounting estimates. Also, the Management’s judgment is required in the application of the accounting principles adopted. Segments that require a higher degree of judgment or are extremely complex or segments in which assumptions and estimates are significant for the accounting estimates.

During the process of applying the Company’s accounting policies, judgments, in addition to those that include estimates, are carried out by the Management and affect the amounts recognised in the Financial Statements. The most important judgments relate to the recoverability of accounts receivable

Every year, the Management examines the recoverability of the funds included in the accounts receivable, in combination with external information (customer credit rating databases, legal advisors) in order to decide on the recoverability of the funds included in the accounts receivable.

Specific amounts included in or affecting the Financial Statements and related disclosures should be estimated, requiring Management to use assumptions about values or conditions that may not be known with certainty at the time of preparation of the Financial Statements. A “critical accounting estimate” is one that combines importance in the presentation of the financial situation of the company and its results and requires from the Company Management more difficult, subjective or complex judgments, while there is often a need for estimates regarding the impact of events which are considered to be inherently uncertain. The Company evaluates such judgments on an ongoing basis, based on historical data and experience, expert advice, trends and methods that are considered reasonable in relation to the circumstances, as well as forecasts regarding how they may change in the future.

### **2.2 Financial Statements based on the Greek Accounting Standards**

The Company keeps its books and prepares financial statements for tax purposes based on the provisions of Law 4308/2014 Greek Accounting Standards (G.A.S.), Law 4548/2018 “Reform of the law of public limited companies” and the tax legislation. The attached financial statements have been based on the financial statements in accordance with the Greek Standards appropriately adjusted to certain off-the-shelf entries for IFRS compliance.

### **2.3 Approval of the Financial Statements**

The Board of Directors of “LYKOMITROS SOCIETE ANONYME” approved the corporate financial statements for the financial year ended 30 June 2021 on 10 December 2021. These financial statements are subject to final approval by the annual General Meeting of the Shareholders.

### **2.4 Implementation of assessments and judgments**

The Company makes estimates, assumptions and judgments either to choose the most appropriate accounting principles or in relation to the future development of events and transactions. These estimates, assumptions and judgments are periodically reviewed so that they may reflect actual facts and will reflect the risks prevailing at the time; they are based on the previous experience of the management in relation to the size of related transactions or events. The key estimates and judgments related to facts the evolution of which could affect the financial statements’ items during the following 12 months are as follows:

- (a) Provisions for doubtful receivables:** The Company’s management makes periodic reassessments of the adequacy of the provision for doubtful receivables in relation to its credit policy and taking into account information from the Company’s Legal Department, based on the processing of historic data and recent developments associated with cases handled by the Department.
- (b) Provision for income tax:** The income tax provision in accordance with IFRS 12 is calculated by estimate of the taxes to be paid to tax authorities and includes the current income tax for every use and provision for additional taxes that may result from future tax audits and the recognition of future tax assets. The final settlement of income taxes may diverge from the relevant amounts recorded in the financial statements.
- (c) Depreciation rates:** The Company’s fixed assets are depreciated based on their residual useful life. These residual useful lives are re-estimated periodically, to establish whether they are correct. The useful lives of property, plant and equipment may change by such factors as technological innovations and maintenance programs.
- (d) Impairment of property, plant and equipment:** Fixed assets are audited for impairment purposes when events or changed circumstances indicate that their book value may not be recoverable. In calculating the value in use, the Management estimates the future cash flows from the asset or the cash flow unit concerned, to choose a correct discount rate and calculate the present value of future cash flows.
- (e) Provision for staff retirement indemnities:** The cost of staff indemnities is determined on the basis of actuarial estimates. Actuarial estimates require management to make assumptions about future salary increases, discount rates, mortality rates, etc. The management gives the best possible estimate of the aforementioned parameters at each reporting date where the relevant forecast is reviewed.

**(f) Provision for slow-moving and obsolete inventories:** Inventories are regularly examined in terms of their traffic speed and forecasts are received for depreciated, immovable and slowly moving inventories, depending on their category, their technological depreciation and in accordance with the assumptions of the Management for their liquid value at the reporting date.

### **3. Basic accounting principles**

#### **3.1 Foreign currency transactions**

The Company's accounting books are in Euros. Transactions made in foreign currencies are converted to euro using the official exchange rates prevailing at the date of the transactions. On the balance sheet date, monetary receivables and payables in foreign currency are converted to Euro using the exchange rates prevailing on that date. Foreign exchange gains or losses are recognised in the Statement of Comprehensive Income.

Non-monetary assets expressed in a foreign currency and measured at acquisition cost are converted using the exchange rates as at the date of acquisition and, therefore, do not lead to foreign exchange differences. Non-monetary items expressed in a foreign currency and measured at fair value are converted using the exchange rate of the date the fair value is determined. In that case, the resulting foreign exchange differences are part of the profit or loss from the fair value change and are recorded in profit and loss or directly in equity, depending on the type of the monetary asset.

#### **3.2 Operating segments to be presented**

The operating segment to be presented is a part of the Company that participates in the business activities and generates income and expenses, including income and expenses associated with transactions with other divisions of the Company. The results of all segments are examined by the head of business decision making, i.e. the Board of Directors, which is responsible for measuring the business performance of the operating segments.

#### **3.3 Property, Plant and Equipment**

Land, buildings and mechanical equipment were valued at the date of transition to the IFRS (01/07/2018) at their adjusted value, which is the fair value at the date of adjustment less subsequent accumulated depreciation and impairment, which was determined by means of a study performed by an independent house of appraisers.

The resulting difference was transferred to equity in the "Adjustment Differences" account.

Adjustments are made at regular intervals so that the carrying amounts do not differ materially from those that would be determined using the fair value at the end of each reporting period. Any goodwill arising on revaluations of these properties is recognised in the statement of comprehensive income and transferred directly to equity in the revaluation reserve, except for the amount reversing a previous impairment loss for the same asset which was previously recognised in the profit and loss account. The decrease in fair value arising from the revaluation of land, buildings and production equipment is recognised in the income statement, except for the amount that reverses previous goodwill on the same asset which was recognised in the revaluation reserve.

Expenses that take place at a later period and are due to property renovation are only recorded as an increment to the book value of tangible assets if it is deemed that the enterprise will have future financial benefits and that their cost may be credibly valued. Repairs and maintenance works are recorded in the profit or loss statement, as and when they happen.

Other equipment and means of transport are valued at cost less accumulated depreciation and any provision for impairment.

Expenses that take place in a later period are only recorded as an increment to the book value of the tangible assets in question if there is a high possibility that the Company will receive future financial benefits and that their cost can be credibly valued. Repairs and maintenance costs are borne by the results of the year in which they are made.

Plots of land are not depreciated but are, however, tested for impairment.

Depreciation of other tangible assets is systematically calculated using the straight-line depreciation method over the estimated useful life of the tangible assets. The estimated useful life has been defined as follows:

|                               |               |             |
|-------------------------------|---------------|-------------|
| Buildings & Leased Properties |               | 60 years    |
| Machinery and installations   | 17 - 25 years |             |
| Cars – Vehicles               |               | 6 - 8 years |
| Furniture and other equipment | 5 - 10 years  |             |

The residual values and useful lives of tangible fixed assets are reassessed at each balance sheet date.

When the tangible assets are sold, differences between the price received and the book value are posted as profits or losses in the income statement. Any reserve in equity at the time of sale is transferred to profits carried forward.

### **3.4 Intangible Assets Software**

Software is valued at cost less accumulated depreciation and any impairment of its value. Depreciation is estimated using the straight line method for the useful life of the software, which is estimated at 5 years. Costs associated with developing or maintaining computer software programmes are recognised as an expense in the Income Statement as incurred.

### **3.5 Impairment of assets**

The book values of the Company’s assets are tested for impairment when there are indications that their book value is not recoverable. In this case, the recoverable amount of the assets is determined and if the book values exceed the estimated recoverable amount, an impairment loss is recognised, which is recorded directly in the profit and loss account. The recoverable value of the assets is the higher between the fair value, less any required selling costs, and their value in use. To calculate value in use, estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not produce significant independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

After the impairment loss of an asset is recognised, at each balance sheet date it is examined to ascertain whether the conditions that led to its recognition continue to exist. In this case, the recoverable amount of

the asset is redefined and the impairment loss is reversed by restoring the carrying amount of the asset to its recoverable amount to the extent that it does not exceed the carrying amount of the asset (net of depreciation) that would have been determined if the impairment loss had not been recorded.

### **3.6 Investments in financial assets**

Investments in financial assets are initially recognised at their fair value, which coincides with their acquisition cost. After the initial registration, the Company's investments which consist of securities, are defined as items that are valued at their fair value and the changes resulting from the valuation are recorded in the results in the line "Other operating income" or "Other operating expenses" depending on the case. For investments that are traded in an active market, the fair value is determined by reference to the market quotation rates at the balance sheet date. In the securities category, the Company registers investments made for the purpose of speculation.

### **3.7 Inventories**

Inventories are evaluated at the lower value per kind, between acquisition cost and net realisable value. The acquisition value is determined using the Average Price method, and includes the cost of purchase or conversion and other costs. The net realisable value is estimated based on the stock's current sales price, within the framework of ordinary business activities, less any possible selling expenses, wherever such a case concurs. Deletions are recognised in the results of the year in which they arise.

### **3.8 Accounts receivable - Provisions for doubtful receivables**

Accounts receivable are initially recognised at fair value and are tested annually for impairment. Impairment losses (losses from doubtful debt) are recorded when there are objective indications that the Company is not in a position to collect the amounts due based on contractual terms. The resultant provision is recorded in the results. Receivables deleted from accounts receivable are realized through the provision for doubtful customers. Receivables which are assessed as bad debts are written off.

### **3.9 Cash and cash equivalents**

Cash and cash equivalents include the cash balance and demand deposits.

### **3.10 Share capital**

The share capital represents the value of the Company's shares that have been issued and are in circulation. The price paid in excess of the nominal value per share is recorded in the share premium account, in Equity. Any indirect costs incurred in relation to the issuance of new shares are recorded in equity, deducted from the proceeds of the issue.

### **3.11 Income tax and deferred taxes**

The income tax for the financial year includes current and deferred taxes. Deferred income tax is recognised in the profit and loss account unless it relates to items that are recognised directly in equity, in which case it

is recognised in equity.

Current income tax is the expected tax payable on the taxable income for the year, based on the tax rates established at the balance sheet date as well as any adjustment to the tax for previous financial years.

Deferred income tax is determined using the balance sheet method that results from temporary differences between the carrying amount and the tax base of the assets and liabilities. Deferred income tax is not taken into account if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, which at the time of the transaction did not affect accounting or taxable profit or loss.

Deferred income tax is determined based on the tax rates that are expected to be effective during the period in which the asset will be liquidated or the liability settled, as determined by the laws in force at the balance sheet date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available for which the deferred tax asset arises. Deferred tax liabilities are reduced when the relevant tax benefit is realised.

Additional income taxes resulting from the distribution of dividends are recorded at the same time as the obligation to pay the relevant dividend.

### **3.12 Employee benefits**

#### **3.12.1 Short-term benefits**

Short-term benefits to staff in money or in kind are recorded as an expense when they are accrued. An obligation is recognised for the amount that is expected to be paid as a bonus to the company's staff and managers if there is a legal or contractual obligation to pay this amount as a result of the employee's services and if this obligation can be measured reliably.

#### **3.12.2 Defined benefit plans**

The liability recognised in the financial statements for the benefit plans is the present value of the accrued benefits, taking into account adjustments for any actuarial results (gains or losses) and costs for services of previous years.

