

LYKOMITROS SOCIETE ANONYME



VOLOS, ANO SPARTIA, SESKLO

SA Reg. No. 67378/32B/08/020

GENERAL COMMERCIAL REGISTRY NO: 051180744000

ANNUAL FINANCIAL REPORT

For the Financial Year

1 July 2019 to 30 June 2020

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 12 February 2021 and have been published by being posted on the internet at <http://www.lykomitros-steel.gr/>



CONTENTS OF THE FINANCIAL STATEMENTS	5
ANNUAL REPORT OF THE BOARD OF DIRECTORS OF THE COMPANY “LYKOMITROS SOCIETE ANONYME”	6
1. Financial report	6
2. Ratios	6
3. Risk management	7
4. Subsequent events	11
5. Details on the development and performance of the activities	12
6. Environmental matters	12
7. Labour matters	13
8. Research and development	13
9. Own shares	13
10. Buildings - facilities	14
11. Branches	14
12. Conclusions – forecasts	14
Independent Certified Auditor’s Report	16
Accountant	16
ANNUAL FINANCIAL STATEMENTS	19
Statement of Comprehensive Income and Other Comprehensive Income for the year ended 30 June 2020	20
Statement of financial position (Balance Sheet) as at 30 June 2020	21
Statement of Changes in Equity for the year ended on 30 June 2020	22
Cash Flow Statement (Indirect Method) for the year ended 30 June 2020	23
NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2020	24
1. Establishment of Company and activities	24
2. Basis of presentation of the financial statements	25
2. 1 Basis of drafting of the Financial Statements	25
3. Basic accounting principles	27
3.1 Foreign currency transactions	27
3.2 Operating segments to be presented	27
3.3 Property, Plant and Equipment	28
3, 4 Intangible assets Software	29
3.5 Impairment of assets	29
3.6 Investment in financial assets	29
3.7 Inventories	30
3.8 Accounts receivable - Provisions for doubtful receivables	30
3.9 Cash and cash equivalents	30
3.10 Share capital	30
3.11 Income tax and deferred taxes	30
3.12. Employee benefits	31
3.12.1 Short-term benefits	31

3.12.2	Defined benefit plans	31
3.12.3	Defined contribution plans	31
1.1 2.3.1	State insurance schemes	32
3.13	Borrowings	32
3.14	Provisions for risks and expenses.....	32
3.15	Revenue and expense recognition Revenue.....	32
3.16	Leases	33
3.17	Basic and impaired profits/(losses) per share.....	34
3.18	Offsetting of receivables - liabilities.....	34
3.19	Rounding.....	34
3.20	Changes in accounting principles and disclosures	34
3.21	Additional data and information on the financial statements 30/6/2019.....	37
4.1	Encumbrances	Error! No bookmark defined.
4.2	Contingent receivables - liabilities	37
4.3	Operating segments	37
4.4	Property, Plant and Equipment.....	38
4.5	Investment property	39
4.6	Intangible assets.....	40
4.7	Other non-current receivables	41
4.8	Inventories	41
4.9	Trade and Other trade receivables	41
4.10	Other current Assets	42
4.11	Investments held to maturity	42
4.12	Other receivables	43
4.13	Cash and cash equivalents	43
4.14	Share Capital	43
4.15	Revaluation reserves	44
4.16	Other Reserves	44
4.17	Loan liabilities	45
4.18	Deferred tax	45
4.19	Employee retirement compensation liabilities.....	46
4.20	Other long-term liabilities	48
4.21	Grants	48
4.22	Provisions	49
4.23	Suppliers.....	49
4.24	Current tax liabilities	50
4.25	Other short-term liabilities	50
4.26	Sales.....	50
4.27	Expenses per category	51
4.28	Payroll costs and staff	52
4.29	Other operating income - expenses	52



4.30	Financial Income - Expenses	53
4.31	Income tax.....	53
4.32	Earnings per share.....	54
4.33	Earnings before interest, taxes, depreciation, and amortisation - EBITDA.....	54
4.34	Transactions with related parties	54
4.35	Agreement between Greek Accounting Standards (GAS) and International Financial Reporting Standards (IFRS)	56
4.36	Subsequent events.....	59
	DATA & INFORMATION FOR THE YEAR FROM 1 JULY 2019 TO 30 JUNE 2020	61



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 2019 until 30 June 2020, 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, 12 February 2021

The Chairman of the BoD &
Managing Director

VASILEIOS CH. LYKOMITROS
ID Card No. AM 841843

The Vice-Chairman of the
BoD

CHRISTOS V. LYKOMITROS
ID Card No. AM 835751

Director

EVANGELOS V. LYKOMITROS
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 2019 to 30 June 2020, 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 2019 to 30 June 2020 are as follows:

Sales

Total sales amounted to € 19,177,245. Turnover decreased by 5.42% compared to last year (€ 20,276,676).

Cost of sales

The cost of sales amounts to € 16,483,283, an increase of 0.25% compared to last year (€ 16,441,532).

Gross Profit Margin

The Gross Profit Margin amounts to € 2,693,962, a decrease of 29.76% compared to last year (€ 3,835,144).

Operating Expenses

The remaining operating expenses amounted to € 1,430,203, increased by 9.61% compared to last year (€ 1,304,774).

Results before Taxes and Financial Expenses (EBITDA)

The result before Taxes and Financial Expenses (EBITDA) consists in profits of € 2,338,105 compared to € 3,415,139 in the previous financial year.

Financial Results

Financial expenses show an increase compared to the previous year and amounted to € 278,481 in the closing year, compared to € 204,196 in the previous financial year. Financial income decreased and amounted to € 173 compared to € 566 last year.

2. Ratios

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

A. Financial Structure	30/6/2020	30/6/2019	Explanation
Current assets/Total assets	39.11%	30.43%	The distribution of Assets in current and fixed
Fixed assets/Total assets	60.89%	69.57%	
Equity/Total liabilities	120.04%	172.05%	Relationship of own funds to loan funds
Own funds/Non-current assets	89.59%	90.90%	Ratio of level of financing of the entity's fixed assets from Equity
Current assets/Short-term liabilities	1.57	1.90	Liquidity ratio

B. Performance and Efficiency	01/07/2019 - 30/06/2020	01/07/2018 - 30/06/2019	Explanation
Net results for the period before taxes/ Total Turnover	5.61%	13.01%	Net profit margin before tax
Net results for the period before taxes/Equity	4.93%	13.24%	Return on Equity
Gross Results/Total Turnover	14.05%	18.91%	Gross Profit Margin
Gross results/Cost of sales	-16.34%	-23.33%	Gross profit on sales costs
Total Turnover/Equity	87.73%	101.79%	Recycling of equity

EBITDA - EBITDA Margin	01/07/2019 - 30/06/2020	01/07/2018 - 30/06/2019
Operating results before financial taxes,	1,355,085	2,841,572
and investment results Total depreciation/amortisation	983,020	573,567
EBITDA (A)	2,338,105	3,415,139
Turnover (B)	19,177,245	20,276,676
EBITDA margin (A)/(B)	12.19%	16.84%

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 of the construction of the projects and the achievement of the guaranteed characteristics thereof.

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, low and short-term borrowing.

Adverse changes in the Company's financial environment

The Greek economy continued its recovery in 2019, but at a slow pace. The economic climate index in 2019 continued its upward trend and reached the highest level since the onset of the crisis. The recovery process was also reflected in the reduction of the country's financing costs, as formed by the significant reduction in interest rates/yields on Greek bonds. It is a fact, however, that growth rates remain relatively low and private consumption has only increased marginally, which affects the dynamics of companies operating in the consumer goods and services sectors. However, the fact that legislative interventions for tax relief are promoted is considered positive.

The positive economic and business environment that emerged for Greece and the industry at the beginning of the year was overturned with the emergence and spread of the COVID-19 virus. In particular, the rapid spread of the virus mainly in Europe, the upgrade of COVID-19 to a pandemic by the World Health Organisation and the activation of further emergency measures by the Greek state affected, as a consequence, the company's activities. The demand for our products and, by extension, the turnover and results of the Company are adversely affected by the current financial crisis that may come about as a consequence of the COVID-19 virus.

Also, any negative economic climate in general, such as economic slowdown, may reduce demand for our products.

