



EKME METALLURGICAL, TECHNICAL, INDUSTRIAL & COMMERCIAL SOCIETE ANONYME

**Annual Financial Statements
for the fiscal year
January 1 to December 31 2020**

GEMI (General Business Register) no.: 038333805000

This is to certify that the attached annual financial statements have been approved by the Board of Directors of "EKME METALLURGICAL, TECHNICAL, INDUSTRIAL & COMMERCIAL SOCIETE ANONYME" on 31/5/2021 and have been uploaded to the Internet at www.ekme.gr, where they will remain available to the public for at least five (5) years from the date of their publication.

Note that the published consolidated financial statements and information resulting from the financial statements aim at providing the reader with a general overview of the financial position and results of the Company, but do not provide a complete picture of the financial position, financial performance and cash flows of the Company, in accordance with International Financial Reporting Standards.

It is also noted that for purposes of simplification, the published concise financial statements include some abridgments and rearrangements of funds.

EFTHYMIA KARYOTI
Chairwoman of the Board of Directors
EKME METALLURGICAL, TECHNICAL, INDUSTRIAL & COMMERCIAL SOCIETE ANONYME

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A. AUDIT REPORT OF INDEPENDENT CERTIFIED AUDITOR

Independent Auditor's Report

To the Shareholders of the Company "EKME METALLURGICAL, TECHNICAL, INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME"

Report on financial statements

Opinion

We have audited the accompanying financial statements of the Company "*EKME METALLURGICAL, TECHNICAL, INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME*" (the Company), which comprise the statement of financial position as at 31st December 2020, statements of comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company "*EKME METALLURGICAL, TECHNICAL, INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME*" as at 31st December 2020, its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) that have been adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) incorporated into the Greek Legislation. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of financial statements" section of our report. We are independent of the Company within the entire course of our appointment, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) incorporated into the Greek Legislation and ethical requirements relevant to financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management's intention is to proceed with liquidating the Company or discontinuing its operations or unless the management has no other realistic option but to proceed with those actions.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as an aggregate, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, incorporated into the Greek Legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to affect the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

Taking into consideration the fact that under the provisions of Par. 5, Article 2 (part B), Law 4336/2015, management has the responsibility for the preparation of the Board of Directors' Report, the following is to be noted:

- In our opinion, the Board of Directors' Report has been prepared in compliance with the effective legal requirements of Article 150, CL 4548/2018, and its content corresponds to the accompanying financial statements for the year ended as at 31/12/2020.
- Based on the knowledge we acquired during our audit, we have not identified any material misstatements in the Board of Directors' Report in relation to the Company "EKME METALLURGICAL, TECHNICAL, INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME" and its environment.

Athens, 10 June, 2021

**The Certified Public Accountant
Christos Vargemezis
Certified Auditors Reg. no. 30891**



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Α.Μ. ΣΟΕΑ 127

B. MANAGEMENT REPORT OF THE BOARD OF DIRECTORS OF "EKME S.A."

The Chairwoman of the Board Mrs. Efthymia Karyoti submitted for approval the text of the Board of Directors' Management Report to the shareholders at the Annual General Meeting of the company and is as follows:

MANAGEMENT REPORT OF THE BOARD OF DIRECTORS OF "EKME S.A." TO THE ANNUAL GENERAL MEETING FOR THE YEAR 2020 (25rd FISCAL YEAR) FROM 1/1/2020 - 31/12/2020

Dear shareholders,

We have the honor to submit to you the attached financial statements of our Company for the twenty-third fiscal year 2018, covering the period from 1/1/2020 to 31/12/2020 and to briefly present to you the following facts concerning the Company's activity during that fiscal year, its financial position and progress as foreseen by the Board in the next fiscal year:

1. Accounting Principles

The financial statements of EKME S.A. for the year 2020 cover the period from January 1 to December 31 2020 and have been prepared under the historical cost principle as amended by the revaluation of certain assets and liabilities in current values, the principle of going concern and are in accordance with the International Financial Reporting Standards (IFRS). The preparation of financial statements in accordance with the IFRS requires the use of estimates and judgment in applying the Company's accounting principles. Important assumptions by the management for the application of the accounting methods of the Company have been highlighted, where appropriate.

The accounting principles under which the attached financial statements and which the Company consistently applies are consistent with those applied in the previous year.