The amount of the liability is determined annually on the basis of an actuarial study prepared by an independent actuarial company, using the projected unit credit method.

Its present value is determined by discounting the estimated future cash flows at the interest rate applicable to a government bond with a high credit rating, issued in the same currency as that in which the defined benefit is paid and having a residual maturity that is consistent with the maturity of the liability.

Previous employment costs are recognised on a fixed basis upon the mean period until the benefits of the plan are established. Actuarial gains and losses are now recognised in Other Comprehensive Income and are permanently excluded from the Income Statement.

#### **3.12.3 Defined contribution plans**

Defined contribution plans are plans for the period after the end of the relationship with the employee, during which the Company pays a specific amount to a third-party legal entity without any further obligation.

### **3.12.3.1 State insurance schemes**

The Company personnel are mainly covered by the main State Social Security Organisation of the private sector (IKA), which grants pensions and healthcare benefits. Each employee is required to contribute part of his/her monthly salary to the organisation, whereas the rest of the contribution is covered by the Company. Upon retirement, the organisation is required to pay retirement benefits to employees. Consequently, the Company has no legal or presumed obligation for the payment of future benefits on the basis of this plan. The accrued cost of the contributions is recorded as an expense in the financial year in question. This plan is considered and accounted for as a defined contribution plan.

### **3.13 Borrowings**

Loans are posted initially at fair value less any direct costs for entering into the transaction. The fair values of the loans are equal to their book values as all loans have fluctuating interest rates. The book values of the Company's loans relate to loans in Euro.

### **3.14 Provisions for risks and expenses**

Provisions are recognised when the Company has legal or presumed liabilities as a result of prior events from which there is likely to be an outflow of resources to settle them. The provisions are reviewed on the date of every financial statement and are adjusted so as to reflect the present value of the expense that is expected to be incurred for the settlement of the liability. Contingent assets and contingent debts are not recognised but they are disclosed. Contingent receivables are not recognised in the financial statements but are disclosed when the probable inflow of economic benefit is significant. Provisions for future losses are not recognised.

### **3.15 Revenue and expense recognition Revenue**

Revenue includes the fair value of sales of goods and provision of services, free from Value Added Tax, discounts and returns. Revenue is recognised as follows:

#### **(a) Sales of goods**

Sales of goods are recognised when the significant risks and rewards of ownership have been transferred to the purchaser, the collection of the price is reasonably guaranteed, the related costs and possible returns of goods can be estimated reliably and there is no ongoing involvement in the management of the goods. In the case of a money back guarantee for the sale of goods, refunds are counted at each balance sheet date as a reduction in revenue.

#### **(b) Revenue from provision of services**

Revenue from the provision of services is accounted for in the period during which the services are rendered, based on the stage of completion of the service in relation to the total services provided.

#### **(c) Interest revenue**

Interest revenue is recognised when interest becomes accrued.

#### **(d) Income from royalties**

Income from royalties is booked based on accrued revenue arising from the substantive terms of the relevant



contracts.

**(e) Dividends**

Dividends are accounted for as income, when the right to collect them has been finalized, meaning when they have been approved by the General Assembly which is the competent authority to approve their distribution by law.

**(f) Costs**

Expenses are recognised on an accrual basis.

**3.16 Leases****The Company as lessee**

Rights of use

IFRS 16 “Leases” applicable for the period beginning on 1 January 2019 replaces IAS 17 and related interpretations and significantly alters the lessee’s reporting of leases. The Standard eliminates the distinction between operating leases and finance leases and requires companies to recognise all relevant leases in accordance with a single model, except in the cases listed below.

Under IFRS 16, a contract is or contains a lease if it carries the right to control the use of a recognised asset for a period of time for a consideration. For such contracts, the new model requires the lessee to recognise a right to use assets and an obligation to lease. The right to use the asset is depreciated and the obligation creates interest.

The Company uses the following exceptions in the application of IFRS 16:

- leases with a lease term of 12 months or less, with no purchase options, and
- leases where the underlying asset has a low value, up to approximately € 4.5. The value of a new asset is always taken into account when estimating the value of the asset.

In addition, the Company does not apply IFRS 16 for leases of intangible assets.

Lease liabilities

At the date of initial application of IFRS 16 (1 January 2019), the lessee values a finance lease liability at the present value of leases not paid on that date. Lease payments are discounted using the relevant borrowing rate of the Company.

**The Company as lessor**

When fixed assets are rented through finance leases, the current value of the lease payments is recorded as a receivable. The difference between the gross amount of the receivable and the current value of the receivable is recorded as deferred financial income. The income from the lease is recorded in the results of the financial year of the leasing applying the method of net investment, which represents a fixed periodical return.

Leasing agreements where the Company does not materially transfer all risks and rewards of ownership of an asset are classified as operating leases. Initial direct costs borne by the lessors during negotiation and agreement of an operating lease are added to the book value of the leased asset and recognised throughout the lease period as lease income.



### **3.17 Key and impairment earnings/ (losses) per share**

Basic profits/(losses) per share are calculated by dividing the profits/(losses) distributed to the Company's shareholders by the weighted average number of shares outstanding during the year. Impaired profits/(losses) per share are for the Company the same as the basic ones because there are no effects of potential securities convertible into common shares or stock option options.

### **3.18 Offsetting of receivables - liabilities**

The offsetting of receivables and the presentation of the net amount in the Financial Statements is carried out only if there is a legal right to offset and there is an intention to settle the net amount resulting from the offset or for simultaneous settlement.

### **3.19 Rounding**

Any differences at unit level are due to rounding.

### **3.20 Changes in accounting principles and disclosures**

#### **Standards and Interpretations effective for periods beginning on the current financial year**

##### **Conceptual Framework in IFRS standards**

The IASB issued the revised Conceptual Framework for Financial Reporting on 29 March 2018. The Conceptual Framework sets out a comprehensive set of concepts for financial reporting. These concepts contribute to standard setting, guidance for preparers in developing consistent accounting policies and assistance to others in their efforts to understand and interpret the standards. IASB also issued a separate accompanying document, Amendments to References to the Conceptual Framework in IFRS Standards, which sets out the amendments to affected standards in order to update references to the revised Conceptual Framework. Its objective is to support transition to the revised Conceptual Framework for companies that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction. For those responsible for developing accounting policies under the conceptual framework, it applies to annual periods beginning on or after 1 January 2020.

##### **IFRS 3: Business Combinations and Goodwill (Amendments)**

The IASB has issued amendments concerning the definition of an entity (amendments to IFRS 3) in order to resolve the difficulties that arise when an entity is determining whether it has acquired a business or group of assets. The amendments apply to business combinations for which the acquisition date is specified in the first annual accounting period beginning on or after 1 January 2020 and for acquisition of assets occurring on or after the beginning of that period, whilst earlier application is permitted. The Company's Management considered that this amendment has no effect on the Company's financial statements.

##### **IAS 1 "Presentation of Financial Statements" and IAS 8 "Accounting Policies, changes in Accounting Estimates and Errors: Definition of Material" (Amendments)**

The Amendments are effective for annual periods beginning on or after 1 January 2020 with earlier application permitted. The Amendments clarify the definition of material and how it should be applied. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the

basis of those financial statements, which provide financial information about a specific reporting entity'. In addition, the explanations accompanying the definition have been improved. The Amendments also ensure that the definition of material is consistent across all IFRS Standards. The Company's Management considered that this amendment has no effect on the Company's financial statements.

#### **Interest Rate Benchmark Reform – IFRS 9, IAS 39, IFRS 7 (Amendments)**

In September 2019, the International Accounting Standards Board (IASB) issued an amendment to IFRS 9, IAS 39 and IFRS 7, whereby the first phase of its work concerning the effects of interbank lending interest rate reform to financial reporting. The amendments address issues arising for financial reporting during periods preceding the replacement of an existing interest rate benchmark with an alternative benchmark rate, and address the effects to specific hedging requirements of IFRS 9 "Financial Instruments" and IAS 39 "Financial Instruments: Recognition and measurement". The amendments provide temporary facilities applicable to existing hedging relationships affected by the interest rate benchmark reform, permitting the hedging to continue during the period of uncertainty prior to the replacement of an interest rate benchmark with an alternative benchmark rate with almost zero risk. The amendments also introduce into IFRS 7 "Financial Instruments: Disclosures" additional disclosures concerning the uncertainty arising out of the interest rate benchmark reform. The amendments are effective retroactively for annual periods beginning on or after 1 January 2020. The second phase (draft standard) focuses on issues which affect the financial reporting when an existing reference rate is replaced by a zero-risk interest rate. The Company's Management considered that this amendment has no effect on the Company's financial statements.

#### **Standards that have been issued but do not apply to the current accounting period and which the Company has not adopted early.**

#### **IFRS 10 Consolidated Financial Statements, and IAS 28 Investments in Associates & Joint Ventures - Amendment: Sale or contribution of assets between an investor and its associate or joint venture**

The amendments face a recognised inconsistency between the requirements of IFRS 10 and those of IAS 28 in treating the sale or contribution of assets between the investor and its associate or joint venture. The main consequence of the amendments is that a complete profit or loss is recognised when the transaction includes an undertaking (whether it is housed in a subsidiary or not). A partial profit or loss is recognised when the transaction includes assets that do not form an undertaking, even if such assets are housed in a subsidiary. In December 2015 the IASB suspended indefinitely the date of implementation of such amendment, anticipating the result of its work for the equity method. The amendments have not yet been endorsed by the EU. The Company's Management considered that this amendment has no effect on the Company's financial statements.

#### **IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)**

The Amendments are effective for annual periods beginning on or after 1 January 2022, with earlier application permitted. However, due to the Covid-19 pandemic, the IASB has postponed the implementation date by one year, i.e. to 1 January 2023, giving companies more time to identify any changes in the classification of liabilities. The amendments aim to achieve consistency in the implementation of the requirements of the standard, by helping companies to determine whether lending and other liabilities with an uncertain settlement date are classified as short- or long-term liabilities in the Statement of Financial Position. The amendments affect the presentation of liabilities in the Statement of Financial Position, and they do not modify the existing requirements regarding the measurement or the time of recognition of an asset, liability, income or expense or the notifications on these elements. In addition, the amendments clarify

the classification requirements for borrowing, which a company may settle by issuing equity instruments. The amendments have not yet been endorsed by the EU. The Company's Management considered that this amendment has no effect on the Company's financial statements.

### **IFRS 3 Business Combinations, IAS 16 Property, Plant and Equipment, IAS 37 Provisions, Contingent Liabilities and Contingent Assets and Annual Upgrades 2018-2020 IFRS (Amendments)**

The amendments are effective for annual periods beginning on or after 1 January 2022, with earlier application permitted. The IASB has issued amendments of limited scope to standards as follows:

- IFRS 3 Business Combinations: the amendments update a reference in IFRS 3 to the Financial Reporting Conceptual Framework without modifying the accounting requirements in the standard for business combinations.
- IAS 16 Property, Plant and Equipment: the amendments prohibit the reduction of the cost of property, plant and equipment by means of amounts obtained from the sale of assets produced while the company prepares the asset for its intended use. Sales revenue and related costs are recognised in the results.
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets: the amendments determine the costs of fulfilling a contract as part of the assessment of the contract if it is onerous.
- Minor amendments were made to the 2018-2020 Annual Upgrades to IFRS 1 - First Application of the International Financial Reporting Standards, to IFRS 9 - Financial Instruments, to IAS 41 - Agriculture and to the indicative examples accompanying IFRS 16-Leases

These amendments have been endorsed by the EU. The Company's Management considered that this amendment has no effect on the Company's financial statements.