The Company, in the context of its activities, is exposed to various financial risks, the most important of which are credit risk and the risk of changes in interest rates:

> **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 the examination of 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 receivables and any prior collection problems they may have displayed.

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 realisable in relation to specific conditions but which have not as yet been finalised.

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 in order 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, as well as 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 of the company's loan obligations is fluctuating. 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 Bank'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.

> 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 quite probably may cause delays or, in a worst-case scenario, suspension of the works. 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.

4. Subsequent events

From the date of closing of the financial year from 1 July 2019 to 30 June 2020, i.e. from 30/6/2020 to this day, no important events have occurred that significantly affect the company's financial standing.

Effect of COVID-19 (coronavirus)

On 13.03.2020, the Greek Government announced its decision to impose the temporary suspension of a number of retail outlets and shopping centers in order to limit the spread of COVID-19 (coronavirus). It is expected that these developments will affect the financial performance of the Company. The extent of the impact will depend on factors such as the duration of the epidemic, how long the current restrictions will remain in place, further action by governments and the scale of the economic turmoil. The Company's management examined the current operating cost base and focused on specific cost-saving initiatives in order to minimise the impact. In addition to operating performance, management assessed the Company's cash position and performed a sensitivity analysis for its annual budget and cash flow forecasts.

The financial impact of COVID-19 on the Company's activities, on the Income Statement and on the Statement of Financial Position, is uncertain at this time. The Company is constantly monitoring the situation. The Management of the company monitors the developments, evaluates the risks and takes all the actions that are deemed necessary both for the protection of its employees and to ensure the operational continuity of the company. Given the uncertainty surrounding the outbreak of the COVID-19 epidemic, the duration of the business downturn and the associated economic impact cannot be accurately estimated at this time.

5. Details on the development, performance, activities

Short 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 legalisation document no.18030/11-11-2008 Kalogeropoulou- Kaltsogianni Kerasia (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 is always active with a focus and commitment to the principles and philosophy of 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

Management principles and internal administrative 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 matters

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

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), assigning 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 the implementation of each project under the best possible conditions in terms of quality and time, without any work accident or incident that could harm the health of employees.

The policy and goals of LYKOMITROS STEEL in the field of health and safety of employees must be complied with by all staff, at every administrative level of the company; together, by recognising the risks we face at the individual level in our workplace, we must contribute to the improvement of 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 - facilities

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

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

12. Conclusions – forecasts

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 owned factory facilities 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

The Greek economy continued its recovery in 2019, but at a slow pace. The economic climate index in 2019 continued its upward trend and reached the highest level since the start of the crisis. The recovery process was also reflected in the reduction of the country's financing costs, as formed by the significant reduction in interest rates/yields on Greek bonds. It is a fact, however, that growth rates remain relatively low and private consumption has only increased marginally, which affects the dynamics of companies operating in the consumer goods and services sectors. However, the fact that a number of important infrastructure projects are planned or already being implemented is considered positive, while at the same time legislative interventions for tax relief are being promoted.

The positive economic and business environment that emerged for Greece and the industry at the beginning of the year was overturned with the emergence and spread of the COVID-19 virus. In particular, the rapid spread of the virus mainly in Europe, the upgrade of COVID-19 to a pandemic by the World Health Organisation and the activation of further emergency measures by the Greek state had a significant negative impact, as a consequence, on the company's activities.

The Company has already created a solid organisation and structure foundation in order to meet any challenges in an extremely difficult and uncertain environment, even in extreme scenarios of ongoing crisis in the next reasonable period of time. The formulation and implementation at European and national level of policies that will mitigate the effects of this unprecedented crisis, both during it and after, for the most effective recovery, is considered extremely important.

In the light of the COVID-19 pandemic, which is an unprecedented trial for the world with an uncertain course, the company has prepared preventive measures and a special action plan in order to ensure its smooth business operation as well as the safety of its employees and society as a whole. Although visibility is low at the moment, the management estimates that, after this disturbed period, the level of consumption will return to normal levels. After all, the low debt and strong cash flows of the company offer security and support in order to deal with any



negative effects. The management maintains its confidence in the company's ability to meet the challenges and, having as its main priority ensuring business continuity and the safety of the employees and the society, will consistently follow the strategic expansion plan of the company.

The management assesses continuously the potential impact of any changes in the macroeconomic and financial environment in Greece in order to ensure that all necessary actions and measures are taken in order 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 2020.

Regarding the current financial year, the Company foresees not only the maintenance of the turnover but also its increase due to new commercial agreements (advertisements) that are expected to strengthen both the turnover and the further reduction of all expenses with the ultimate goal of increasing the company's profits.

Volos, 12 February 2021

The Chairman of the BoD &
Managing Director

VASILEIOS CH. LYKOMITROS
ID Card No. 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



Independent Certified Auditor-Accountant's Audit 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 2020, 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 2020, 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 the opinion

We have conducted our audit in accordance with the International Auditing Standards (IAS), as transposed into the 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 principle 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 B.o.D., pursuant to Article 2 paragraph 5 (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 30/6/2020.
- b) On the basis of the information obtained during our audit in relation to the Company LYKOMITROS S.A. 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, Amarousion

Amarousion, 18 February 2021
The Certified Auditor Accountant

Konstantinos I. Niforopoulos
Institute of Certified Public Accountants of Greece
(SOEL) Auditor reg. no. 16541

ANNUAL FINANCIAL STATEMENTS

for the financial year from 1 July 2019 to 30 June 2020

In accordance with to the International Financial Reporting Standards (IFRS) as they have been endorsed by the European Union

Statement of Comprehensive Income and Other Comprehensive Income for the year ended 30 June 2020

(amounts in euro)

	Note	COMPANY	
		01/07/2019- 30/06/2020	01/07/2018- 30/06/2019
		Continuing Activities	Continuing Activities
Turnover	4.26	19,177,245	20,276,676
Cost of goods sold	4.27	(16,483,283)	(16,441,532)
Gross profit		2,693,962	3,835,144
Other operating income	4.29	196,197	488,374
Distribution expenses	4.27	(97,920)	(62,848)
Administrative expenses	4.27	(1,332,283)	(1,241,926)
Other operating expenses	4.29	(104,872)	(177,171)
Earnings/(losses) before taxes, financing, investment results		1,355,085	2,841,572
Financial income	4.30	173	566
Financial expenses	4.30	(278,481)	(204,196)
Profit/(Loss) before taxes		1,076,776	2,637,943
Income tax	4.31	(320,034)	(643,019)
Net profit/(loss) for the period		756,742	1,994,923
<i>Profit/ (loss) after taxes per share - basic</i>	4.32	11.0312	29.0805
Weighted average number of shares, basic and diminished			
<i>Weighted average of common shares</i>		68.600	68.600
Profit/(loss) after taxes <u>Other comprehensive income:</u>		756,742	1,994,923
	-		
Other total income not transferred to the results in subsequent periods:			
<i>Liability for staff benefits - actuarial gains/(losses)</i>	4.19	(6,023)	(9,246)
<i>Corresponding income tax</i>		1,446	2,219
		(4,578)	(7,027)
Total comprehensive income of the period after taxes		752,164	1,987,896
Results before taxes, financing & investing results and depreciation and amortisation		2,338,105	3,415,139

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

Statement of financial position (Balance Sheet) as at 30 June 2020

(amounts in euro)