2. Evolution of the Company's operations

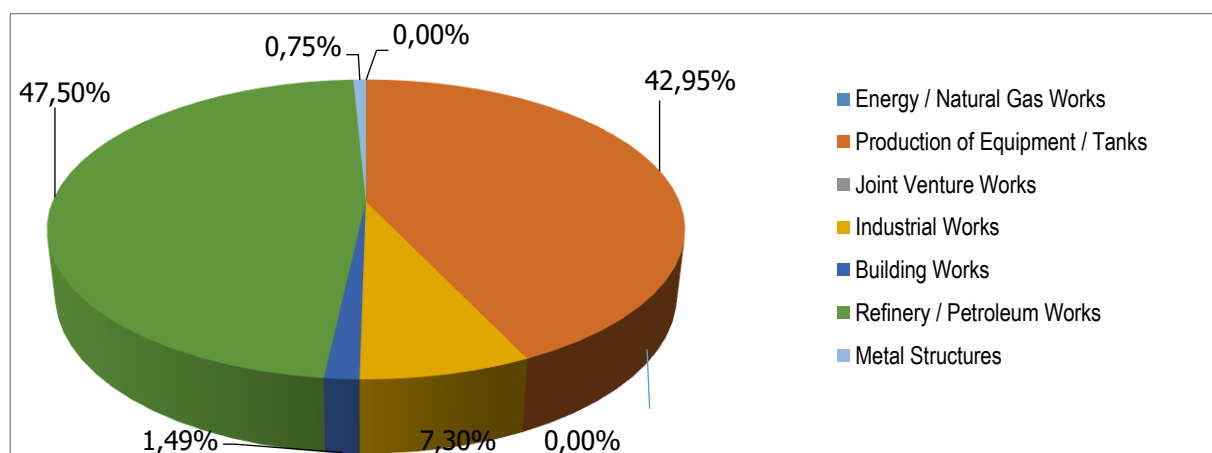
In **2020** the main financial figures of the Company showed a large decrease in turnover but showed a large increase in both Gross Profit and Profit before Tax.

Specifically, we mention the following:

- Turnover: the Turnover decreased from €43.846.503,83 in 2019 to €29.582.973,76 in 2020, i.e. a decrease of 32,53%,
- Gross Profit: Gross Profit increased from €2.369.028,14 in 2019 to €3.775.354,59 in 2020, i.e. an increase of 59,36%,
- Operating Results before Tax, Financial & Investment Results: the Operating Results before Taxes of Financial & Investment Results increased from €460.744,47 in 2019 to €2.179.613,89 in 2020, i.e. an increase of 373,06%,
- Profit before Tax, Financial and Investment Results, & Depreciation: Profit before Tax, Financial and Investment Results, & Depreciation increased from €1.129.234,85 in 2019 to €2.940.691,22 in 2020, i.e. an increase of 160,41%,
- Profit before Tax increased from €425.722,00 in 2019 to €1.732.663,49 in 2020, i.e. an increase of 306,99%.

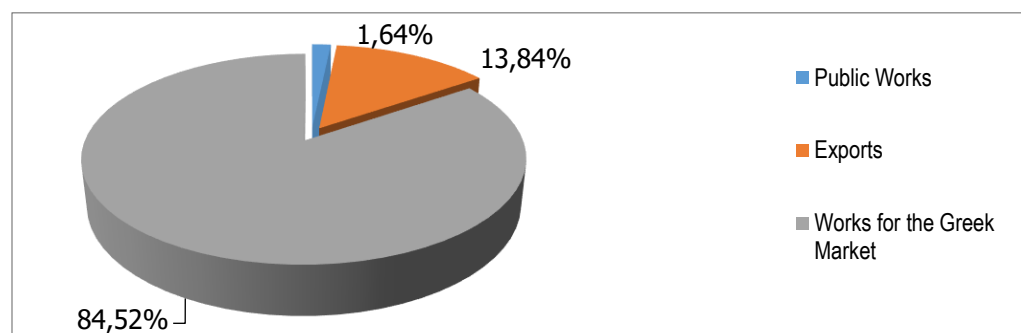
The aggregated turnover of the Company was split by sector of activity as follows:

	2020		2019	
Energy / Natural Gas Works	0,00 €	0,00%	2.207.391,48 €	5,03%
Production of Equipment / Tanks	12.707.346,27 €	42,95%	24.935.305,28 €	56,87%
Joint Venture Works	0,00 €	0,00%	0,00 €	0,00%
Industrial Works	2.160.427,15 €	7,30%	3.196.964,83 €	7,29%
Building Works	440.464,00 €	1,49%	1.717.212,53 €	3,92%
Refinery / Petroleum Works	14.051.484,46 €	47,50%	11.550.575,27 €	26,34%
Metal Structures	223.251,88 €	0,75%	239.054,08 €	0,55%
	29.582.973,76 €		43.846.503,47 €	



On an aggregate basis, the Company's turnover has been distributed as follows per purpose:

Purpose	2020		2019	
Public Works	485.070,70 €	1,64%	1.712.966,12 €	3,91%
Exports	4.093.570,16 €	13,84%	19.706.519,82 €	44,94%
Works for the Greek Market	25.004.332,90 €	84,52%	22.427.017,53 €	51,15%
	29.582.973,76 €		43.846.503,47 €	



❖ **Operation in the midst of COVID-19**

- From February 2020 and the first confirmed COVID-19 case in the Greek territory in Thessaloniki, the company, taking into account the current institutional and legal framework, readjusted its procedures by enacting a COVID Management Plan. The planning included administrative measures (granting of necessary permits to vulnerable groups, spatial distribution of posts and working groups to achieve social distancing, control of access to overcrowded areas), OSH protocols (positive case management process, heat measurement for incoming persons, precautionary measures for disinfecting communal areas, provision of necessary PPE (masks, gloves, etc.) to staff, proper mask use, periodic RT/PCR testing of all staff, compulsory negative PCR test for allowing access to newcomers) as well as technical solutions (rearrangement of the ventilation system with restriction of re-circulation, etc.). The implementation of the plan under the supervision of the company's safety department in collaboration with the staff management and the support from the management is considered successful so far, recording less than 10 cases in a period of 15 months and 486,031 man-hours with no impact on its production process. Within the year following a review of the OSHMS the OSH specifications were updated and became stricter through the upgrade of work equipment (new sandblasting system for area filtration, placing of state-of-the-art fasteners in compressed gas systems, upgrade of welding machines, lifting equipment, certification of support equipment, etc.), elaboration of training plan and continuous training for staff internally and in cooperation with third parties and upgrade of clothing and PPE provided in general in order to achieve compliance with internationally applied industry standards (e.g. IOGP). The environmental management system was also expanded by way of the introduction of new waste generated Activity Numbers (e.g. welding waste) and the conclusion of contracts with management bodies, while the company's energy efficiency was improved with the installation of photovoltaic panels on the roofs of production buildings. Finally, there were zero (0) grave accidents of lost time injuries (LTI) with one (1) medical treatment incident (MTI) recording a Lost Time Incident Rate of 0.41, achieving a significant improvement compared to the previous year (1.34 in 2019).
- The onset of the pandemic in the spring of 2020 brought a period of internal malfunction that occurred because executives were absent from work, communication was difficult, internal meetings of many departments (face-to-face ones in the pre-COVID era were routine) were unthinkable, workplaces were not suitable and had to be arranged, while at the same time new places had to be created. At the same time, we had to get used to new hygiene and safety practices with daily thermometry, mandatory use of masks, sanitizers and gloves (up to a period). The Administration immediately ensured a massive supply of new communication systems such as computers, video conferencing systems, cameras, microphones, headphones for facilitating communication between the company executives to limit both internally and the contacts of the company with customers and suppliers.
- There was difficulty in carrying out the works at least in the first months of the pandemic because on the one hand the travel ban and the rotating employment along with teleworking that was implemented all over the world created coordination problems, which were normalized along the way. Moreover, a problem that affected the execution of the projects was the delay or lack of materials, spare parts, etc. caused by the limitation of production internationally plus the problems that occurred in the transport sector worldwide.

- A particular difficulty has arisen, which still remains to some extent, in the necessary contacts with persons of the broader public sector (Ministries, Regions, EFKA (Single Social Insurance Institution) services, courts, even banks) resulting in delays in solving problems and accumulating new ones.