### **IFRS 16 Leases - Covid-19-Related Rent Concessions (Amendments)**

This amendment is effective retroactively for annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted, including for financial statements not yet approved for issue on 28 May 2020. The IASB amended the standard exempting tenants from applying the requirements of IFRS 16 with respect to lease change accounting for rental deduction arising as a direct consequence of the Covid-19 pandemic. The amendment provides a practical convenience for the lessee to account for any change or deduction in leases as a consequence of Covid-19, in the same manner under the requirements of IFRS 16, if the change or deduction was not considered a change in the lease, provided that all of the following conditions are met:

- The change in rent payments results in a revised consideration that is substantially the same as or less than the rental consideration immediately prior to the change.
- Any reduction in rent payments affects payments due on or before 30 June 2021.
- There is no substantial change in other terms and conditions of the lease.

The amendments have an impact on the company's Financial Statements and the Company proceeded to an early adoption of this amendment (see paragraph 5).

### **Interest Rate Benchmark Reform—Phase 2 IFRS 9, IAS 39, IFRS 7, IFRS 4, IFRS 16 (Amendments)**

In August 2020, the International Accounting Standards Board (IASB) issued an amendment to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 which complete its work concerning the effects of interbank lending interest rate reform to financial reporting. The amendments provide for temporary facilities that address the impact on financial reporting when an interbank lending rate is replaced by an alternative interest rate which is close to risk-free. In particular, the amendments provide for a practical facility to account for changes in the basis for determining the contractual cash flows of financial assets and liabilities, requiring the adjustment of the effective interest rate, as is done in the case of a change in the market rate. In addition, the amendments introduce expedients for the non-interruption of hedging relationships, including a temporary relief from the

requirement for distinct recognisability of an alternative near-risk-free interest rate identified as a hedge of a risk item. In addition, the amendments to IFRS 4 allow insurance companies that continue to apply IAS 39 to obtain the same reliefs as those provided for in the amendments to IFRS 9. In addition, the amendments introduce into IFRS 7 "Financial Instruments: Disclosures" additional disclosures that allow users of financial statements to understand the impact of the reform to interbank lending rates on financial instruments and on the entity's risk management strategy. The amendments are effective for annual periods beginning on or after 1 January 2021, with earlier application permitted. The amendments do not require the entity to reform the previous reporting periods. The Group's Management considered that this amendment has no effect on the Group's or the Company's financial statements.

There are no other standards or interpretations which are mandatory for subsequent periods, and which are expected to have a significant impact on the financial statements of the Company.

## **4. Additional data and information on the financial statements as at 30/6/2021.**

### **4.1 Guarantees - Notes**

i) Notes of mortgage - mortgages amounting to €7,893,000.00 have been registered on the properties as collateral for loans in favour of the banks.

ii) Letters of guarantee in favour of third parties for the amount of EUR 14,462,687.41

### **4.2 Contingent receivables - liabilities**

#### **➤ Information on contingent receivables**

As at 30 June 2021, there were no contingent receivables from the Company that could have a material impact on its financial results.

#### **➤ Information with regard to contingent liabilities**

#### ***Fiscal years not audited by the tax authorities***

The Company has been audited by the tax authorities up to and including the financial year ended 30/6/2015.

The Company's tax liabilities have not been audited by tax authorities for the financial years ended 30/6/2016 to 30/6/2021. Therefore the tax results of these years have not been finalised. For the abovementioned unaudited years the company may be imposed with additional taxes and surcharges at the time of their audit.

The company has not estimated the additional taxes and surcharges that may be charged in a future tax audit and has not formed a relevant provision for this contingent liability as no significant amounts of taxes and surcharges are expected to be determined for unaudited years.

#### ***Litigation***

The Company is involved in various legal cases and legal proceedings in the context of its normal operation. The management as well as the legal advisors of the Company estimate that all the pending cases are expected to be settled without significant negative effects on the financial position of the Company. To cover such events the company has made a relevant provision of EUR 100,000.

#### ***Capital commitments:***

The Company has no capital commitments regarding supplier contracts.

### **4.3 Operating segments**

The operating segments are components of the Company that are regularly reviewed by the Company's Management and are presented in the financial information on the same basis as that used for internal information purposes.

The Company is active in the construction of complex mechanical metal structures. Each contract performed by the

Company has its own special technical characteristics which differ to a greater or lesser degree from the other contracts. The projects performed by the company are differentiated mainly by the use for which they are intended by the customer, but without varying the degree of business risk and return.

The main activities of the company have not changed since the previous year.

A geographical segment is engaged in selling products or services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments. Geographically, the Company operates in Greece, in European Union countries, in the Balkans and in Eastern European countries.

#### 4.4 Property, Plant and Equipment

The following tables present the evolution of the fixed assets of the Company.

|   | Fields and plots | Buildings and technical works | Machinery and other equipment | Transportation equipment | Furniture and other fixtures | PPE under construction | Total             |
|---|------------------|-------------------------------|-------------------------------|--------------------------|------------------------------|------------------------|-------------------|
| <b>Acquisition value</b>                                      |                  |                               |                               |                          |                              |                        |                   |
| As at 30 June 2020  | 2,573,663        | 15,195,380                    | 7,145,246                     | 1,067,262                | 349,248                      | 11,537                 | <b>26,342,337</b> |
| Additions 1/7/2020-30/6/2021                                  |                  | 407,020                       | 1,225,239                     | 702,466                  | 28,627                       | 113,496                | <b>2,476,848</b>  |
| Fair value adjustment 1/7/2020 - 30/6/2021                    |                  |                               |                               |                          |                              |                        | <b>0</b>          |
| Transfers from "under development" Sales 1/7/2020 - 30/6/2021 |                  |                               |                               |                          |                              | (113,496)              | <b>(113,496)</b>  |
|   |                  |                               |                               |                          |                              |                        | <b>0</b>          |
|   |                  |                               |                               |                          |                              |                        | <b>0</b>          |
| <b>As at 30 June 2021</b>                                     | <b>2,573,663</b> | <b>15,602,400</b>             | <b>8,370,485</b>              | <b>1,769,729</b>         | <b>377,875</b>               | <b>11,537</b>          | <b>28,705,689</b> |
| <b>Accumulated depreciation</b>                               |                  |                               |                               |                          |                              |                        |                   |
| As at 30 June 2020  | 0                | 617,973                       | 735,157                       | 532,068                  | 304,265                      | 0                      | <b>2,189,463</b>  |
| Depreciation 1/7/2020-30/6/2021                               |                  | 426,668                       | 643,385                       | 140,224                  | 23,068                       |                        | <b>1,233,345</b>  |
| Sales 1/7/2020 - 30/6/2021                                    |                  |                               |                               |                          |                              |                        | <b>0</b>          |
|   |                  |                               |                               |                          |                              |                        | <b>0</b>          |
| <b>As at 30 June 2021</b>                                     | <b>0</b>         | <b>1,044,641</b>              | <b>1,378,542</b>              | <b>672,292</b>           | <b>327,333</b>               | <b>0</b>               | <b>3,422,808</b>  |
| <b>Net book value</b>   |                  |                               |                               |                          |                              |                        |                   |
| As at 30 June 2020  | 2,573,663        | 14,577,407                    | 6,410,089                     | 535,195                  | 44,983                       | 11,537                 | <b>24,152,874</b> |
| <b>As at 30 June 2021</b>                                     | <b>2,573,663</b> | <b>14,557,759</b>             | <b>6,991,943</b>              | <b>1,097,437</b>         | <b>50,542</b>                | <b>11,537</b>          | <b>25,282,882</b> |

|  | Fields and plots | Buildings and technical works | Machinery and other equipment | Transportation equipment | Furniture and other fixtures | PPE under construction | Total             |
|--|------------------|-------------------------------|-------------------------------|--------------------------|------------------------------|------------------------|-------------------|
| <b>Acquisition value</b>                   |                  |                               |                               |                          |                              |                        |                   |
| As at 30 June 2019                         | 2,573,663        | 14,438,579                    | 4,638,645                     | 838,547                  | 324,493                      | 249,241                | <b>23,063,168</b> |
| Additions 1/7/2019 - 30/6/2020             | 0                | 31,000                        | 1,112,060                     | 231,716                  | 27,726                       | 352,577                | <b>1,755,079</b>  |
| Fair value adjustment 1/7/2019 - 30/6/2020 |                  | 135,520                       | 1,428,761                     |                          |                              |                        | <b>1,564,282</b>  |
| Transfers from "under development"         | 0                | 590,281                       |                               |                          |                              | (590,281)              | <b>0</b>          |

|  |                  |                   |                  |                  |                |               |                   |
|--|------------------|-------------------|------------------|------------------|----------------|---------------|-------------------|
| Sales 1/7/2019 - 30/6/2020                                   |                  |                   | (34,220)         | (3,000)          | (2,971)        |               | (40,191)          |
| Reductions from revaluation of fair value 1/7/2019-30/6/2020 |                  |                   | 0                | 0                | 0              | 0             | 0                 |
| <b>As at 30 June 2020</b>                                    | <b>2,573,663</b> | <b>15,195,380</b> | <b>7,145,246</b> | <b>1,067,262</b> | <b>349,248</b> | <b>11,537</b> | <b>26,342,337</b> |
| <b>Accumulated depreciation</b>                              |                  |                   |                  |                  |                |               |                   |
| <b>As at 30 June 2019</b>                                    | 0                | 212,448           | 305,131          | 462,181          | 276,712        | 0             | 1,256,472         |
| Depreciation and amortisation 1/7/2019 - 30/6/2020           | 0                | 405,525           | 448,580          | 70,567           | 30,453         |               | 955,125           |
| Sales 1/7/2019 - 30/6/2020                                   |                  |                   | (18,554)         | (680)            | (2,900)        |               | (22,134)          |
|  | 0                |                   | 0                | 0                | 0              | 0             | 0                 |
| <b>As at 30 June 2019</b>                                    | <b>0</b>         | <b>617,973</b>    | <b>735,157</b>   | <b>532,068</b>   | <b>304,265</b> | <b>0</b>      | <b>2,189,463</b>  |
| <b>Net book value</b>  |                  |                   |                  |                  |                |               |                   |
| <b>As at 30 June 2018</b>                                    | 2,573,663        | 14,226,131        | 4,333,514        | 376,366          | 47,781         | 249,241       | 21,806,696        |
| <b>As at 30 June 2019</b>                                    | <b>2,573,663</b> | <b>14,577,407</b> | <b>6,410,089</b> | <b>535,195</b>   | <b>44,983</b>  | <b>11,537</b> | <b>24,152,874</b> |

Notes of mortgage - mortgages have been registered on the properties standing at EUR €7,893,000.00 as a collateral for loans.