	Note	THE COMPANY	
		30/6/2020	30/6/2019
Assets			
Non-current assets			
Tangible fixed assets	4.4	24,152,874	21,806,696
Investment property	4.5	169,368	
Intangible assets	4.6	77,204	100,481
Other non-current receivables	4.7	1,292	6,224
		24,400,738	21,913,402
Current assets			
Inventories	4.8	2,593,022	1,074,339
Receivables from customers and other trade receivables	4.9	8,390,925	5,691,472
Other receivables	4.12	640,188	943,231
Other current Assets	4.10	3,193,316	1,393,394
Investments held to maturity	4.11	220,020	231,600
Cash and cash equivalents	4.13	633,892	249,812
		15,671,363	9,583,847
Total Assets		40,072,100	31,497,248
Equity and Liabilities			
Equity			
Share capital	4.14	2,058,000	2,058,000
Revaluation reserves	4.15	11,268,998	10,080,144
Other reserves	4.16	6,102,575	6,049,575
Results carried forward		2,431,025	1,731,860
Total Equity		21,860,598	19,919,580
Long-term liabilities			
Long-term borrowings	4.17	4,099,695	2,734,345
Deferred tax liabilities	4.18	3,496,490	3,130,593
Employee retirement compensation liabilities	4.19	92,245	76,684
Other long-term liabilities	4.20	304,147	365,128
Grants	4.21	111,951	125,350
Provisions	4.22	100,000	100,000
Total long-term liabilities		8,204,529	6,532,100
Current liabilities			
Trade and other payables	4.23	7,560,678	3,629,751
Current tax liabilities	4.24	733,847	41,359
Short-term borrowings	4.17	10	317
Long-term borrowing payable in the subsequent financial year	4.17	1,132,460	843,333
Other long-term liabilities payable in the next financial year	4.20	63,380	61,203
Other current liabilities	4.25	516,599	469,606
Total Current Liabilities		10,006,974	5,045,569
Total Liabilities		18,211,503	11,577,669
Total Equity and Liabilities		40,072,100	31,497,248

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

Statement of Changes in Equity for the year ended on 30 June 2020

(amounts in euro)

COMPANY							
	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
Balance as at 1 July 2019	2,058,000	256,378	10,080,144	2,500,000	3,293,197	1,731,860	19,919,580
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)
Equity Balance as at 30 June 2020	2,058,000	309,378	11,268,998	2,500,000	3,293,197	2,431,025	21,860,598

COMPANY							
	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
Balance as at 1 July 2018	2,058,000	163,155		400,000	2,930,744	2,329,447	7,881,346
Adjustments for transition to IFRS			3,808,909			(268,656)	3,540,253
Balances as at 1 July 2018 based on IFRS	2,058,000	163,155	3,808,909	400,000	2,930,744	2,060,791	11,421,599
Formation of Statutory reserves		93,223				(93,223)	0
Changes in figures over the fiscal period					362,453	(123,604)	238,849
Effect of real estate appraisal at fair value			6,271,236				6,271,236
Total comprehensive income of the period after taxes						1,994,923	1,994,923
Domestic transport				2,100,000		(2,100,000)	0
Other comprehensive income						(7,027)	(7,027)
Equity Balance as at 30 June 2019	2,058,000	256,378	10,080,144	2,500,000	3,293,197	1,731,860	19,919,580

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

Cash Flow Statement (Indirect Method) for the year ended 30 June 2020 (amounts in euro)

	THE COMPANY	
	01/07/2019 - 30/06/2020	01/07/2018 - 30/06/2019
Operating activities		
Net profit/(loss) for the financial year before taxes from continuing activities	1,076,776	2,637,943
<i>Plus/less adjustments for:</i>		
Depreciation and amortisation	983,020	573,567
Provisions	15,562	19,485
Currency translation differences	4,239	0
Results (income, expenses, profits and losses) of investment activities	(1,694,203)	(15,990)
Debit interest and related expenses	278,481	204,196
<i>Plus/minus adjustments for changes in working capital accounts or related to operating activities:</i>		
Decrease/(increase) in inventories	(1,518,683)	990,572
Decrease/(increase) in receivables	(4,407,510)	(2,651,669)
(Decrease)/ increase of liabilities (except banks) <i>Less:</i>	5,202,917	8,886,271
Debit interest and related expenses paid	(278,481)	(204,196)
Taxes paid	850,696	(120,523)
Total inflow/(outflow) from operating activities (a)	<u>512,813</u>	10,319,655
Investing activities		
Acquisition of subsidiaries, affiliates, joint ventures and other investments		
Purchase of tangible and intangible fixed assets	(1,754,696)	(11,670,483)
Proceeds from the sale of tangible and intangible assets	56,600	
	(84,980)	
Purchase of real estate investments Foreign exchange differences received		
Interest received	173	566
Total cash inflow/(outflow) from investing activities (b)	<u>(1,782,903)</u>	(11,669,917)
Financing activities		
Proceeds from share capital increase		
Proceeds from borrowings/loans received	5,975,000	0
Loan repayment	(4,259,627)	(571,758)
Payment of leases (amortisation)	(61,203)	(149,991)
Total cash inflow/(outflow) from financing activities (c)	<u>1,654,170</u>	(721,749)
Net increase/(decrease) in cash and cash equivalents of the period (a) + (b) + (c)	384,080	(2,072,010)
Cash and cash equivalents at year start	249,812	2,321,823
Cash and cash equivalents at year end	<u>633,892</u>	<u>249,812</u>

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2020

1. Establishment of the company and activities

“LYKOMITROS SA” was founded on 01/10/2008 (from the conversion of LYKOMITROS LTD L.2166/930) with legalisation document no.18030/11-11-2008 Kalogeropoulou- Kaltsogianni Kerasia (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 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.

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

The number of employees of the Company on 30 June 2020 amounted to 117 people with an employment contract (30 June 2019: 122 people with an employment contract).

These Financial Statements (the “Financial Statements”) are subject to approval by the Ordinary General Meeting of the Company which is expected to meet in March 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 2020, which cover the period from 1 July 2019 until 30 June 2020 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 applies for the first time the IAS/IFRS, in accordance with the decision of the Extraordinary General Meeting of the Shareholders on 22/5/2020, with all their interpretations and any revisions or changes thereto and they are applicable to the financial statements from 01/07/2019.

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 application of the Company’s accounting policies, the 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 are related to the recovery 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 as intrinsically 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.

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 2020 on 12 February 2021. These financial statements are subject to final approval by the annual General Meeting of the Shareholders.

2.4 Application 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:

- (b) 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

3.2 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, there result no 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.

3.3 Operating segments to be presented

The operating segment to be presented is a part of the Company that participates in business activities and generates income and expenses, including income and expenses related to transactions with other departments 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.

3.4 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 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 a previous goodwill on the same asset recognised in the revaluation reserve.

Expenses that take place at a later period and are due to property renovation are recorded as an increment to the book value of tangible assets only 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 at a later period are recorded as an increment to the book value of the tangible assets in question only if there is a high possibility that the Company will have 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 do not depreciate 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
Plant, machinery and equipment	17 - 25 years
Cars – Vehicles	6 - 8 years
Furniture and fixtures	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.

3.5 Intangible assets Software

Software is valued at cost less accumulated depreciation and any impairment of its value. Depreciation is estimated under 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.

3.6 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 carrying amounts 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 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.

3.7 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.

3.8 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.

3.9 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 formed provision is recorded in the results. Receivables deleted from accounts receivable are realized through the provision formed for doubtful customers. Receivables which are assessed as bad debts are written off.

3.10 Cash and cash equivalents

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

3.11 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.

3.12 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. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction did not affect the accounting or the 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.

3.13 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 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) Sale 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) Rendering of services

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

(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) Expenses

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 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 Basic and impaired profits/(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

IFRS 16 "Leases" (effective for annual periods beginning on or after 1 January 2019)

IFRS 16 was issued in January 2016 and replaces IAS 17. The objective of the standard is to ensure that lessees and lessors provide useful information that fairly presents the essence of the lease-related transactions. IFRS 16 introduces a single model for the accounting treatment by the lessee, which requires that the lessee recognises assets and liabilities for all lease contracts with a term of over 12 months, except if the underlying asset has non-significant value. With regard to the accounting treatment by the lessor, IFRS 16 essentially incorporates the requirements of IAS 17. Therefore, the lessor continues to classify lease contracts into operating and finance leases and to apply different accounting treatment for each type of contract. The effect of the aforementioned standard on the Company's Financial Statements is described in detail in **Notes 5 and 20**.

IFRS 9 (Amendments) “Prepayment features with negative compensation” (effective for annual accounting periods beginning on or after 1 January 2019)

The amendments enable companies, if a certain condition is met, to measure financial assets with prepayment features with negative compensation at amortized cost or fair value through other comprehensive income and not at fair value through profit and loss. The application of the aforementioned amendment had no impact on the Company’s Financial Statements.