The company was charged with additional, non-predictable costs because of 1) indemnifications granted to staff that a) were quarantined because of developing positive cases to themselves or to members of their immediate family, b) were identified as members of vulnerable group and as a result they got paid without working and c) received a special purpose leave as parents or guardians and were forced to stay at home but without the technical ability to perform telework, 2) the high cost due to the Company's decision to carry out at its own expense massive rapid testing for all staff, 3) additional costs for the necessary arrangement of existing workplaces and the creation of new workplaces in accordance with the new requirements, 4) the supply of equipment for the technological support of remote communication.

- Global market sinking as the already low oil price before COVID-19 due to political decisions and disputes fell further due to travel constraints and the collapse of the global economy.
- Suspension of customer expansion, as the global economy came to a standstill caused by the pandemic, did not allow communication for starting talks with new customers for at least the first half of last year.

❖ **Other issues**

At the General Meeting of shareholders on 01.07.2020 the company's shareholders unanimously decided to limit the Share Capital increase by seven hundred and sixty-four thousand three hundred and forty euro (€764,340) by way of capitalization of untaxed reserves in accordance with Article 27 of Law 4646/2019. Now the company's share capital after the increase amounts to €11,364,000 divided into 9,470,000 ordinary registered shares of €1.20 each.

Given the particularly aggravating conditions caused by the pandemic, the year is considered extremely successful. The decrease in turnover was expected, both due to the recession and lack of projects and because in 2019 the turnover was historically high. The company aimed at a few but important projects available and managed to have a very high success rate managing to maintain high its unexecuted rest and the level of employment without in fact reducing its technical staff.

The company's profitability was considerably better than in the previous year, due to better profit margins of executed projects, tighter management and control for the holding of general expenses.

The activity in Kavala Petroleum continues at a low level but with implementation of a repayment program of the balance that had accumulated after a relevant agreement with Energean Oil & Gas, which is strictly observed by our customer until today.

❖ **Other important issues**

- For the investment plan of Law 3908/2011 for a total amount of €1,384,712.67 which was accepted after the control by the service for an amount of €1,168,404.56 EKME S.A., after that an auditing company completed the plan's physical and financial audit, the certified auditors have submitted the final recommendation to the service. The Company

has already declared the start of the production process of said investment and now monitoring implementation of the plan and the decision of completion from the relevant department of the Ministry of Development are expected. The company is expected to receive a plan aid that is expected to amount to €359,762.59, divided into €251,833.81 in the form of subsidy and €107,928.78 in the form of tax exemption. The above audit is expected to be completed in June this year 2021.

- In April 2019, EKME submitted a new investment plan in the context of the third cycle of General Entrepreneurship specified in Law 4399/2016 for an amount of €1,003,182.42 which is expected to be completed within the current year 2021. As early as May 2020, this plan passed the completeness check performed by the evaluation committee of the Region of Central Macedonia but was rejected for legitimacy reasons by the Region of Central Macedonia. The Company has lodged a complaint against the decision of the evaluation committee which will be discussed during the month of June 2021. Following the explanations provided by the Company to the evaluation committee the decision is expected to be positive for the company. The aid EKME is expected to receive from this plan will amount to €351,113.85 in the form of tax exemption.
- As regards the investment plan of €1,529,568.31 that EKME had submitted in 2018 in the second cycle of General Entrepreneurship of Law 4399/2016, it has been fully implemented at a rate of 100%. The Final list of approved projects has already been publicized and the decision on the objection for the plan of the second cycle of Law 4399/2016 is expected to be delivered, because to some extent this plan is also involved. After that the above Decision is delivered, the Company shall promptly assign the plan's physical and financial audit to an auditing company in order to receive the aid of tax exemption in connection with the said plan that will total €535,348.91. The Company aims to see a decision delivered for completion of the investment plan within the current year.
- In 2020 the Administration decided to install photovoltaic panels on the roofs of buildings in Diavata Thessaloniki for a total capacity of 400 Kw and a total budget of approximately €200,000 with a repayment period of 5-6 years. The benefits expected from the investment in photovoltaics, apart from the obvious economic benefits, include improvement of the Company's environmental footprint.