#### 4.5 Investment property

|  | Investment property | Total          |
|--|---------------------|----------------|
| <b>Acquisition value</b>                           |                     |                |
| As at 30 June 2019                                 |                     | 0              |
| Additions 1/7/2019 - 30/6/2020                     | 84,980              | 84,980         |
| Fair value adjustment 1/7/2019 - 30/6/2020         | 84,388              | 84,388         |
| Impairment 1/7/2019 - 30/6/2020                    |                     | 0              |
| Sales 1/7/2019 - 30/6/2020                         |                     | 0              |
| <b>As at 30 June 2020</b>                          | <b>169,368</b>      | <b>169,368</b> |
| Additions 1/7/2020-30/6/2021                       |                     | 0              |
| Fair value adjustment 1/7/2020 - 30/6/2021         |                     | 0              |
| Transfers in financial year 1/7/2020 - 30/6/2021   |                     | 0              |
| Impairment 1/7/2020 - 30/6/2021                    |                     | 0              |
| Sales 1/7/2020 - 30/6/2021                         |                     | 0              |
| <b>As at 30 June 2021</b>                          | <b>169,368</b>      | <b>169,368</b> |
| <b>Accumulated depreciation</b>                    |                     |                |
| As at 30 June 2019                                 |                     | 0              |
| Depreciation and amortisation 1/7/2019 - 30/6/2020 |                     | 0              |
| Impairment 1/7/2019 - 30/6/2020                    |                     | 0              |
| Transfers in financial year 1/7/2019 - 30/6/2020   |                     | 0              |
| Sales 1/7/2019 - 30/6/2020                         |                     | 0              |
| <b>As at 30 June 2020</b>                          | <b>0</b>            | <b>0</b>       |
| Depreciation 1/7/2020-30/6/2021                    |                     | 0              |
| Impairment 1/7/2020 - 30/6/2021                    |                     | 0              |
| Transfers in financial year 1/7/2020 - 30/6/2021   |                     | 0              |
| Sales 1/7/2020 - 30/6/2021                         |                     | 0              |
| <b>As at 30 June 2021</b>                          | <b>0</b>            | <b>0</b>       |

|                           |                |                |
|---------------------------|----------------|----------------|
| <b>Net book value</b>     |                | <b>0</b>       |
| As at 30 June 2020        | 169,368        | <b>169,368</b> |
| <b>As at 30 June 2021</b> | <b>169,368</b> | <b>169,368</b> |

In the year ended, the company acquired a property which it characterised as an investment as the said property is leased to a Societe Anonyme.

According to Summary of the Auction Report of the Trikala notary Panagiota K. Kontolati no.5.914/26-09-2019 , this is a plot of land with an area of 2,548 sq.m. which includes a handicraft building for metal processing, located in the location “Fanari” of the real estate district of Agios Georgios, of the Municipal Unit of Feres of the Municipality of Riga Fereos, in the Prefecture Unit of Magnesia.

## 4.6 Intangible assets

The Company’s intangible assets are analysed as follows:

|                                    | Software       | Total          |
|------------------------------------|----------------|----------------|
| <b>Acquisition value</b>           |                |                |
| As at 30 June 2020                 | 215,944        | <b>215,944</b> |
| Additions 1/7/2020-30/6/2021       | 14,484         | <b>14,484</b>  |
| Transfers from “under development” |                | <b>0</b>       |
| Sales 1/7/2020 - 30/6/2021         |                | <b>0</b>       |
| As at 30 June 2021                 | <b>230,428</b> | <b>230,428</b> |
| <b>Accumulated depreciation</b>    |                |                |
| As at 30 June 2020                 | 138,740        | <b>138,740</b> |
| Depreciation 1/7/2020-30/6/2021    | 39,527         | <b>39,527</b>  |
| Sales 1/7/2020 - 30/6/2021         |                | <b>0</b>       |
| As at 30 June 2021                 | <b>178,267</b> | <b>178,267</b> |
| <b>Net book value</b>              |                |                |
| As at 30 June 2020                 | 77,204         | <b>77,204</b>  |
| <b>As at 30 June 2021</b>          | <b>52,160</b>  | <b>52,160</b>  |

|  | Software       | Total          |
|--|----------------|----------------|
| <b>Acquisition value</b>                           |                |                |
| As at 30 June 2019                                 | 211,327        | <b>211,327</b> |
| Additions 1/7/2019 - 30/6/2020                     | 4,617          | <b>4,617</b>   |
| Transfers from “under development”                 |                | <b>0</b>       |
| Sales 1/7/2019 - 30/6/2020                         |                | <b>0</b>       |
| As at 30 June 2020                                 | <b>215,944</b> | <b>215,945</b> |
| <b>Accumulated depreciation</b>                    |                |                |
| As at 30 June 2019                                 | 110,846        | <b>110,846</b> |
| Depreciation and amortisation 1/7/2019 - 30/6/2020 | 27,895         | <b>27,895</b>  |
| Sales 1/7/2019 - 30/6/2020                         |                | <b>0</b>       |
| As at 30 June 2020                                 | <b>138,740</b> | <b>138,740</b> |
| <b>Net book value</b>                              |                |                |
| As at 30 June 2019                                 | 100,481        | <b>100,481</b> |
| <b>As at 30 June 2020</b>                          | <b>77,204</b>  | <b>77,204</b>  |



#### 4.7 Other non-current receivables

|                 | 30/6/2021      | 30/6/2020    |
|-----------------|----------------|--------------|
| Guarantees paid | 423,259        | 1,292        |
|                 | <b>423,259</b> | <b>1,292</b> |

#### 4.8 Inventories

|  | 30/6/2021        | 30/6/2020        |
|--|------------------|------------------|
| Merchandise  | 61,655           | 61,655           |
| Finished & semi-finished goods                                     | 60,850           | 84,350           |
| Raw and anc. materials - packag. mat.                              | 1,865,421        | 2,438,930        |
| Consumables  | 18,616           | 8,087            |
| <b>Total</b>   | <b>2,006,542</b> | <b>2,593,022</b> |
| Less: Provisions for obsolete, slow-moving or damaged inventories: | -                | -                |
| <b>Net realisable value</b>  | <b>2,006,542</b> | <b>2,593,022</b> |

#### 4.9 Trade and Other trade receivables

The balances of the trade receivables of the company are analysed as follows:

|   | 30/6/2021        | 30/6/2020        |
|---|------------------|------------------|
| Customers                                     | 7,548,015        | 9,064,714        |
| Advance payments to suppliers                 | 757,499          | 260,415          |
| Receivable Securities                         | 260,213          | 173,596          |
| Less: Provision for impairment of receivables | (2,297,180)      | (1,107,800)      |
| <b>Net Trade Receivables</b>                  | <b>6,268,547</b> | <b>8,390,925</b> |

*The fair values of receivables are as follows:*

|                               |                  |                  |
|-------------------------------|------------------|------------------|
| Customers                     | 5,474,835        | 8,180,915        |
| Receivable Securities         | 96,617           | 10,000           |
| Advance payments to suppliers | 697,094          | 200,010          |
| <b>Total</b>                  | <b>6,268,547</b> | <b>8,390,925</b> |

| Receivable collection periods | 30/6/2021        | 30/6/2020        |
|-------------------------------|------------------|------------------|
| Up to 30 Days                 | 4,701,012        | 6,292,660        |
| 31 - 60 days                  | 369,063          | 494,018          |
| 61 - 90 days                  | 30,683           | 41,071           |
| 91 - 120 days                 | 531,154          | 710,990          |
| 121 - 150 days                | 180,174          | 241,177          |
| Over 150 days                 | 456,462          | 611,009          |
| Past due                      | 2,297,180        | 1,107,800        |
| <b>Total</b>                  | <b>8,565,726</b> | <b>9,498,725</b> |

The amounts shown in the Balance Sheet contain provisions for doubtful receivables under IFRS 9.

Receivables from customers come from a wide customer base, whose financial situation is constantly monitored. As at 30/6/2021, the total provision for doubtful customers amounted to EUR 2,297,180. The Company estimates that the provisions formed are sufficient to cover doubtful receivables. To assess the amount of impairment for its trade receivables, Management evaluates the recoverability of the trade receivables by reviewing the maturity of customers' balances, their credit history and the settlement of

subsequent payments in accordance with the respective settlement. Further, management evaluates the estimated provision based on a targeted review of customer accounts, taking into account its experience with the current financial conditions as well as the collateral and guarantees obtained from specific customers.

The book values of the above receivables represent their fair value and are fully collectible. The maximum credit risk of trade receivables as at 30 June 2021 is their carrying amount. There are no pledges on trade receivables. There are no trade receivables assigned to third parties. The Company's trade receivables are, in their vast majority, receivables in Euro.

#### 4.10 Other current Assets

|  | 30/6/2021         | 30/6/2020        |
|--|-------------------|------------------|
| Deferred expenses  | 66,372            | 88,859           |
| Accrued income   | 3,610,496         | 142,634          |
| Accounting for revenue based on the completion rate method | 11,215,474        | 2,924,817        |
| Purchases to be accepted                                   | 4,937             | 37,006           |
| <b>Total</b>   | <b>14,897,279</b> | <b>3,193,316</b> |

#### 4.11 Investments held to maturity

##### ALPHA GROUP JERSEY LTD BOND

|   |                |
|---|----------------|
| <b>Acquisition value</b>                        | <b>500,000</b> |
| <b>Balance as at 1 July 2019</b>                | <b>231,600</b> |
| <b><u>Changes during the financial year</u></b> |                |
| Appreciation value as at 30/6/2020              | (11,580)       |
| <b>Balance as at 30 June 2020</b>               | <b>220,020</b> |
| <b>Balance at 1 July 2020</b>                   | <b>220,020</b> |
| <b><u>Changes during the financial year</u></b> |                |
| Devaluation value as at 30/6/2021               | 182,385        |
| <b>Balance as at 30 June 2021</b>               | <b>402,405</b> |

#### 4.12 Other receivables

|  | 30/6/2021      | 30/6/2020      |
|--|----------------|----------------|
| Greek State - taxes prepaid and withheld             | 0              | 203,718        |
| Claims from the State - VAT refundable               | 296,052        | 435,262        |
| Other receivables                                    | 5,864          | 6,945          |
| <b>Less: Provision for impairment of receivables</b> | <b>(5,738)</b> | <b>(5,738)</b> |
| <b>Net Receivables</b>                               | <b>296,178</b> | <b>640,188</b> |

##### *The fair values of receivables are as follows:*

|  |                |                |
|--|----------------|----------------|
| Greek State - taxes prepaid and withheld | 0              | 203,718        |
| Claims from the State - VAT refundable   | 296,052        | 435,262        |
| Other receivables                        | 126            | 1,207          |
| <b>Total</b>                             | <b>296,178</b> | <b>640,188</b> |

The book values of the above receivables represent their fair value.

The maximum credit risk of trade receivables as at the reporting date is their carrying amount.

There are no pledges on other receivables.

#### 4.13 Cash and cash equivalents

|                                    | 30/6/2021        | 30/6/2020      |
|------------------------------------|------------------|----------------|
| Cash                               | 13,667           | 20,190         |
| Sight deposits in €                | 9,866,640        | 442,727        |
| Sight deposits in foreign currency | 4,600            | 170,974        |
| <b>Total</b>                       | <b>9,884,907</b> | <b>633,892</b> |

Sight deposits earn interest at floating rates based on monthly bank deposit rates. Interest income on sight and maturity deposits in banks shall be accounted for by using the method of accrual and amounted to EUR 332 (30/6/2020: EUR 173) (note 29).

#### 4.14 Share Capital

The share capital of the Company as at 30 June 2021 amounts to € 2,058,000 divided into 68,600 common shares, with a nominal value of € 30 (in absolute amount) each.

|  | 30/6/2021 | 30/6/2020 |
|--|-----------|-----------|
| Share Capital consisting of 68,600 shares of nominal value of EUR 30.00 each | 2,058,000 | 2,058,000 |

|   | 30/6/2021     | 30/6/2020     |
|---|---------------|---------------|
| Number of shares outstanding at the beginning of the year   | 68.600        | 68.600        |
| Share capital increase through issue of new shares          | 0             | 0             |
| Transfer of the share capital of the Company being acquired | 0             | 0             |
| Number of shares outstanding at the end of the year         | <b>68.600</b> | <b>68.600</b> |

#### 4.15 Revaluation reserves

Land, buildings and mechanical equipment were valued at the date of transition to the IFRS (01/07/2018) at their adjusted value, which is the fair value at the date of adjustment less subsequent accumulated depreciation and impairment, which was determined by means of a study performed by an independent house of appraisers.