IFRIC 23 “Uncertainty over Income Tax Treatments” (effective for annual periods beginning on or after 1 January 2019)

The Interpretation explains how to recognize and measure current and deferred tax assets and liabilities if there is uncertainty over a tax treatment. IFRIC 23 applies to all aspects of income tax accounting where there is such uncertainty, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. The application of the aforementioned interpretation had no effect on the Company’s Financial Statements.

IAS 19 (Amendments) “Plan Amendment, Curtailment or Settlement” (effective for annual periods beginning on or after 1 January 2019)

The amendments specify how companies determine pension expenses when changes to a defined benefit pension plan occur. The application of the aforementioned amendment had no impact on the Company’s Financial Statements.

Annual Improvements to IFRS (2015 - 2017 Cycle) (effective for annual periods beginning on or after 1 January 2019)

IAS 12 “Income Taxes”

The amendments clarify that an entity should equally account for all income tax consequences of dividends.

IAS 23 “Borrowing costs”

The amendments clarify that an entity should account for any borrowing costs incurred to produce an asset when such asset is ready for its intended use or sale.

The application of the aforementioned improvements had no effect on the Company’s Financial Statements.

Standards and Interpretations effective for subsequent periods

IAS 1 and IAS 8 (Amendments) “Definition of material” (effective for annual accounting periods beginning on or after 1 January 2020)

The amendments clarify the definition of material and how it should be applied by including in the definition guidance which until now was featured elsewhere in IFRS. In addition, the clarifications accompanying the definition have been improved. Finally, the amendments ensure that the definition of material is consistent across all IFRSs.

IAS 1 (Amendment) ‘Classification of liabilities as current or non-current’ (effective for annual periods beginning on or after 1 January 2022)

The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period.

Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the ‘settlement’ of a liability. The amendment has not yet been endorsed by the EU.

The aforementioned amendments are not expected to have an impact on the Company’s Financial Statements.

4. Additional data and information on the financial statements as at 30/6/2019

4.1 Guarantees - Notes

- i) Notes of mortgage - mortgages amounting to €6,143,000.00 have been registered on the properties as collateral for loans in favour of ALPHABANK.
- (ii) Letters of guarantee in favour of third parties for the amount of EUR 6,056,151.31

4.2 Contingent receivables - liabilities

> Information on contingent receivables

As at 30 June 2020, 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 30/6/2020. 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 last 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
Acquisition value							
As at 30 June 2019	2,573,663	14,438,579	4,638,645	838,547	324,493	249,241	23,063,168
Additions 1/7/2019 - 30/6/2020 Fair value adjustment	0	31,000	1,112,060	231,716	27,726	352,577	1,755,079
1/7/2019 - 30/6/2020 Transfers from "under development"	0	135,520	1,428,761				1,564,281
Sales 1/7/2019 - 30/6/2020		590,281				(590,281)	0
As at 30 June 2020	2,573,663	15,172,703	7,167,923	1,067,262	349,248	11,537	24,715,155
Accumulated depreciation							
As at 30 June 2019	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)
As at 30 June 2020	0	617,973	735,157	532,068	304,265	0	2,189,463
Net book value							
As at 30 June 2019	2,573,663	14,226,131	4,333,514	376,366	47,781	249,241	21,806,696
As at 30 June 2020	2,573,663	14,577,407	6,410,089	535,195	44,983	11,537	24,152,874

	Fields and plots	Buildings and technical works	Machinery and other equipment	Transportation equipment	Furniture and other fixtures	PPE under construction	Total
Acquisition value							
As at 30 June 2018	526,663	4,979,107	3,978,128	725,309	279,629	973,636	11,462,472
Additions 1/7/2018 -	559,747	2,669,063	691,272	113,238	44,864	466,051	4,544,235

30/6/2019 Fair value adjustment 1/7/2018 - 30/6/2019								
Transfers from "under development" Sales 1/7/2018 - 30/6/2019	1,487,253	5,601,948	(30,754)					7,058,447
	0	1,188,462				(1,190,446)		(1,983)
As at 30 June 2019	2,573,663	14,438,579	4,638,645	838,547	324,493	249,241	23,063,171	0
Accumulated depreciation as at 30 June 2018	0	10,880	51,796	408,869	241,491	0		713,036
Depreciation and amortisation 1/7/2018 - 30/6/2019	0	201,568	253,336	53,312	35,220	0		543,436
Sales 1/7/2018 - 30/6/2019								0
As at 30 June 2019	0	212,448	305,131	462,181	276,712	0		1,256,472
Net Book value								
As at 30 June 2018	526,663	4,968,227	3,926,332	316,440	38,138	973,636	10,749,436	
As at 30 June 2019	2,573,663	14,226,131	4,333,514	376,366	47,781	249,241	21,806,696	

Notes of mortgage - mortgages amounting to €6,143,000.00 have been registered on the properties as collateral for loans in favour of ALPHABANK.

4.5 Investment property

	Investment property	Total
Acquisition value		
As at 30 June 2018		0
Additions 1/7/2018 - 30/6/2019		0
Transfers in financial year 1/7/2018 - 30/6/2019		0
Impairment 1/7/2018 - 30/6/2019		0
Sales 1/7/2018 - 30/6/2019		0
As at 30 June 2019	0	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
Transfers in financial year 1/7/2019 - 30/6/2020		0
Impairment 1/7/2019 - 30/6/2020		0
Sales 1/7/2019 - 30/6/2020		0
As at 30 June 2020	169,368	169,368
Accumulated depreciation		
As at 30 June 2018		0
Depreciation and amortisation 1/7/2018 - 30/6/2019		0
Impairment 1/7/2018 - 30/6/2019		0
Transfers in financial year 1/7/2018 - 30/6/2019		0
Sales 1/7/2018 - 30/6/2019		0
As at 30 June 2019	0	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
As at 30 June 2020	0	0
Net book value		
As at 30 June 2019	0	0

169,368

169,368

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 no. 5.914/26-09-2019 Summary of the Auction Report of the Trikala notary Panagiota K. Kontolati, 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 Magnisia.

4.6 Intangible assets

The Company's intangible assets are analysed as follows:

	Software	Total
Acquisition value		
As at 30 June 2019	211,327	211,327
Additions 1/7/2019 - 30/6/2020	4,617	4,617
Transfers from "under development"		0
Sales 1/7/2019 - 30/6/2020		0
As at 30 June 2020	215,944	215,944
Accumulated depreciation		
As at 30 June 2019	110,846	110,846
Depreciation and amortisation 1/7/2019 - 30/6/2020	27,895	27,895
Sales 1/7/2019 - 30/6/2020		0
As at 30 June 2020	138,740	138,740
Net book value		
As at 30 June 2019	100,481	100,481
As at 30 June 2020	77,204	77,204
Software		
Acquisition value		
As at 30 June 2018	141,541	141,541
Additions 1/7/2018 - 30/6/2019	69,787	69,787
Transfers from "under development"		0
Sales 1/7/2018 - 30/6/2019		0
As at 30 June 2019	211,327	211,328
Accumulated depreciation		
As at 30 June 2018	80,715	80,715
Depreciation and amortisation 1/7/2018 - 30/6/2019	30,131	30,131
Sales 1/7/2018 - 30/6/2019		0
As at 30 June 2019	110,846	110,846
Net book value		
As at 30 June 2018	60,825	60,825
As at 30 June 2019	100,481	100,481

4.7 Other non-current receivables

	30/6/2020	30/6/2019
Guarantees paid	1,292	6,224
	1,292	6,224

4.8 Inventories

	30/6/2020	30/6/2019
Merchandise	61,655	61,655
Finished & semi-finished goods	84,350	84,235
Production in progress	0	0
Raw and anc. materials - packag. mat.	2,438,930	917,326
Consumables	8,087	11,123
Total	2,593,022	1,074,339
Less: Provisions for obsolete, slow-moving or damaged inventories:	-	-
Net realisable value	2,593,022	1,074,339

4.9 Receivables from customers and other trade receivables

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

	30/6/2020	30/6/2019
Customers	9,064,714	6,489,389
Advance payments to suppliers	260,415	96,326
Receivable Securities	173,596	193,596
Less: Provision for impairment of receivables	(1,107,800)	(1,027,435)
Net Trade Receivables	8,390,925	5,751,876

The fair values of receivables are as follows:

Customers	8,180,915	5,625,550
Receivable Securities	10,000	30,000
Advance payments to suppliers	200,010	35,921
Total	8,390,925	5,691,472

Receivable collection periods	30/6/2020	30/6/2019
Up to 30 days	6,292,660	4,459,376
31 - 60 days	494,018	201,525
61 - 90 days	41,071	342,241
91 - 120 days	710,990	155,667
121 - 150 days	241,177	132,025
Over 150 days	611,009	461,041
Past due	1,107,800	1,027,435
Total	9,498,725	6,779,311

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 30/6/2020, the total provision for doubtful customers amounted to

€ 1,107,800. The Company estimates that the provisions formed are sufficient to cover doubtful receivables. To assess the amount of impairment of its trade receivables, Management evaluates the recoverability of 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 values and are fully collectible. The maximum credit risk of trade receivables as at 30 June 2020 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

	30/6/2020	30/6/2019
Deferred expenses	88,859	22,518
Accrued income	142,634	439,623
Accounting for revenue based on the completion rate method	2,924,817	931,022
Purchases to be accepted	37,006	231
Total	3,193,316	1,393,394

4.11 Investments held to maturity

ALPHA GROUP JERSEY LTD BOND

Acquisition value	500,000
Balance as at 1 July 2018	191,070
<i>Changes during the financial year</i>	
Appreciation value as at 30/6/2019	40,530
Balance as at 30 June 2019	231,600
Balance as at 1 July 2019	231,600
<i>Changes during the financial year</i>	
Devaluation value as at 30/6/2020	(11,580)
Balance as at 30 June 2020	220,020

4.12 Other Receivables

	30/6/2020	30/6/2019
Greek State - taxes prepaid and withheld	203,718	36,370
Claims from the State - VAT refundable	435,262	902,690
Other receivables	6,945	9,909
Less: Provision for impairment of receivables	(5,738)	(5,738)
Net Receivables	640,188	943,231

The fair values of receivables are as follows:

Greek State - taxes prepaid and withheld	203,718	36,370
Claims from the State - VAT refundable	435,262	902,690
Other receivables	1,207	4,171
Total	640,188	943,231

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

	30/6/2020	30/6/2019
Cash	20,190	16,981
Sight deposits in €	442,727	122,668
Sight deposits in foreign currency	170,974	110,163
Total	633,892	249,812

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 173 (30/6/2019: EUR 566) (note 29).

4.14 Share Capital

The share capital of the Company as at 30 June 2020 amounts to € 2,058,000 divided into 68,600 common shares, with a nominal value of € 30 (in absolute amount) each.

	30/6/2020	30/6/2019
Share Capital consisting of 68,600 shares of nominal value of EUR 30.00 each	2,058,000	2,058,000

	30/6/2020	30/6/2019
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	68.600	68.600

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) 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

	0
Balance pursuant to the previous accounting principles GAS	
Adjustments for transition to IFRS (fair value)	
Real estate adjustment	1,288,127
Adjustment of Technical facilities	12,425
Adjustment of Mechanical Equipment	2,508,358
	3,808,909
Balance as at 1 July 2018	3,808,909
Changes during the financial year	
Real estate adjustment 1/7/2018 - 30/6/2019	6,212,957
Adjustment of Technical facilities 1/7/2018 - 30/6/2019	81,652
Adjustment of Mechanical Equipment 1/7/2018 - 30/6/2019	(23,373)
Balance as at 30 June 2019	10,080,144
Balance as at 1 July 2019	10,080,144
Changes during the financial year	
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
Balance as at 30 June 2020	11,268,998

4.16 Other Reserves

	Statutory reserve	Special Reserve under Investment Law 4399/2016	Tax-exempt reserve under Law 3299/2004	Tax-exempt reserve under Law 4399/2016	Total
Balance as at 1 July 2018	163,155	400,000	2,930,744	0	3,493,899
Changes during the financial year	93,223	2,100,000	-	362,453	2,555,676
Balance as at 30 June 2019	256,378	2,500,000	2,930,744	362,453	6,049,575
Changes during the financial year	53,000	-	-	-	53,000
Balance as at 30 June 2020	309,378	2,500,000	2,930,744	362,453	6,102,575

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

4.17 Borrowings

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.

	THE COMPANY	
	30/6/2020	30/6/2019
Long-term borrowing		
Bank loans	4,099,695	2,734,345
Total long-term borrowings	4,099,695	2,734,345
Short-term borrowings		
Bank loans	10	317
Long-term liabilities to be paid in next financial year	1,132,460	843,333
Total short-term borrowings	1,132,470	843,650
Total borrowings	5,232,165	3,577,995

Non-current portion:

	2 years and or less	Between 2 and 5 years	Over 5 years	Total
30 June 2019				
Total borrowings	1,686,667	1,047,679	0	2,734,345
30 June 2020				
Total borrowings		4,099,695	0	4,099,695

Notes of mortgage - mortgages amounting to €6,143,000.00 have been registered on the properties as collateral for loans in favour of ALPHABANK.

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:

	30/6/2020	30/6/2019
Balance as at 1/7/2019	(3,130,593)	(1,149,553)
Debit/(credit) in the income statement	8,086	(2,869)
Real estate adjustments at fair value to equity	(32,525)	(1,987,771)
Adjustments of mechanical equipment at fair value to equity	(342,903)	7,381
Other debit/(credit) to equity	1,446	2,219
Balance as at 30/6/2020	(3,496,490)	(3,130,593)

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:

<u>1/7/2018 - 30/6/2019</u>	<u>Opening balance</u>	<u>(Debit)/credit in Profit or Loss</u>	<u>(Debit)/credit to equity</u>	<u>Closing balance</u>
Provisions for bad debts	28,707	36,018	0	64,725
Write-offs of intangible assets	10,825	(1,607)	0	9,218
Staff compensation	13,728	2,457	2,219	18,404
Fair value adjustment of real estate	(410,700)	0	(1,987,771)	(2,398,472)
Adjustment of mechanical equipment at fair value	(792,113)		7,381	(784,732)
Financial depreciation		(2,283)	0	(2,283)
Provisions		0	0	0
Accrued income		(37,455)	0	(37,455)
Other		0	0	0
Total	(1,149,553)	(2,869)	(1,978,171)	(3,130,593)

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

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 regarded the examination and calculation of the actuary amounts that are required according to the specifications set out by International Accounting Standards (IAS 19) and which amounts must be recorded in the Balance Sheet and results statement 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:

Changes in the Present Value of a Defined Benefit	01/07 - 30/6/2020	01/07 - 30/6/2019
Present value of liability as at 1 January:	76,684	57,198
A. Cost of current service	13,066	13,681
B. Interest expense	844	1,030
	0	0
Recognition of previous service costs C. Actuarial (profits)/losses		
C.1. Actuarial Profit / Loss from change in economic affairs	6,023	9,246
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. Paid Benefits		
D.1. Benefits paid by the employer	(3,398)	(5,933)
D.2. Benefits paid by the plan	0	0
E. Cost of cut-backs/settlements/service termination	(974)	1,461
F. Internal movements	0	0
Present value of liability as at 30 June:	92,245	76,684

Changes in the net liability acknowledged in the Balance Sheet

	2020	2019
Net Liability to be entered in the balance sheet on 1 January	76,684	57,198
Cost for entry in the income statement	12,936	16,172
Cost for entry in the statement of other comprehensive income: Actuarial (profits)/losses	6,023	9,246
Benefits paid	(3,398)	(5,933)
Cost of service during the period		
Net Liability to be entered in the balance sheet on 30 June	92,245	76,684

Cost for entry in the income statement	2020	2019
--	------	------

A. Cost of current service	13,066	13,681
B. Interest expense	844	1,030
E. Cost of cut-backs/settlements/service termination	(974)	1,461
Cost of service during the period	0	0
Total	12,936	16,172

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 30/6/2020 and 30/6/2019 are as follows:

Actuarial assumptions

Discount rate	0.80%	1,10%
Inflation	1.70%	1.70%
Future salary raises	2.70%	2.70%
Duration of obligations	22.32	22.68