3. Financial Position of the Company

The Company's actual financial position is satisfactory and it should be deemed that it reflects the Balance Sheet for the current year. The concise figures of the balance sheet as of 31/12/2020 are:

Amounts in € **31/12/2020**

ASSETS

Non current Assets	11.759.599,22
Stock	575.862,63
Customers and Other Trade Receivables	18.560.179,27
Other Assets	79.428,95
Financial assets at fair value through profit or loss	86.873,80
Cash and cash equivalents	8.914.321,06

Total Assets **39.976.264,92**

LIABILITIES

Total owner's equity	29.701.923,89
Long-term liabilities	1.338.800,13
Suppliers and associated liabilities	7.122.990,67
Other short-term liabilities	1.812.550,23

Total liabilities **39.976.264,92**

Below the company's financial indicators:

A. FINANCIAL STRUCTURE OF THE COMPANY

	<u>31/12/2020</u>		<u>31/12/2019</u>	
1. a) CURRENT ASSETS	28.216.665,71		28.743.606,77	
TOTAL ASSETS	39.976.264,92	70,58%	40.713.854,58	70,60%
b) FIXED ASSETS	11.759.599,22		11.970.247,81	
TOTAL ASSETS	39.976.264,92	29,42%	40.713.854,58	29,40%
2. Owner's equity	29.701.923,89		28.488.353,01	
TOTAL liabilities	10.274.341,04	289,09%	12.225.501,27	233,02%
3. Owner's equity	29.701.923,89		28.488.353,01	
FIXED ASSETS	11.759.599,22	252,58%	11.970.247,81	237,99%
4. CURRENT ASSETS	28.216.665,71		28.743.606,77	
Short-term liabilities	8.935.540,91	315,78%	11.049.140,81	260,14%

B. PERFORMANCE & EFFICIENCY

5. GROSS RESULTS	3.775.354,59		2.369.028,14	
SALES	29.582.973,76	12,76%	43.846.503,47	5,40%
6. NET RESULTS (before tax)	1.732.663,49		425.722,00	
Owner's equity	29.701.923,89	5,83%	28.488.353,01	1,49%
7. GROSS RESULTS	3.775.354,59		2.369.028,14	
COST OF SOLD WAREH & SERV	25.807.619,17	14,63%	41.477.475,33	5,71%

4. The Company's projected performance

The Management estimates that in **2021** the Company will increase its turnover and will maintain significant profitability but with a decrease of the expected EBITDA.

5. Financial risk factors

The Company's activities are subject to various risks and uncertainties that are mainly related to the technical and timely completion of the construction of works and the achievement of these guaranteed characteristics. The Company is exposed to limited market risk (fluctuations in exchange rates, interest rates, market prices, etc.), credit risk and liquidity risk. This is achieved through long-lasting and ongoing cooperation with few reliable and solvent customers, most of which belong to the largest companies in the industry and on the other hand with pricing in the same currency with both customers and suppliers.

Under the Company's risk management policy, are performed an assessment of the risks associated with its activities and operations, methodology design, selection of appropriate financial risk mitigation products and execution / implementation in accordance with the procedure approved by the administration.

The significant global reversal of conjunctures and the five-year recession has created risks even in relation to traditional solvent customers. This resulted mainly in the reduction of their investment activities and the decrease in their liquidity, which entails the increase of the repayment time of invoices.

The main risk factors and uncertainties, their management policies as well as their impact on the Company's activities are analyzed below.

I. Credit risk

Credit risk arises when the failure of the parties to repay their obligations could reduce the amount of future cash inflows from financial assets at the balance sheet date. The Company is not expected to have significant credit risk concentrations. The Company applies procedures to ensure that its requirements arise from customers with acceptable trust history and also monitors on an ongoing basis the chronological status of receivables.

The fact that the Company is not exposed to significant credit risk from trade receivables is due both to the nature of its activities and to its policy, which focuses on cooperation with large organizations of the broader public sector and with private Greek or foreign companies with high credit rating.

Bank balances are held in financial institutions with high creditworthiness and the company applies procedures that limit its exposure to credit risk in relation to any financial institution (e.g., non-long-term freezing of funds in fixed-term or other deposits). None of the financial assets of the Company has been subjected to any form of credit insurance (mortgage, pledge, etc.).

II. Currency risk

The company is not exposed to significant foreign exchange risk since transactions with customers and suppliers in foreign currency are not significant.

III. Market price risk

The Company is exposed to changes in the value of raw materials and other materials supplied as well as to changes in the value of its investment portfolio due to uncertainty regarding their future prices.