The resulting difference was transferred to equity in the “Adjustment Differences” account.

This reserve relates to the profit (deducting deferred taxes) resulting from the valuation of the Company’s real estate (land and buildings) and mechanical equipment at fair value. This reserve may not be distributed to shareholders until either it is transferred to profit or loss through amortisation or the profit that will result from the sale of fixed assets is recognised.

**Reserve of Real Estate - Mechanical equipment fair value**

|   |                          |
|---|--------------------------|
| Balance in accordance with previous Greek Accounting Standard accounting principles | 0                        |
| <b><u>Adjustments for transition to IFRS (fair value)</u></b>                       |                          |
| Real estate adjustment  | 1,288,127                |
| Adjustment of Technical facilities  | 12,425                   |
| Adjustment of Mechanical Equipment  | 2,508,358                |
|   | <b><u>3,808,909</u></b>  |
| <b>Balance as at 1 July 2019</b>  | <b>10,080,144</b>        |
| <b><u>Changes during the financial year</u></b>                                     |                          |
| Real estate adjustment 1/7/2019 - 30/6/2020   | (47,805)                 |
| Adjustment of Technical facilities 1/7/2019 - 30/6/2020                             | 150,800                  |
| Adjustment of Mechanical Equipment 1/7/2019 - 30/6/2020                             | 1,085,858                |
| <b>Balance as at 30 June 2020</b>   | <b><u>11,268,998</u></b> |
| <b>Balance at 1 July 2020</b>   | <b>11,268,998</b>        |
| <b><u>Changes during the financial year</u></b>                                     |                          |
| Difference resulting from the change in the tax rate from 24% to 22%                | 311,031                  |
| <b>Balance as at 30 June 2021</b>   | <b><u>11,580,030</u></b> |

**4.16 Other Reserves**

|                                   | Statutory<br>reserve  | Special Reserve under<br>Investment Law<br>4399/2016 | Tax-exempt<br>reserve under<br>Law 3299/2004 | Tax-exempt<br>reserve under<br>Law 4399/2016 | Total                   |
|-----------------------------------|-----------------------|--|--|--|-------------------------|
| <b>Balance at 1 July 2019</b>     | <b>256,378</b>        | <b>2,500,000</b>                                     | <b>2,930,744</b>                             | <b>362,453</b>                               | <b>6,049,575</b>        |
| Changes during the financial year | 53,000                | 0  | -  | 0  | <b>53,000</b>           |
| <b>Balance as at 30 June 2020</b> | <b>309,378</b>        | <b>2,500,000</b>                                     | <b>2,930,744</b>                             | <b>362,453</b>                               | <b>6,102,575</b>        |
| Changes during the financial year | 196,608               | -  | -  | 588,205-                                     | <b>784,813</b>          |
| <b>Balance as at 30 June 2021</b> | <b><u>505,986</u></b> | <b><u>2,500,000</u></b>                              | <b><u>2,930,744</u></b>                      | <b><u>950,658</u></b>                        | <b><u>6,887,388</u></b> |

Statutory reserve is formed in accordance with the provisions of the commercial law

**4.17 Loan liabilities**

The total loans of the company as at 30/6/2020 are Long Term. The fair values of the company's loans are almost identical to their book values. All company loans are expressed in Euros.

|   | 30/6/2021               | 30/6/2020               |
|---|-------------------------|-------------------------|
| <b>Long-term borrowing</b>                              |                         |                         |
| Bank loans  | 8,984,127               | 4,099,695               |
| <b>Total long-term borrowings</b>                       | <b><u>8,984,127</u></b> | <b><u>4,099,695</u></b> |
| <b>Short-term borrowings</b>                            |                         |                         |
| Bank loans  | 0                       | 10                      |
| Long-term liabilities to be paid in next financial year | 1,799,508               | 1,132,460               |
| <b>Total short-term borrowings</b>                      | <b><u>1,799,508</u></b> | <b><u>1,132,470</u></b> |

|                         |                   |                  |
|-------------------------|-------------------|------------------|
| <b>Total borrowings</b> | <b>10,783,636</b> | <b>5,232,165</b> |
|-------------------------|-------------------|------------------|

**Non-current portion:**

| <b>30 June 2020</b> | <b>2 years and less</b> | <b>2 to 5 years</b> | <b>Over 5 years</b> | <b>Total</b>     |
|---------------------|-------------------------|---------------------|---------------------|------------------|
| Total borrowings    | 0                       | 4,099,695           | 0                   | <b>4,099,695</b> |
| <b>30 June 2021</b> |                         |                     |                     |                  |
| Total borrowings    |                         | 8,984,127           | 0                   | <b>8,984,127</b> |

Notes of mortgage - mortgages have been registered on the properties standing at EUR €7,893,000.00 as a collateral for loans.

The weighted borrowing interest rates of the Group as at the date of the balance sheet are 3%.

#### 4.18 Deferred tax

Deferred income tax is recognized using the liability method on the temporary differences that arise between the taxation basis of the assets and liabilities and the corresponding amounts in the financial statements.

The functioning of the deferred income tax account is broken down as follows:

|  | <b>30/6/2021</b>   | <b>30/6/2020</b>   |
|--|--------------------|--------------------|
| <b>Balance as at 1/7/2020</b>                    | (3,496,490)        | (3,130,593)        |
| Debit/(credit) in the income statement           | 306,633            | 8,086              |
| Real estate adjustments at fair value to equity  | 217,062            | (32,525)           |
| Adjustments in machinery at fair value to equity | 93,970             | (342,903)          |
| Other debit/(credit) to equity                   | 1 554              | 1,446              |
| <b>Balance as at 30.06.2021</b>                  | <b>(2,877,271)</b> | <b>(3,496,490)</b> |

The movement of deferred tax receivables and liabilities during the year, without taking into account the offsetting of balances relating to the same tax jurisdiction, is as follows:

| <b>1/7/2019 - 30/6/2020</b>                       | <b>Opening balance</b> | <b>(Debit)/credit in Profit or Loss</b> | <b>(Debit)/credit to equity</b> | <b>Closing balance</b> |
|---|------------------------|---|---------------------------------|------------------------|
| Provisions for bad debts                          | 64,725                 | 4,791                                   | 0                               | <b>69,516</b>          |
| Write-offs of intangible assets                   | 9,218                  | (21,622)                                | 0                               | <b>(12,404)</b>        |
| Staff compensation                                | 18,404                 | 2,289                                   | 1,446                           | <b>22,139</b>          |
| Fair value adjustment of real estate              | (2,398,472)            | 0                                       | (32,525)                        | <b>(2,430,997)</b>     |
| Adjustments of mechanical equipment at fair value | (784,732)              |   | (342,903)                       | <b>(1,127,634)</b>     |
| Financial depreciation                            | (2,283)                | 51,595                                  | 0                               | <b>49,312</b>          |
| Provisions  | 0                      | 0                                       | 0                               | <b>0</b>               |
| Accrued income                                    | (37,455)               | (28,967)                                | 0                               | <b>(66,421)</b>        |
| Other   | 0                      | 0                                       | 0                               | <b>0</b>               |
| <b>Total</b>                                      | <b>(3,130,593)</b>     | <b>8,086</b>                            | <b>(373,982)</b>                | <b>(3,496,490)</b>     |

**The Company**

| <b>1/7/2020 - 30/6/2021</b>                       | <b>Opening balance</b> | <b>(Debit)/credit in Profit or Loss</b> | <b>(Debit)/credit to equity</b> | <b>Closing balance</b> |
|---|------------------------|---|---------------------------------|------------------------|
| Provisions for bad debts                          | 69,516                 | 193,147                                 | 0                               | <b>262,662</b>         |
| Write-offs of intangible assets                   | (12,404)               | (1,020)                                 | 0                               | <b>(13,424)</b>        |
| Staff compensation                                | 22,139                 | (102)                                   | 1 554                           | <b>23,591</b>          |
| Fair value adjustment of real estate              | (2,430,997)            | 0                                       | 217,062                         | <b>(2,213,935)</b>     |
| Adjustments of mechanical equipment at fair value | (1,127,634)            |   | 93,970                          | <b>(1,033,665)</b>     |
| Financial depreciation                            | 49,312                 | 48,186                                  | 0                               | <b>97,499</b>          |
| Provisions  | 0                      | 0                                       | 0                               | <b>0</b>               |
| Accrued costs                                     | (66,421)               | 66,421                                  | 0                               | <b>0</b>               |
| Other   | 0                      | 0                                       | 0                               | <b>0</b>               |
| <b>Total</b>                                      | <b>(3,496,490)</b>     | <b>306,633</b>                          | <b>312,585</b>                  | <b>(2,877,271)</b>     |

The change of € 311,031 during the period is due to the reduction of the corresponding deferred tax on the difference in the readjustment of real estate and mechanical equipment due to the reduction in income tax rates from 24% to 22% for the fiscal year 2021, in accordance with Law 4799/2021, the corporate income tax rate was reduced to 22% for the year 2021 and beyond.

The Company's Deferred Tax was also decreased by 25,192.41 euros; this decrease was recorded in the income tax statement.

#### 4.19 Employee retirement compensation liabilities

Compensation of employees due to retirement:

According to Greek labour law, employees are entitled to compensation in case of redundancy or retirement, the amount of which varies depending on salary, years of service and the manner of the employee's exit (redundancy or retirement). Employees who resign or are excusably discharged, shall not be entitled to compensation. In case of retirement, the compensation payable is equal to 40% of the compensation that would be payable in case of unjustified discharge. According to local practice in Greece, these plans are not financed. Accrued benefits in each period are charged by the Company to profit or loss, with a corresponding increase in the retirement liability. Benefit payments to retirees in each period are debited against this liability. Defined benefit plans are not funded.

The Company has not, officially or unofficially, activated any special benefit plan in favor of the employees, which commits to benefits in the event of personnel retirement. The only programme currently in force, is the contractual obligation pursuant to applicable legislation of Law 2112/1920 and 3198/1955 on payment of a lump sum in the event of personnel retirement.

The valuation and presentation of liabilities has been done for staff compensation due to retirement, based on the provisions of the revised IAS 19 following an actuarial study conducted by an independent actuary. In particular, the relevant study concerned the examination and the calculation of the actuary amounts that are required according to the specifications set out by International Accounting Standards (IAS 19) and it is mandatory to enter them in the Balance Sheet and in the statement of profit or loss of each enterprise.