4.20 Other long-term liabilities

	30/6/2020	30/6/2019
Other long-term liabilities		
Long-term liabilities of leased assets	301,747	365,128
Collected rent guarantees	2,400	0
Total other long-term liabilities	304,147	365,128
Other long-term liabilities payable in the next financial year		
Long-term liabilities from lease payments payable in the next financial year	63,380	61,203
Total Current right-of-use liabilities	63,380	61,203
Total depreciation and amortisation of right-of-use assets	367,528	426,331

4.21 Grants

Investment grants (PA 2010)

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

	Investment grants (PA 2010)	Investment grants (EXOSTREPHEIA II EX2-01149)	Total
Acquisition value			
As at 30 June 2018	193,667	62,393	256,060
Additions 1/7/2018 - 30/6/2019			0
Transfers in financial year 1/7/2018 - 30/6/2019			0
Impairment 1/7/2018 - 30/6/2019			0

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 - 30/6/2020			0
Impairment 1/7/2019 - 30/6/2020			0
As at 30 June 2020	193,667	62,393	256,060
Accumulated depreciation			
As at 30 June 2018	85,581	29,706	115,287
Depreciation and amortisation 1/7/2018 - 30/6/2019	8,576	6,848	15,423
Impairment 1/7/2018 - 30/6/2019			0
Transfers in financial year 1/7/2018 - 30/6/2019			0
As at 30 June 2019	94,156	36,554	130,710
Depreciation and amortisation 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 - 30/6/2020			0
As at 30 June 2020	102,732	41,376	144,108
Net book value			
As at 30 June 2019	99,511	25,839	125,350
As at 30 June 2020	90,935	21,016	111,951

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.

	30/6/2020	30/6/2019
Provision against other contingencies from legal and tax claims against the company	100,000	100,000
Total	100,000	100,000

4.23 Suppliers

Suppliers are broken down as follows:

	30/6/2020	30/6/2019
Suppliers	4,948,522	1,981,900
Advances from customers	1,696,797	27,214
Cheques Payable	915,359	1,620,636
Net Trade payables	7,560,678	3,629,751
<i>The fair values of payables are as follows:</i>		
Suppliers	4,948,522	1,981,900
Advances from customers	1,696,797	27,214
Cheques Payable	915,359	1,620,636
Total	7,560,678	3,629,751

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

	30/6/2020	30/6/2019
Income tax of the period	0	0
Value added tax	697,050	0
Payroll taxes and duties	15,111	16,175
Third party fees taxes and duties	3,490	7,505
Other taxes and duties	18,196	17,679
Total	<u>733,847</u>	<u>41,359</u>

4.25 Other current liabilities

	30/6/2020	30/6/2019
Insurance Payables	86,135	82,446
Wages and salaries payable	54,740	49,496
Deferred income	54,318	285,000
Accrued expenses (payable)		41,657
Accrued sales discounts	283,902	
Other current liabilities	37,504	11,007
Total	<u>516,599</u>	<u>469,606</u>

The fair values of payables are as follows:

	30/6/2020	30/6/2019
Insurance Payables	86,135	82,446
Wages and salaries payable	54,740	49,496
Deferred income	54,318	285,000
Accrued expenses (payable)		41,657
Accrued sales discounts	283,902	
Other current liabilities	37,504	11,007
Total	<u>516,599</u>	<u>469,606</u>

4.26 Sales

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

	THE COMPANY	
	01/07 - 30/6/2020	01/07 - 30/6/2019
Sales of merchandise	7,728	6,869
Sales of finished & semi-finished products	17,732,282	19,527,189
Sales of other inventories & scrap material	135,680	75,818
Sales of services	1,301,554	666,800
	<u>19,177,245</u>	<u>20,276,676</u>

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 - 30/6/2020	01/07 - 30/6/2019
Domestic sales	7,622,506	4,609,054
Intra-Community sales	9,297,760	14,710,956
Sales in third countries	2,256,979	956,665
	19,177,245	20,276,676

4.27 Expenses per category

Cost of goods sold

	THE COMPANY	THE COMPANY
	01/07- 30/6/2020	01/07- 30/6/2019
Personnel fees & expenses	1,575,643	1,659,702
Third party fees and expenses	3,330,657	3,965,695
Third party benefits	569,836	764,582
Taxes - Duties	92,955	47,828
General Expenses	1,093,306	967,260
Dep. of fixed assets (tan.)	882,908	464,082
Provisions	5,723	10,239
	7,551,028	7,879,390
Cost of inventories	8,932,255	8,562,142
Cost of goods sold	16,483,283	16,441,532

Distribution costs

	THE COMPANY	THE COMPANY
	01/07- 30/6/2020	01/07- 30/6/2019
Personnel fees & expenses	0	0
Third party fees and expenses	11,000	0
Third party benefits	0	0
Taxes - Duties	0	0
General Expenses	85,012	62,848
Dep. of fixed assets (tan.)	0	0
Provisions	1,908	
	97,920	62,848

Administrative expenses

	THE COMPANY	THE COMPANY
	01/07- 30/6/2020	01/07- 30/6/2019
Personnel fees & expenses	861,855	796,227
Third party fees and expenses	229,332	139,031
Third party benefits	67,741	104,556
Taxes - Duties	17,013	26,321
General Expenses	54,322	66,306
Dep. of fixed assets (tan.)	100,111	109,485
Provisions	1,908	
	1,332,283	1,241,926

4.28 Payroll costs and staff

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

	30/6/2020	30/6/2019
Wages and salaries	1,789,739	1,791,901
Employer contributions	463,110	474,660
Compensation - Provisions for compensation of personnel	3,398	5,933
Other benefits and expenses	181,251	183,435
Total	2,437,498	2,455,929

The average number of employees per category is:

	30/6/2020	30/6/2019
Salaried staff	40	38
Technical staff	77	84
Total	117	122

4.29 Other operating income - expenses

Other operating income

	THE COMPANY	
	01/07 - 30/6/2020	01/07 - 30/6/2019
Special subsidies - grants	40,170	1,370
Various additional sales revenue		1,886
Income from services to third parties	3,672	2,520
Income from rents	9,600	
Profit from sale of assets	44,159	
Credit foreign exchange differences	808	
Subsidies of fixed investment corresponding to the financial year	13,398	15,847
Revenue from revaluation at fair value of investment property	84,388	
Bond valuation income		40,530
Other	2	426,221
Total	196,197	488,374

Other operating expenses

	THE COMPANY	
	01/07 - 30/6/2020	01/07 - 30/6/2019
Impairment of Receivables	19,960	150,077
Debit foreign exchange differences	5,047	404
Tax penalties and surcharges	17,218	22,524
Losses from sale of fixed assets	616	
Thefts - Misappropriations	40,565	
Bond devaluation loss	11,580	
Other	9,886	4,166
Total	104,872	177,171

4.30 Financial Income - Expenses

	THE COMPANY	
	01/07 - 30/6/2020	01/07 - 30/6/2019
Interest Income	173	566
Total	173	566

	THE COMPANY	
	01/07- 30/6/2020	01/07- 30/6/2019
Other long-term liability interest and expenses	149,447	139,186
Interest and other short-term bank financing expenses	17,023	1,366
Commissions paid for letters of guarantee	89,595	44,724
Other related financing expenses	22,416	18,920
Total	278,481	204,196

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 24% was used to calculate the deferred tax.