The risk of change in the value of raw materials and other materials highly affects its operation, because the Company sells its products and goods at pre-agreed prices, based on contracts with customers, and they do not change in case of changes in raw material prices. The Company keeps track of price fluctuations of the cost components and tries to limit the effect from the price change. In 2020 there were no particular cases of deviations to the worst (i.e. price increases in relation to the budget). However, there are obvious increases in prices and high volatility in the raw materials market during 2021, which coincides with the warming of the global economy. This volatility will create a high risk in some cases and possibly an unpredictable increase in production costs that will have to be borne by the Company.

IV. Liquidity risk

Liquidity risk is the risk that occurs when the cash-generating assets are not sufficient to cover the liabilities at their maturity date. Liquidity risk is kept at a low level by maintaining sufficient available and immediately liquid assets, and there are unused credit limits from banking institutions.

The Company manages its liquidity needs by carefully monitoring its debts, liabilities and daily payments.

Liquidity risk is closely linked to the risk of good performance of a project and supply because of the cash burden that may arise in the event of failure to execute the project under the terms of the contract.

The following table analyzes the financial liabilities of the Company in relevant maturity categories, based on the remaining period at the balance sheet date. Balances with a maturity of up to 12 months are equal to their book values, since the effect of discounting is not significant.

<i>Amounts in thousands €</i>	<u>2020</u>			
	Short-term		Long-term	
	within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
Bank loaning	0	0	0	0
Trade Liabilities	7.123	0	0	0
Other Liabilities	1.813	0	1.339	0
Total	8.936	0	1.339	0

<i>Amounts in thousands €</i>	<u>2019</u>			
	Short-term		Long-term	
	within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
Bank loaning	0	0	0	0
Trade Liabilities	9.224	0	0	0
Other Liabilities	1.825	0	1.176	0
Total	11.049	0	1.176	0

V. Other risks and uncertainties

A) Risk of proper execution of work or commission

Possible risks that may arise from the Company's commercial partnerships are the delay in the supply of materials or the delay in the execution of the works by both personnel and subcontractors in the execution of construction works, which have as a consequence the general delay of execution of the undertaken Works and consequently the imposition of penalties for failure to comply with contractual terms.

Due to its long experience, strict selection of associates, suppliers and their close monitoring and quality assurance, the Company is not exposed to major risks in terms of the good performance of the works and commissions it entrusts. In addition, there is collateral to the affiliate-suppliers, as they are required by bank guarantees (good execution, supply of materials, etc.).

B) Insurance Risk

The insurance risk arises from the activities of the company and is related to adverse events, such as accidents, damage, equipment damage and events of force majeure. All of the above will most likely cause delays and in the worst case stop works. Any such developments would complicate the financial position and results of the Company.

In order to deal with the aforementioned risks, the Company has proceeded a) to insure the total value of the Projects it performs both at the Company's facilities and at construction sites across Greece for the above risks, b) to insure under a contract of General Civil Liability, Employer Civil Liability and Product Civil Liability and c) to insure all buildings, production machinery and construction machinery, etc. under an Insurance Policy of Fire and Disaster from natural phenomena in recognized international insurance companies.

6. Financial instruments

Our Company holds financial assets at fair value through profit or loss that are as follows:

<i>In thousand €</i>	<u>31.12.2020</u>	<u>31.12.2019</u>
Bank bonds	0	0
Shares listed on the Athens Stock Exchange	87	200

Their valuation resulted in losses of €113.000 on 31.12.2020 and in profit of €144.000 on 31.12.2019 respectively.

7. Research and development activities

The Company is not active in research and development.

8. Branches

The Company has one branch office in Nea Karvali in the Prefecture of Kavala.

9. Distribution of profit and Dividend Policy

As regards the distribution of dividend, the Company's management, taking into account among others the Company's profitability, the prospects and the investment plans, proposes the non-distribution of dividends for the current fiscal year. In the previous fiscal year, the general meeting of shareholders decided not to distribute dividends. The proposed profit distribution is as follows:

The distribution of profit is proposed as follows:	
Legal Reserve	64.546,51 €
First Dividend	414.972,00 €
Retained Earnings	10.182.426,23 €
Total	<u>10.661.944,74 €</u>

The proposed distribution is under the approval of the Annual General Meeting of Shareholders, which will take place on July 14 2021.

10. Other significant facts

Specific objectives of the Company for 2021 are:

➤ Investment plans:

As regards the plan of Law 3908/2011 monitoring the plan's implementation is now expected and a completion decision is to be issued by the competent service of the Ministry of Development.