The movement of the net liability in the financial statements of the Company as well as the data of results and actuarial assumptions, are as follows:

| <b>Changes in the Present Value of a Defined Benefit</b>                             | <b>01/07-<br/>30/6/2021</b> | <b>01/07-<br/>30/6/2020</b> |
|--|-----------------------------|-----------------------------|
| Present value of liability as at 1 January:  | 92,245                      | 76,684                      |
| A. Cost of current service   | 12,705                      | 13,066                      |
| B. Interest expense  | 738                         | 844                         |
| Recognition of cost of service   | 0                           | 0                           |
| C. Actuarial (profits)/losses  |                             |                             |
| C.1. Actuarial Profit / Loss from change in economic affairs                         | 7,064                       | 6,023                       |
| C.2. Actuarial (profits)/losses from change of demographic issues                    | 0                           | 0                           |
| C.3. Actuarial (profits)/losses due to discrepancies in experience and other factors | 0                           | 0                           |
| D. Benefits paid   |                             |                             |
| D.1. Benefits paid by the employer   | (4,313)                     | (3,398)                     |
| D.2. Benefits paid by the plan   | 0                           | 0                           |
| E. Cost of cut-backs/settlements/service termination                                 | (1,206)                     | (974)                       |
| F. Internal movements  | 0                           | 0                           |
| <b>Present value of liability as at 30 June:</b>                                     | <b>107,233</b>              | <b>92,245</b>               |

| <b>Changes in the net liability acknowledged in the Balance Sheet</b>                     | <b>2021</b>    | <b>2020</b>   |
|---|----------------|---------------|
| Net Liability to be entered in the balance sheet on 1 July                                | 92,245         | 76,684        |
| Cost for entry in the income statement  | 12,237         | 12,936        |
| Cost for entry in the Statement of Other Comprehensive Income: Actuarial (profits)/losses | 7,064          | 6,023         |
| Benefits paid   | (4,313)        | (3,398)       |
| Cost of service during the period   |                |               |
| <b>Net Liability to be entered in the balance sheet on 30 June</b>                        | <b>107,233</b> | <b>92,245</b> |
| <b>Cost for entry in the income statement</b>   | <b>2021</b>    | <b>2020</b>   |
| A. Cost of current service  | 12,705         | 13,066        |
| B. Interest expense   | 738            | 844           |
| E. Cost of cut-backs/settlements/service termination                                      | (1,206)        | (974)         |
| Cost of service during the period   | 0              | 0             |
| <b>Total</b>  | <b>12,237</b>  | <b>12,936</b> |

The actuarial study was prepared by the accredited actuarial company after the end of the financial year. The basic actuarial assumptions used by actuaries to determine the expenses of defined benefit plans for the year ended 30/6/2021 and 30/6/2020 are as follows:

**Actuarial assumptions**

|                         |       |       |
|-------------------------|-------|-------|
| Discount rate           | 0.90% | 0.80% |
| Inflation               | 1.70% | 1.70% |
| Future salary raises    | 2.70% | 2.70% |
| Duration of obligations | 21.84 | 22.32 |

## 4.20 Other long-term liabilities

|  | 30/6/2021      | 30/6/2020      |
|--|----------------|----------------|
| <b>Other long-term liabilities</b>   |                |                |
| Long-term liabilities of leased assets                                       | 238,367        | 301,747        |
| Collected rent guarantees  | 2,400          | 2,400          |
| <b>Total other long-term liabilities</b>                                     | <b>240,767</b> | <b>304,147</b> |
| <b>Other long-term liabilities payable in the next financial year</b>        |                |                |
| Long-term liabilities from lease payments payable in the next financial year | 63,380         | 63,380         |
| <b>Total Current right-of-use liabilities</b>                                | <b>63,380</b>  | <b>63,380</b>  |
| <b>Total depreciation and amortisation of right-of-use assets</b>            | <b>304,147</b> | <b>367,528</b> |

## 4.21 Grants

Investment grants (PA 2010) and Law 4399/16

The changes in the account are listed in the table below:

|   | Investment grants<br>(PA 2010) | Investment grants<br>(EXOSTREPHEIA II<br>EX2-01149) | Investment grants<br>L.4399/16 | Total          |
|---|--------------------------------|---|--------------------------------|----------------|
| <b>Acquisition value</b>                              |                                |   |                                |                |
| As at 30 June 2019                                    | 193,667                        | 62,393  |                                | 256,060        |
| Additions 1/7/2019 - 30/6/2020                        |                                |   |                                | 0              |
| Transfers in financial year 1/7/2019<br>- 30/6/2020   |                                |   |                                | 0              |
| Impairment 1/7/2019 - 30/6/2020                       |                                |   |                                | 0              |
| <b>As at 30 June 2020</b>                             | <b>193,667</b>                 | <b>62,393</b>                                       |                                | <b>256,060</b> |
| Additions 1/7/2020-30/6/2021                          |                                |   | 132,963                        | 132,963        |
| Transfers in financial year 1/7/2020<br>- 30/6/2021   |                                |   |                                | 0              |
| Impairment 1/7/2020 - 30/6/2021                       |                                |   |                                | 0              |
| <b>As at 30 June 2021</b>                             | <b>193,667</b>                 | <b>62,393</b>                                       | <b>132,963</b>                 | <b>389,022</b> |
| <b>Accumulated depreciation</b>                       |                                |   |                                | 0              |
| As at 30 June 2019                                    | 94,156                         | 36,554  |                                | 130,710        |
| Depreciation and amortisation<br>1/7/2019 - 30/6/2020 | 8,576                          | 4,823   |                                | 13,398         |
| Impairment 1/7/2019 - 30/6/2020                       |                                |   |                                | 0              |
| Transfers in financial year 1/7/2019<br>- 30/6/2020   |                                |   |                                | 0              |
| <b>As at 30 June 2019</b>                             | <b>102,732</b>                 | <b>41,376</b>                                       | <b>0</b>                       | <b>144,108</b> |
| Depreciation 1/7/2020-30/6/2021                       | 8,576                          | 4,823   | 11,761                         | 25,160         |
| Impairment 1/7/2020 - 30/6/2021                       |                                |   |                                | 0              |
| Transfers in financial year 1/7/2020<br>- 30/6/2021   |                                |   |                                | 0              |
| <b>As at 30 June 2020</b>                             | <b>111,308</b>                 | <b>46,199</b>                                       | <b>11,761</b>                  | <b>169,268</b> |
| <b>Net book value</b>                                 |                                |   |                                | 0              |
| As at 30 June 2020                                    | 90,935                         | 21,016  | 0                              | 111,951        |
| <b>As at 30 June 2021</b>                             | <b>82,360</b>                  | <b>16,193</b>                                       | <b>121,201</b>                 | <b>219,754</b> |



#### 4.22 Provisions

The Company is involved in various legal cases and legal proceedings in the context of its normal operation. To cover such events and possible liabilities from legal and tax cases, the company has made a relevant provision of EUR 100,000.

|   | 30/6/2021      | 30/6/2020      |
|---|----------------|----------------|
| Provision against other contingencies from legal and tax claims against the company | 100,000        | 100,000        |
| <b>Total</b>  | <b>100,000</b> | <b>100,000</b> |

#### 4.23 Suppliers

Suppliers are broken down as follows:

|                           | 30/6/2021         | 30/6/2020        |
|---------------------------|-------------------|------------------|
| Suppliers                 | 3,873,144         | 4,948,522        |
| Advances from customers   | 13,706,156        | 1,696,797        |
| Cheques Payable           | 887,898           | 915,359          |
| <b>Net Trade payables</b> | <b>18,467,199</b> | <b>7,560,678</b> |

*The fair values of payables are as follows:*

|                         | 30/6/2021         | 30/6/2020        |
|-------------------------|-------------------|------------------|
| Suppliers               | 3,873,144         | 4,948,522        |
| Advances from customers | 13,706,156        | 1,696,797        |
| Cheques Payable         | 887,898           | 915,359          |
| <b>Total</b>            | <b>18,467,199</b> | <b>7,560,678</b> |

The Company implements policies that ensure the timely payment of all its obligations. The Company's trade receivables are, in their vast majority, receivables in Euro.

#### 4.24 Current tax liabilities

|                                   | 30/6/2021     | 30/6/2020      |
|-----------------------------------|---------------|----------------|
| Income tax for the period         | 29,898        | 0              |
| Value added tax                   | 0             | 697,050        |
| Payroll taxes and duties          | 18,313        | 15,111         |
| Third party fees taxes and duties | 4,413         | 3,490          |
| Other taxes and duties            | 29,015        | 18,196         |
| <b>Total</b>                      | <b>81,640</b> | <b>733,847</b> |

#### 4.25 Other current liabilities

|                            | 30/6/2021      | 30/6/2020      |
|----------------------------|----------------|----------------|
| Insurance Payables         | 83,306         | 86,135         |
| Wages and salaries payable | 59,407         | 54,740         |
| Deferred income            | 679,000        | 54,318         |
| Accrued expenses (payable) | 82,640         |                |
| Accrued sales discounts    | 32,035         | 283,902        |
| Other current liabilities  | 19,522         | 37,504         |
| <b>Total</b>               | <b>955,910</b> | <b>516,599</b> |

The fair values of payables are as follows:

|                            | 30/6/2021      | 30/6/2020      |
|----------------------------|----------------|----------------|
| Insurance Payables         | 83,306         | 86,135         |
| Wages and salaries payable | 59,407         | 54,740         |
| Deferred income            | 679,000        | 54,318         |
| Accrued expenses (payable) | 82,640         | 0              |
| Accrued sales discounts    | 32,035         | 283,902        |
| Other current liabilities  | 19,522         | 37,504         |
| <b>Total</b>               | <b>955,910</b> | <b>516,599</b> |

## 4.26 Sales

The Company is active in the construction of complex mechanical metal structures.

|   | THE COMPANY       |                   |
|---|-------------------|-------------------|
|   | 01/07-30/6/2021   | 01/07-30/6/2020   |
| Sales of merchandise                        | 7,205             | 7,728             |
| Sales of finished & semi-finished products  | 32,188,195        | 17,732,282        |
| Sales of other inventories & scrap material | 367,375           | 135,680           |
| Sales of services                           | 2,009,072         | 1,301,554         |
|   | <b>34,571,847</b> | <b>19,177,245</b> |

Geographically, the Company operates in Greece, in European Union countries, in the Balkans and in Eastern European countries.

The Company's sales per geographical area are as follows:

|                          | 01/07-30/6/2021   | 01/07-30/6/2020   |
|--------------------------|-------------------|-------------------|
| Domestic sales           | 10,723,893        | 7,622,506         |
| Intra-Community sales    | 5,705,167         | 9,297,760         |
| Sales in third countries | 18,142,786        | 2,256,979         |
|                          | <b>34.571.846</b> | <b>19.177.245</b> |

## 4.27 Expenses per category

### Cost of goods sold

|                               | 01/07-30/6/2021   | 01/07-30/6/2020   |
|-------------------------------|-------------------|-------------------|
| Personnel fees & expenses     | 1,732,713         | 1,575,643         |
| Third party fees and expenses | 4,824,961         | 3,330,657         |
| Third party benefits          | 867,302           | 569,836           |
| Taxes - Duties                | 104,583           | 92,955            |
| General Expenses              | 1,155,624         | 1,093,306         |
| Dep. of fixed assets (tan.)   | 1,143,938         | 882,908           |
| Provisions                    | 4 754             | 5,723             |
|                               | <b>9,833,875</b>  | <b>7,551,028</b>  |
| Cost of inventories           | <b>17,450,971</b> | <b>8,932,255</b>  |
| <b>Cost of goods sold</b>     | <b>27,284,846</b> | <b>16,483,283</b> |

### Distribution costs

|                               | 01/07-30/6/2021 | 01/07-30/6/2020 |
|-------------------------------|-----------------|-----------------|
| Personnel fees & expenses     | 0               | 0               |
| Third party fees and expenses | 50 000          | 11,000          |
| Third party benefits          | 0               | 0               |
| Taxes - Duties                | 0               | 0               |
| General Expenses              | 51,160          | 85,012          |
| Dep. of fixed assets (tan.)   | 0               | 0               |
| Provisions                    | 1,585           | 1,908           |
|                               | <b>102,745</b>  | <b>97,920</b>   |

**Administrative expenses**

|                               | 01/07-30/6/2021  | 01/07-30/6/2020  |
|-------------------------------|------------------|------------------|
| Personnel fees & expenses     | 901,218          | 861,855          |
| Third party fees and expenses | 673,148          | 229,332          |
| Third party benefits          | 64,269           | 67,741           |
| Taxes - Duties                | 18,726           | 17,013           |
| General Expenses              | 65,010           | 54,322           |
| Dep. of fixed assets (tan.)   | 128,934          | 100,111          |
| Provisions                    | 1,585            | 1,908            |
|                               | <b>1,852,889</b> | <b>1,332,283</b> |