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 30/6/2020. 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 30/6/2020 and 30/6/2019, 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 - 30/6/2020</u>	<u>01/07 - 30/6/2019</u>
Income tax of the period	(328,120)	(640,151)
Deferred tax asset/(liability)	8,086	(2,869)
Total	(320,034)	(643,019)

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 - 30/6/2020</u>	<u>01/07 - 30/6/2019</u>
<i>Number of Shares</i>	<i>68.600</i>	<i>68.600</i>
Profits/(losses) corresponding to parent company shareholders	756,742	1,994,923
<i>Weighted average number of shares outstanding</i>	<i>68.600</i>	<i>68.600</i>
Basic earnings per share (euro per share)	11.0312	29.0805

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

EBITDA	<u>01/07 - 30/6/2020</u>	<u>01/07 - 30/6/2019</u>
Earnings after taxes	756,742	1,994,923
Taxes	320,034	643,019
Depreciation and amortisation	983,020	573,567
Financial expenses	278,481	204,196
Financial income	-172.76	-566.23
TOTALS	2,338,105	3,415,139

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 companies with significant influence or

control in the company (shareholders) or are companies whose owners are shareholders of the company. 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	Common Shareholder	30/6/20	1,081,254.10		634,428.11	671,131.44	333,993.51
		30/6/19	10,231,046.83			2,367,751.23	0.00
LYKOMITROS STEEL GERMANY GMBH	Common Shareholder	30/6/20	85,120.23		10,692.70	0.00	0.00
		30/6/19					7,500.00
Totals		2019	141,854		664,811		504,540
Totals		2018	199,863		1,460,009		1,359,270

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 30/6/2020 and 30/6/2019 are analysed as follows:

	THE COMPANY	
	01/07 - 30/6/2020	01/07 - 30/6/2019
Remuneration of management members from the provision of work	63,362	63,362
	63,362	63,362

4.35 Agreement between Greek Accounting Standards (GAS) and International Financial Reporting Standards (IFRS)

Balance Sheet of 1 July 2018 Agreement between IFRS and GAS:

	Balance sheet based on GAS	the conversion to IFRS	Balance sheet based on IFRS
Assets			
Non-current assets			
Tangible fixed assets	5,737,713	5,011,722	10,749,436
Intangible assets	105,931	(45,106)	60,825
Other non-current receivables	7,284	0	7,284
	5,850,929	4,966,616	10,817,545
Current assets			
Inventories	2,064,910	0	2,064,910
Receivables from customers and other trade receivables	5,312,727	(92,805)	5,219,923
Securities	0	0	0
Investments held to maturity	191,070	0	191,070
Other receivables	179,170	(5,738)	173,432
Cash and cash equivalents	2,321,823	0	2,321,823
	10,069,701	(98,542)	9,971,158
Total Assets	15,920,629	4,868,074	20,788,703
Equity and Liabilities			
Equity			
Share capital	2,058,000	0	2,058,000
Adjustment differences at fair value		3,808,909	3,808,909
Other reserves	3,493,899	0	3,493,899
Results carried forward	2,329,447	(268,656)	2,060,791
Total Equity	7,881,346	3,540,253	11,421,599
Long-term liabilities			
Long-term Loans	3,580,220	0	3,580,220
Deferred tax liabilities	0	1,149,553	1,149,553
Employee retirement compensation liabilities	0	57,198	57,198
Grants	140,773	0	140,773
Other long-term liabilities	0	0	0
Provisions	0	100,000	100,000
Total long-term liabilities	3,720,993	1,306,752	5,027,745
Current liabilities			
Trade and other payables	3,132,527	21,069	3,153,596
Current tax liabilities	43,598	0	43,598
Short-term borrowings	0	0	0
Long term loans payable in the next financial year	719,524	0	719,524
Other current liabilities	422,641	0	422,641
Total Current Liabilities	4,318,290	21,069	4,339,359
Total Liabilities	8,039,283	1,327,821	9,367,104
Total Equity and Liabilities	15,920,629	4,868,074	20,788,703

Balance Sheet of 1 July 2019 Agreement between IFRS and GAS:

	Balance sheet based on GAS	Impact of the conversion to IFRS	Balance sheet based on IFRS
Assets			
Non-current assets			
Tangible fixed assets	8,533,838	13,272,858	21,806,696
Intangible assets	138,890	(38,409)	100,481
Other non-current receivables	6,224	0	6,224
	8,678,952	13,234,449	21,913,402
Current assets			
Inventories	1,849,299	(774,960)	1,074,339
Receivables from customers and other trade receivables	5,955,422	(263,950)	5,691,472
Other current Assets	462,372	931,022	1,393,394
Investments held to maturity	231,600	0	231,600
Other receivables	948,969	(5,738)	943,231
Cash and cash equivalents	249,812	0	249,812
	9,697,473	(113,627)	9,583,847
Total Assets	18,376,426	13,120,823	31,497,248
Equity and Liabilities			
Equity			
Share capital	2,058,000	0	2,058,000
Adjustment differences at fair value		10,080,144	10,080,144
Other reserves	6,049,575	0	6,049,575
Results carried forward	1,998,459	(266,599)	1,731,860
Total Equity	10,106,034	9,813,546	19,919,580
Long-term liabilities			
Long-term Loans	2,734,345	0	2,734,345
Deferred tax liabilities	0	3,130,593	3,130,593
Employee retirement compensation liabilities	0	76,684	76,684
Grants	125,350	0	125,350
Other long-term liabilities	365,128	0	365,128
Provisions	0	100,000	100,000
Total long-term liabilities	3,224,823	3,307,277	6,532,100
Current liabilities			
Trade and other payables	3,629,751	0	3,629,751
Current tax liabilities	41,359	0	41,359
Short-term borrowings	317	0	317
Long term loans payable in the next financial year	843,333	0	843,333
Other long-term liabilities payable in the next financial year	61,203	0	61,203
Other current liabilities	469,606	0	469,606
Total Current Liabilities	5,045,569	0	5,045,569
Total Liabilities	8,270,392	3,307,277	11,577,669
Total Equity and Liabilities	18,376,426	13,120,823	31,497,248

TABLE OF CHANGES IN EQUITY AT PERIOD START (01/07/2018) BETWEEN GAP AND IFRS

	<u>1/7/2018</u>
Net position for the period (1/7/2018 as shown in accordance with the GAP)	7,881,346
Difference from revaluation of fixed assets	5,011,722
Write-off of multi-year depreciation expenses	(45,106)
Impairment of tender liabilities	0
Impairment of securities	0
Impairment of lease fees	0
Impairment of trade receivables	(92,805)
Impairment of cheque receivables	0
Impairment of bond receivables	0
Impairment of other receivables	(5,738)
Impairment of inventories	0
Impairment of supplier debt balance	(21,069)
Retirement benefit provision	(57,198)
Provision for litigation and judgments of judicial bodies and other tax cases	(100,000)
Recognition of deferred tax (liability)	(1,149,553)
Total adjustments	3,540,253
Net period position (01/07/2018 in accordance with the IFRS)	11,421,599

TABLE OF CHANGES IN EQUITY AT PERIOD START (01/07/2019) BETWEEN GAP AND IFRS

	<u>1/7/2019</u>
Net position for the period (1/7/2019 as shown in accordance with the GAP)	10,106,034
Difference from revaluation of fixed assets	13,263,348
Depreciation of fixed assets	9,510
Write-off of multi-year depreciation expenses	(38,409)
Impairment of lease fees	0
Impairment of trade receivables	(203,546)
Transfer production in progress at cost of sales percentage of completion	(774,960)
Accounting for revenue based on the completion rate method	931,022
Impairment of other receivables	(5,738)
Impairment of inventories	0
Impairment of supplier debt balance	(60,404)
Retirement benefit provision	(76,684)
Provision for litigation and judgments of judicial bodies and other tax cases	(100,000)
Recognition of deferred tax (liability)	(3,130,593)
Total adjustments	9,813,546
Net period position (01/07/2019 in accordance with the IFRS)	19,919,580

TABLE OF ADJUSTMENTS OF FINANCIAL RESULTS (30/6/2019) BETWEEN E.L.P. AND IFRS

	30/6/2019
(Profits) before taxes (30/6/2019) as shown in accordance with the GAP	2,625,989
Less: Income tax	(640,151)
Net Profit after tax in accordance with the GAP	1,985,839
<i>Income adjustments according to the IFRS:</i>	
Transfer production in progress at cost of sales percentage of completion	931,021.69
Accounting for revenue based on the completion rate method	(774,960)
Depreciation of fixed assets	21,447
Write-off of multi-year depreciation expenses	(5,240)
Impairment of trade receivables	(150,077)
Impairment of cheques	0
Retirement benefit provision	(10,239)
Recognition of deferred tax	(2,869)
Total adjustments	9,084
(Losses) after tax in accordance with the IFRS (30/6/2019)	1,994,923

4.36 Subsequent events

Effect of COVID-19 (coronavirus)

On 13.03.2020, the Greek Government announced its decision to impose the temporary suspension of a number of retail outlets and shopping centers in order to limit the spread of COVID-19 (coronavirus). It is expected that these developments will affect the financial performance of the Company. The extent of the impact will depend on factors such as the duration of the epidemic, how long the current restrictions will remain in place, further action by governments and the scale of the economic turmoil. The Company's management examined the current operating cost base and focused on specific cost-saving initiatives in order to minimise the impact. In addition to operating performance, management assessed the Company's cash position and performed a sensitivity analysis for its annual budget and cash flow forecasts.