#### 4.28 Payroll costs and staff

The employee payroll cost included in the Financial Statements is analysed as follows:

|   | 30/6/2021        | 30/6/2020        |
|---|------------------|------------------|
| Wages and salaries                                      | 1,950,672        | 1,789,739        |
| Employer contributions                                  | 477,875          | 463,110          |
| Compensation - Provisions for compensation of personnel | 4,313            | 3,398            |
| Other benefits and expenses                             | 201,070          | 181,251          |
| <b>Total</b>  | <b>2,633,931</b> | <b>2,437,498</b> |

The average number of employees per category is:

|                 | 30/6/2021  | 30/6/2020  |
|-----------------|------------|------------|
| Salaried staff  | 40         | 40         |
| Technical staff | 85         | 77         |
| <b>Total</b>    | <b>125</b> | <b>117</b> |

#### 4.29 Other income – operating expenses

**Other operating income**

|  | THE COMPANY     |                 |
|--|-----------------|-----------------|
|  | 01/07-30/6/2021 | 01/07-30/6/2020 |
| Special subsidies - grants   | 34,216          | 40,170          |
| Covid-19 subsidies   | 31,585          |                 |
| Offsetting 25% based on Independent Authority for Public Revenue Circular E.2056/23-4-20 | 19,752          |                 |
| Income from services to third parties  | 7,605           | 3,672           |

|   |                |                |
|---|----------------|----------------|
| Revenue from leased machinery                                     | 76.000         | 9,600          |
| Revenue from leased property                                      | 22 320         |                |
| Profit from sale of assets  | 0              | 44,159         |
| Credit foreign exchange differences                               | 6,154          | 808            |
| Subsidies of fixed investment corresponding to the financial year | 25,160         | 13,398         |
| Revenue from revaluation at fair value of investment property     |                | 84,388         |
| Bond valuation income   | 182,385        |                |
| Other   |                | 2              |
| <b>Total</b>  | <b>405,177</b> | <b>196,197</b> |

**Other operating expenses**

|                                    | <b>THE COMPANY</b>     |                        |
|------------------------------------|------------------------|------------------------|
|                                    | <b>01/07-30/6/2021</b> | <b>01/07-30/6/2020</b> |
| Impairment of Receivables          | 1,249,784              | 19,960                 |
| Debit foreign exchange differences | 34,541                 | 5,047                  |
| Tax penalties and surcharges       | 366,999                | 17,218                 |
| Losses from sale of fixed assets   |                        | 616                    |
| Thefts - Misappropriations         |                        | 40,565                 |
| Bond devaluation loss              | 0                      | 11,580                 |
| Other                              | 3,854                  | 9,886                  |
| <b>Total</b>                       | <b>1,655,179</b>       | <b>104,872</b>         |

### 4.30 Financial Income – Expenses

| <b>Financial Income</b>                               | <b>01/07-30/6/2021</b> | <b>01/07-30/6/2020</b> |
|---|------------------------|------------------------|
| Interest Income                                       | 332                    | 173                    |
| <b>Total</b>  | <b>332</b>             | <b>173</b>             |
|   |                        |                        |
| <b>Financial expenses</b>                             | <b>01/07-30/6/2021</b> | <b>01/07-30/6/2020</b> |
| Other long-term liability interest and expenses       | 223,081                | 149,447                |
| Interest and other short-term bank financing expenses | 12.392                 | 17,023                 |
| Commissions paid for letters of guarantee             | 204,620                | 89,595                 |
| Other related financing expenses                      | 39,750                 | 22,416                 |
| <b>Total</b>  | <b>479,843</b>         | <b>278,481</b>         |

### 4.31 Income tax

Income tax results after the adjustment of the accounting result in the amount of non-deductible expenses, which mainly include provisions and expenses not recognised by the tax legislation. These expenses are adjusted when calculating the income tax at each reporting date.

Income tax has been calculated using the tax rate applicable in the current period and which amounts to 24%, based on Law 4646/2019; for the year 2019 onwards, the corporate income tax rate was reduced to 24%. A rate of 22% was used to calculate the deferred tax. The reduction in the tax rate was introduced by law 4799/2021, from the fiscal year 2021 onwards.

Greek tax legislation and the relevant provisions are subject to interpretations by the tax authorities. Income tax statements are filed annually but profit or loss statements remain provisional until the company's tax statements and books are audited by tax authorities at which time they are cleared and the relevant tax assessments are issued. Tax losses, to the extent they are accepted by the tax authorities, can be offset against future profits for a five-year period as of the year in which they arose.

The Company has been audited by the tax authorities up to and including the financial year ended 30/6/2015. The Company's tax liabilities have not been audited by tax authorities for the financial years ended 30/6/2016 to 30/6/2021. Therefore the tax results of these years have not been finalised. For the abovementioned unaudited years the company may be imposed with additional taxes and surcharges at the time of their audit. For this reason, a provision of EUR 100,000 was made for the company.

For the existing temporary differences between the tax and accounting base on 30/6/2021 and 30/6/2020, a deferred tax was calculated with the tax rates that are expected to be valid at the time of the recovery of the book value of the assets and the settlement of the liabilities.

In accordance with IAS 12 "Income Taxes", deferred tax assets and liabilities are calculated at no discount to the tax rates that are expected to be incurred at the time they are incurred, provided that they are or have been substantially enacted at the reporting date.

|                                | <u>01/07-<br/>30/6/2021</u> | <u>01/07-<br/>30/6/2020</u> |
|--------------------------------|-----------------------------|-----------------------------|
| Income tax for the period      | (864,315)                   | (328,120)                   |
| Deferred tax asset/(liability) | 306,633                     | 8,086                       |
| <b>Total</b>                   | <b><u>(557,682)</u></b>     | <b><u>(320,034)</u></b>     |

#### 4.32 Earnings per share

The basic earnings per share are calculated by dividing the profit attributable to shareholders of the company by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the company and held as treasury shares.

|  | <u>01/07-<br/>30/6/2021</u> | <u>01/07-<br/>30/6/2020</u> |
|--|-----------------------------|-----------------------------|
| <i>Number of Shares</i>  | 68.600                      | 68.600                      |
| <b>Profits/(losses) corresponding to parent company shareholders</b> | <b>3,044,173</b>            | <b>756,742</b>              |
| <i>Weighted average number of shares outstanding</i>                 | 68.600                      | 68.600                      |
| <b>Basic earnings per share (euro per share)</b>                     | <b><u>44.3757</u></b>       | <b><u>11.0312</u></b>       |

#### 4.33 Earnings before interest, taxes, depreciation, and amortisation - EBITDA

| <b>EBITDA</b>                 | <u>01/07-30/6/2021</u>  | <u>01/07-<br/>30/6/2020</u> |
|-------------------------------|-------------------------|-----------------------------|
| Earnings after taxes          | 3,044,173               | 756,742                     |
| Taxes                         | 557,682                 | 320,034                     |
| Depreciation and amortisation | 1,272,872               | 983,020                     |
| Financial expenses            | 479,843                 | 278,481                     |
| Financial income              | (332)                   | (173)                       |
| <b>TOTALS</b>                 | <b><u>5,354,237</u></b> | <b><u>2,338,105</u></b>     |

#### 4.34 Transactions with related parties

The Company sells products, goods and provides and receives services in the ordinary course of business to certain companies that are considered related parties.

These related parties are made up of undertakings which exercise significant influence or control over the undertaking (shareholders) or are undertakings owned by shareholders of the undertaking.

The Company's transactions and account balances with related parties are reported below.

| Related Party                 | Relationship with the company | FY               | Sales to related parties | Purchases from related parties | Amounts owed by related parties | Amounts owed to related parties |
|-------------------------------|-------------------------------|------------------|--------------------------|--------------------------------|---------------------------------|---------------------------------|
| LSTEEL LTD                    | Joint Shareholder             | 30/6/2021        | 570,423                  | 455,135                        |                                 | 889,837                         |
|                               |                               | 30/6/2020        | 1,081,254                | 634,428                        | 671,131                         | 333,994                         |
| LYKOMITROS STEEL GERMANY GMBH | Joint Shareholder             | 30/6/2021        |                          | 12 000                         |                                 |                                 |
|                               |                               | 30/6/2020        | 85,120                   | 10,693                         | 0                               | 0                               |
| <b>Totals</b>                 |                               | <b>30/6/2021</b> | <b>570,423</b>           | <b>411,559</b>                 | <b>0</b>                        | <b>889,837</b>                  |
| <b>Totals</b>                 |                               | <b>30/6/2020</b> | <b>1,166,374</b>         | <b>645,121</b>                 | <b>671,131</b>                  | <b>333,994</b>                  |

Terms of transactions with the relevant contracting parties:

The sales to the related parties as well as the purchases from them are made at normal prices that prevail in the market at that time.

The other transactions for the members of the Board of Directors and the Executives of the Company for the year ended 30/6/2021 and 30/6/2020 are analysed as follows:

|   | THE COMPANY     |                 |
|---|-----------------|-----------------|
|   | 01/07-30/6/2021 | 01/07-30/6/2020 |
| Remuneration of management members from the provision of work | 63,281          | 63,362          |
|   | <b>63,281</b>   | <b>63,362</b>   |

#### 4.35 Subsequent events

There are no Company-linked events, other than the ones referred to above, that happened after the balance sheet date, namely 30 June 2021, which should be mentioned in accordance with the International Financial Reporting Standards.