The financial impact of COVID-19 on the Company's activities, on the Income Statement and on the Statement of Financial Position, is uncertain at this time. The Company is constantly monitoring the situation. The pandemic and its effects are a non-adjusting event after the balance sheet date as at 30 June 2020. The Management of the company monitors the developments, evaluates the risks and takes all the actions that are deemed necessary both for the protection of its employees and to ensure the operational continuity of the company. Given the uncertainty surrounding the outbreak of the COVID-19 epidemic, the duration of the business downturn and the associated economic impact cannot be accurately estimated at this time. The impact will be incorporated



in the Financial Statements of the Company for the year ending on 30 June 2021.

There are no company-linked events, other than the ones referred to above, that happened after the balance sheet date, namely 30 June 2020, which should be mentioned in accordance with the International Financial Reporting Standards.

Volos, 12 February 2021

The Chairman of the BoD &
Managing Director

VASILEIOS CH. LYKOMITROS
ID Card No. AM 841843

The Vice-Chairman of the
BoD

CHRISTOS V. LYKOMITROS
ID Card No. AM 835751

The Chief Accountant

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

DATA & INFORMATION FOR THE YEAR FROM 1 JULY 2019 TO 30 JUNE 2020

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 2019 to 30 JULY 2020

(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 in EUR)

The following figures and information arising from the financial statements are intended to provide general information about the financial standing and results of the societe anonyme "LYKOMITROS SOCIETE 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

Company internet address: www.lykomitros-steel.gr

Date of approval of annual financial statements by the Board of Directors: 12 February 2021

Statutory auditor: KONSTANTINOS I. NIFOROPOULOS Reg. No. 16541

Auditing Firm: ORION CHARTERED AUDITORS ACCOUNTANTS SA

Type of auditor's report: Unqualified opinion

Composition of the Board of Directors:

VASILEIOS CHRISTOS LYKOMITROS Chairman & CEO CHRISTOS VASILEIOS

LYKOMITROS Vice Chairman

EVANGELOS VASILEIOS LYKOMITROS Director GEORGIOS EMMANOUIL

VLACHOS Director ANTIGONI EVANGELOS MARGARITI Director KYRIAKOS

NIKOLAOS KLAVARIOTIS Director

STATEMENT OF FINANCIAL POSITION

ASSETS	30/6/2020	30/6/2019
Property, plant and equipment	24,152,874	21,806,696
Investment property	169,368	0
Intangible assets	77,204	100,481
Other non-current assets	1,292	6,224
Inventories	2,593,022	1,074,339
Trade receivables	8,390,925	5,691,472
Other current assets	4,687,416	2,818,036
TOTAL ASSETS	40,072,100	31,497,248
EQUITY AND LIABILITIES Share Capital	2,058,000	2,058,000
Other equity items	19,802,598	17,861,580
Total equity (a)	21,860,598	19,919,580
Provisions/Other long-term liabilities	8,204,529	6,532,100
Other current liabilities	10,006,974	5,045,569
Total liabilities (b)	18,211,503	11,577,669
TOTAL EQUITY AND LIABILITIES (a) + (b)	40,072,100	31,497,248

STATEMENT OF CHANGES IN EQUITY FOR THE FY

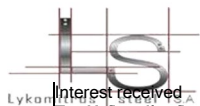
Amounts expressed in EUR

	01/07/2019 - 30/06/2020	01/07/2018 - 30/06/2019
Total equity at year start (01.07.2019 and 01.07.2018 respectively)	19,919,580	11,421,599
Total comprehensive income after taxes	752,164	1,987,896
Changes in figures over the fiscal period	0	238,849
Effect of real estate appraisal at fair value	1,188,854	6,271,236
Net equity at period end (30.6.2020 and 30.6.2019 respectively)	21,860,598	19,919,580

CASH FLOW STATEMENT ITEMS FOR THE FY

Amounts expressed in EUR

Indirect method	01/07/2019 - 30/06/2020	01/07/2018 - 30/06/2019
Operating activities		
Profit before taxes	1,076,776	2,637,943
Plus/less adjustments for: Depreciation and amortisation	983,020	573,567
Provisions	15,562	19,485
Currency translation differences	4,239	0
Debit interest and related expenses	278,481	204,196
Results (income, expenses, profit and loss) from investing operations	(1,694,203)	(15,990)
Plus/Minus Adjustments for Working Capital Account Changes or Adjustments Related to Operating Activities		
Decrease/(increase) in inventories	(1,518,683)	990,572
Decrease/(increase) in receivables	(4,407,510)	(2,651,669)
(Decrease)/ increase of liabilities (except banks)	5,202,917	8,886,271
Less:		
Debit interest and related expenses paid	(278,481)	(204,196)
Taxes paid	850,696	(120,523)
Total inflows/(outflows) from operating activities (a)	512,813	10,319,655
Investing activities		
Purchase of tangible and intangible fixed assets	(1,754,696)	(11,670,483)
Income from sales of tangible and intangible assets	56,600	0
Purchase of investment property	(84,980)	0



LYKOMITROS SOCIETE ANONYME
Annual Financial Report for the Year from 1 July 2019 to 30 June 2020

Interest received	173	566
Total inflows/(outflows) from investing activities (b)	(1,782,903)	(11,669,917)
Financing activities		
Proceeds from borrowings/loans received	5,975,000	0
Loan repayment	-4,259,627	-571,758
Payments of liabilities from leasing (amortisation)	-	-149,991
Dividends paid	61,203	0
	0	0
Total inflows/(outflows) from financing activities (c)	1,654,170	(721,749)
Net increase/ (decrease) in cash and cash equivalents for the period (a)+(b)+(c)	384,080	(2,072,011)
Cash and cash equivalents at start of period	249,812	2,321,823
Cash and cash equivalents at period end	633,892	249,812

STATEMENT OF COMPREHENSIVE INCOME
Amounts expressed in EUR

	01/07/2019	01/07/2018 - 30/06/2019
	=	
	30/06/2020	
Turnover	19,177,245	20,276,676
Gross profit	2,693,962	3,835,144
Earnings before taxes, financing & investing results	1,355,085	2,841,572
Profit before taxes	1,076,776	2,637,943
Earnings after taxes	756,742	1,994,923
Total comprehensive income after taxes	752,164	1,987,896
Profit after taxes per share - basic (in EUR)	11.0312	29.0805
Earnings before taxes, financial and investing results and depreciation	2,338,105	3,415,139

Ongoing activities Amounts expressed in Euro

ADDITIONAL FIGURES AND INFORMATION

1. The Company prepares for the first time in the year ended 30/6/2020 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 30/6/2019.

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.

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 30/6/2020. 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.

4. The number of employees as at 30/6/2020 and 30/6/2019 was 117 and 122 people respectively.

(Amounts in EUR)	30/6/2020	30/6/2019
a) Income	1,166,374	10,231,046.83
b) Expenses	634,428.11	10,693
c) Receivables	671,131.44	2,367,751.23
d) Payables	333,994	7,500
e) Transactions with directors and managers	63,362	63,362

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:

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.

7. The amounts of the provisions that have been formed are analysed as follows:

a. Staff indemnity provision	92,245.10
b. Provision for litigation and judgments of judicial bodies and other tax cases	100,000.00

8. Mortgages for the amount of € 6,143,000.00 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 € 6,056,151.31.

9. The total investments for the period 01/07/2019 - 30/06/2020 were as follows: EUR 1.755.078,94.

10. Treasury shares are not held.

There are no other significant events that should be communicated or that make a difference to the items contained in the published financial statements.

Volos, 12 February 2021

THE CHAIRMAN OF THE BOARD OF DIRECTORS & CEO	THE VICE-CHAIRMAN	THE ACCOUNTANT
VASILEIOS CH. LYKOMITROS ID Card No. AM 841843	V. LYKOMITROS ID Card No. AM 835751	NIKOLAOS ZEBERLIGOS ID Card No. AZ 776667 - ECG Reg. No. 0792037493