Volos, 10 December 2021

The Chairperson of the Board &  
Chief Executive Officer

The Vice-Chairman of the BoD

The Chief Accountant

CH. LYKOMITROS son of  
VASILEIOS ID card AM 841843

CHRISTOS V. LYKOMITROS ID  
Card No. AM 835751

NIKOLAOS ZEBERLIGOS  
ID Card No. AZ 776667  
CERTIFIED PUBLIC ACCOUNTANT  
REGISTER NUMBER 0792037493

**DATA & INFORMATION FOR THE YEAR FROM 1 JULY 2020 TO 30 JUNE 2021**

| LYKOMITROS SOCIETE ANONYME  |                              |  |  |
|---|------------------------------|--|--|
| GENERAL COMMERCIAL REGISTER NO 051180744000 - SA Reg.   |                              |  |  |
| No. 67378/32B/08/020 VOLOS, ANO SPARTIA, SESKLO   |                              |  |  |
| FIGURES AND INFORMATION FOR THE PERIOD FROM 1 JUNE 2020 to 30 JULY 2021   |                              |  |  |
| (Published in accordance with Article 149 of Law 4548/2018 on businesses preparing their annual financial statements, consolidated or otherwise, in accordance with the IFRS)   |                              |  |  |
| (Amounts expressed in euro)   |                              |  |  |
| The following figures and information arising from the financial statements are intended to provide general information about the financial standing and results of the public limited company "LYKOMITROS SOCIÉTÉ ANONYME". We therefore recommend to the reader to examine the interim financial statements and the auditor's report at the issuer's website, prior to proceeding with any type of investment or other transaction with the issuer. |                              |  |  |
| Competent Supervisory Authority: General Secretariat of Commerce, SA Directorate  |                              | Composition of the Board of Directors:                                     |  |
| Company internet address: www.lykomitros-steel.gr   |                              | LYKOMITROS VASILEIOS CHRISTOS President & Managing Director Date of        |  |
| approval of the annual financial statements by the Board of Directors: 10 December 2021   |                              | LYKOMITROS CHRISTOS VASILEIOS Vice-Chairman                                |  |
| Legal Auditor: Konstantinos I. Niforopoulos (Institute of Certified Chartered Accountants of Greece Reg.No. 16541)  |                              | LYKOMITROS EVANGELOS VASILEIOS Member of the Board of Directors            |  |
| Auditing Firm: ORION CHARTERED AUDITORS ACCOUNTANTS SA  |                              | VLACHOS GEORGIOS EMMANOUIL Member of the Board of Directors Type of review |  |
| report: Unqualified opinion   |                              | MARGARITI ANTIGONI EVANGELOS Member of the Board of Directors              |  |
|   |                              | KLAVARIOTIS KYRIAKOS NIKOLAOS Member of the Board of Directors             |  |
| STATEMENT OF FINANCIAL POSITION   |                              |  |  |
| Amounts expressed in EUR  |                              |  |  |
| <b>ASSETS</b>   | <b>30/6/2021</b>             | <b>30/6/2020</b>   |  |
| Property, plant and equipment assets  | 25,282,882                   | 24,152,874   |  |
| Investment property   | 169,368                      | 169,368  |  |
| Intangible assets   | 52,160                       | 77,204   |  |
| Other non-current assets  |                              |  |  |
|   | 423,259                      | 1,292  |  |
| Inventories   | 2,006,542                    | 2,593,022  |  |
| Trade receivables   | 6,268,547                    | 8,390,925  |  |
| Other current assets  |                              |  |  |
|   | <u>25,480,769</u>            | <u>4,687,416</u>   |  |
| <b>TOTAL ASSETS</b>   | <b><u>59,683,527</u></b>     | <b><u>40,072,100</u></b>   |  |
| <b>EQUITY AND LIABILITIES</b>   |                              |  |  |
| Share Capital   | 2,058,000                    | 2,058,000  |  |
| Other equity items  | <u>23,728,736</u>            | <u>19,802,598</u>  |  |
| <b>Total equity (a)</b>   | <b><u>25,786,736</u></b>     | <b><u>21,860,598</u></b>   |  |
| Provisions/ Other long-term obligations   |                              |  |  |
|   | 12,529,153                   | 8,204,529  |  |
| Other current liabilities   | <u>21,367,637</u>            | <u>10,006,974</u>  |  |
| <b>Total liabilities (b)</b>  | <b><u>33,896,791</u></b>     | <b><u>18,211,503</u></b>   |  |
| <b>TOTAL EQUITY AND LIABILITIES (a) + (b)</b>   | <b><u>59,683,527</u></b>     | <b><u>40,072,100</u></b>   |  |
| STATEMENT OF CHANGES IN EQUITY FOR THE FY   |                              |  |  |
| Amounts expressed in EUR  |                              |  |  |
|   | <b>01/07/2020-30/06/2021</b> | <b>01/07/2019 - 30/06/2020</b>   |  |
| Total equity at year start (01.07.2020 and 01.07.2019 respectively)   | 21,860,598                   | 19,919,580   |  |
| Total comprehensive income after taxes  | 3,349,695                    | 752,164  |  |
| Changes in figures over the fiscal period   | 576,443                      |  |  |
| Effect of real estate appraisal at fair value   | <u>0</u>                     | <u>1,188,854</u>   |  |
| <b>Equity at the year end (30.6.2021 and 30.6.2020 respectively)</b>  | <b>25,786,736</b>            | <b>21,860,598</b>  |  |

| <b>CASH FLOW STATEMENT ITEMS FOR THE PERIOD</b>   |  |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
|---|--|--|------------------|-----------|-----------|-----------|---------|-----------|-------------|---------|------------|----------------|---|------------|-------------|---------|---------|---|--------|--------|------------------------------|------------|--|------------|
| Amounts expressed in EUR  |  |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
|   | 01/07/2020-30/06/2021                  | 01/07/2019-30/06/2020  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| <b>Indirect method</b>  |  |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| <b>Operating activities</b>   |  |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Profit before taxes   | 3,601,855                              | 1,076,776  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Plus/less adjustments for:  |  |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Depreciation and amortisation   | 1,272,872                              | 983,020  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Provisions  | 14,988                                 | 15,562   |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Foreign exchange differences  | 0                                      | 4,239  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Debit interest and related expenses   | 479,843                                | 278,481  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Profit or loss (income, expenses, profits and losses) of investment activity  | (196,116)                              | (1,694,203)  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Plus/ less adjustments for changes in working capital accounts or related to operational activities   |  |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Decrease/(increase) in inventories  | 586,480                                | (1,518,683)  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Decrease/(increase) in receivables  | (11,288,324)                           | (4,407,510)  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| (Decrease)/ Increase of liabilities (less banks)  | 11,951,875                             | 5,202,917  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Less:   |  |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Debit interest and related expenses paid  | (479,843)                              | (278,481)  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Taxes paid  | 456                                    | 850,696  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| <b>Total inflows / (outflows) from activities (a)</b>   | <b>5,944,085</b>                       | <b>512,813</b>   |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| <b>Investing activities</b>   |  |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Acquisition of PPE and intangible right-of-use assets   | (2,377,835)                            | (1,754,696)  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Income from sales of tangible and intangible assets   | 0                                      | 56,600   |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Purchase of investment property   | 0                                      | (84,980)   |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Interest received   | 332                                    | 173  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| <b>Total inflows / (outflows) from investing activities (b)</b>   | <b>(2,377,503)</b>                     | <b>(1,782,903)</b>   |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| <b>Financing activities</b>   |  |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Proceeds from loans issued/taken out  | 6,987,449                              | 5,975,000  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Loan repayment  | -1,435,978                             | -4,259,627   |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Income from grants subsidies  | 132,963                                |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Repayments of liabilities from financial leases (amortisation)  | -61,203                                |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Dividends paid  | 0                                      | 0  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| <b>Total inflows / (outflows) from financing activities (c)</b>   | <b>5,684,433</b>                       | <b>1,654,170</b>   |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| <b>Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)</b>  | <b>9,251,015</b>                       | <b>384,080</b>   |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Cash and cash equivalents at start of period  | 633,892                                | 249,812  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| <b>Cash and cash equivalents at period end</b>  | <b>9,884,907</b>                       | <b>633,892</b>   |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| <b>STATEMENT OF COMPREHENSIVE INCOME</b>  |  |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Continuing operations   |  |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Amounts expressed in EUR  |  |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
|   | 01/07/2020-30/06/2021                  | 01/07/2019-30/06/2020  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Turnover  | 34,571,847                             | 19,177,245   |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Gross profit  | 7,287,001                              | 2,693,962  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Earnings before taxes, financial and investing results  | 4,081,366                              | 1,355,085  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Profit before taxes   | 3,601,855                              | 1,076,776  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Earnings after taxes  | 3,044,173                              | 756,742  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Total comprehensive income after taxes  | 3,349,695                              | 752,164  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Profit after tax per share - basic (in €)   | 44.3757                                | 11.0312  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Earnings before taxes, financial and investing results and depreciation   | 5,354,237                              | 2,338,105  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| <b>ADDITIONAL FIGURES AND INFORMATION</b>   |  |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| <p>1. The Company prepares for the second time in the year ended 30/6/2021 financial statements based on the International Financial Reporting Standards (IFRS 1 "First application of IFRS") in accordance with the decision of the Extraordinary General Meeting of Shareholders on 22/5/2020. The accounting principles on the basis of which the financial statements were prepared are consistent with those used to prepare the annual financial statements for the year ended 30/6/2020.</p> <p>2. The transition adjustments under IFRS 1 "First-time Adoption of IFRS" are set out in detail in paragraph 4.35 of the notes to the financial statements.</p> <p>3. The Company has been audited by the tax authorities up to and including the financial year ended 30/6/2015. The Company's tax liabilities have not been audited by tax authorities for the financial years ended 30/6/2016 to 30/6/2021. Therefore the tax results of these years have not been finalised. For the unaudited fiscal years mentioned above there is a possibility that additional taxes and surcharges will be imposed when they will be examined and finalised. The company has not estimated the additional taxes and surcharges that may be charged in a future tax audit and has not formed a relevant provision for this contingent liability as no significant amounts of taxes and surcharges are expected to be determined for unaudited years.</p> <p>4. The number of employees as at 30/6/2021 and 30/6/2020 was 125 and 117 people respectively.</p> <p>5. Income and expenses from year start, as well as receivables and liabilities balances for the Company at year end from transactions with related parties, within the meaning of IAS 24, are as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">(Amounts in EUR)</th> <th style="text-align: right;">30/6/2020</th> <th style="text-align: right;">30/6/2020</th> </tr> </thead> <tbody> <tr> <td>a) Income</td> <td style="text-align: right;">570,423</td> <td style="text-align: right;">1,166,374</td> </tr> <tr> <td>b) Expenses</td> <td style="text-align: right;">455,135</td> <td style="text-align: right;">634,428.11</td> </tr> <tr> <td>c) Receivables</td> <td style="text-align: right;">0</td> <td style="text-align: right;">671,131.44</td> </tr> <tr> <td>d) Payables</td> <td style="text-align: right;">889,837</td> <td style="text-align: right;">333,994</td> </tr> <tr> <td>e) Transactions with directors and managers</td> <td style="text-align: right;">63,281</td> <td style="text-align: right;">63,362</td> </tr> </tbody> </table> <p>6. There are no disputes in litigation or in arbitration, nor are there any decisions by judicial or arbitration bodies that may have a significant impact on the Company's financial situation or operation.</p> <p>7. The amounts of the provisions that have been made are analysed as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td>a. Staff indemnity provision</td> <td style="text-align: right;">107,232.96</td> </tr> <tr> <td>b. Provision for litigation and judgments of judicial bodies and other tax cases</td> <td style="text-align: right;">100,000.00</td> </tr> </tbody> </table> <p>8. Mortgages for the amount of € 7,893,000.00 have been registered on the real estate to secure loans and Letters of Guarantee have been issued in favour of third parties for the amount of € 14,462,687.41.</p> <p>9. The total investments for the period 01/07/2020-30/06/2021 were: EUR 2,476,848.13.</p> <p>10. Treasury shares are not held.</p> <p>There are no other significant events that should be communicated or that make a difference to the items contained in the published financial statements.</p> |  |  | (Amounts in EUR) | 30/6/2020 | 30/6/2020 | a) Income | 570,423 | 1,166,374 | b) Expenses | 455,135 | 634,428.11 | c) Receivables | 0 | 671,131.44 | d) Payables | 889,837 | 333,994 | e) Transactions with directors and managers | 63,281 | 63,362 | a. Staff indemnity provision | 107,232.96 | b. Provision for litigation and judgments of judicial bodies and other tax cases | 100,000.00 |
| (Amounts in EUR)  | 30/6/2020                              | 30/6/2020  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| a) Income   | 570,423                                | 1,166,374  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| b) Expenses   | 455,135                                | 634,428.11   |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| c) Receivables  | 0                                      | 671,131.44   |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| d) Payables   | 889,837                                | 333,994  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| e) Transactions with directors and managers   | 63,281                                 | 63,362   |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| a. Staff indemnity provision  | 107,232.96                             |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| b. Provision for litigation and judgments of judicial bodies and other tax cases  | 100,000.00                             |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| Volos, 10 December 2021   |  |  |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| THE PRESIDENT OF THE BOARD<br>OF DIRECTORS AND MANAGING DIRECTOR  | THE VICE-CHAIRMAN                      | THE ACCOUNTANT   |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |
| CH. LYKOMITROS VASILEIOS<br>841843<br>0792037493  | V. LYKOMITROS<br>ID Card No. AM 835751 | NIKOLAOS ZEBERLIGOS ID Card No. AM<br>ID Card No. AZ 776667 - ECG Reg. No. |                  |           |           |           |         |           |             |         |            |                |   |            |             |         |         |   |        |        |                              |            |  |            |