As regards the plan of Law 3699/2016 3rd cycle, the Company's objection is to be discussed, as the plan was rejected for legitimacy reasons.

As regards the plan of Law 2699/2016 2nd cycle, which has been fully completed, the decision of objection for the 3rd cycle is expected so as to commence the investment's physical and financial control.

➤ Executives: on the basis of ongoing efforts to strengthen the Company's executives the Company shall keep looking for both experienced and new members from both the Greek market and from abroad.

➤ Outstanding projects have been implemented: in the year 2021 the company will try to close as many cases of applications for compensation to EKME S.A. customers as possible and which come from the period of execution of works and are currently pending.

➤ Court cases pending:

The lawsuit lodged by the family members of late employee K. Pasakioglou in connection with a work accident on 17/1/2019 against EKME S.A. will be discussed on 11/10/2021.

The appeal from the State to the Council of State of 3 decisions 1824/2018, 1825/2018 and 1826/2018 of the Single-judge Court of Appeal of Thessaloniki for the Investment Law 3908/2011 will be discussed on 9/6/2021.

11. Transactions with Related Parties

Related parties under IAS 24 means subsidiaries, companies with joint ownership and/or management with the Company, associates of the Company, as well as the members of the Board of Directors and the Company's Management.

The company's trade transactions with its related parties in the course of the year 2019 have been carried out under normal market conditions. The Company was not involved in any transaction of an unusual nature or content that is material to companies and individuals closely related to it and does not intend to engage in such transactions in the future. Moreover, none of the transactions involves special terms and conditions.

The significant transactions of the Company with related parties, within the meaning of IAS. 24, are presented in detail in Note 5.28 of the attached Financial Statements.

12. Non-Financial Information

A) Environmental protection

Setting environmental objectives, the respect of the legal requirements as a minimum commitment, the constant evaluation and monitoring of all environmental parameters, fostering environmental awareness among employees and the harmonious cooperation with the local communities, are key components of the Company's environmental management.

Also, the Company's uninterrupted effort for stabilizing and reducing its environmental footprint is not limited only to the application of rules, required regulations and taking appropriate measures. It is also expressed by its commitment to systematically control its activities, both in its factory unit and in the rest of its facilities, according to a specific Environmental Management system.

The Company is already in a phase of investment completion in the amount of about €200,000 for ventilation and filtration during sandblasting and painting inside new constructions with sheet-metal roofs (tôles) as well as during the fresh air preheating by use of such constructions with sheet metal roofs

(tôles). Apart from the financial benefits of the investment due to the lack of need to move the products to another place for sandblasting, painting or drying, this change will greatly help to improve the area's environmental conditions from the environmentally burdening process of sandblasting, painting or drying of products.

Some measures and principles of the Company for protecting the environment are:

- Compliance with agreements and commitments undertaken by the Company in addition to its legal obligations.
- Assessment of the effects of its activities on the environment, recording and evaluation of potential risks, taking the necessary precautionary measures, conducting regular inspections and exercises to confirm implementation and evaluate the measures.
- Control and continuous reduction of solid, liquid and gaseous waste.
- Improved waste management by promoting recycling, reuse or utilization processes.
- Control of raw material and energy consumption.
- Training and information for staff, in a way adapted to the duties and needs of each employee.
- Motivation of partners (contractors, suppliers, customers) to respect the same requirements regarding environment and industrial safety.

B) Occupational Health & safety

Occupational health and safety have always been the main foundation of the Company's activity and its primary business goal. As a responsible business, the Company recognizes both its responsibility to ensure the best health and safety conditions in its workplaces and the right of its direct and indirect employees to work without being exposed to risks that could cause injury or illness.

The systematic and continuous effort to promote and shape a corporate Health and Safety culture that encourages all employees to behave responsibly for their personal safety, but also the safety of their colleagues, is a constant daily commitment of the Company.

C) Labor issues & human rights

The Company goes through a new period of development with greater growth prospects, pursuing higher goals and performances. It recognizes that its success is inextricably linked to the skills, experience and decision-making of each employee. In this context, as mentioned above, attracting and keeping diverse and talented employees, investing in the development of their skills and abilities and encouraging them to operate to the full extent of their capabilities represent necessary elements for achieving the strategic business vision.

In addition, ensuring the protection of human rights and the development of labor relations that promote mutual trust, cooperation, two-way communication and recognition, contribute to individual improvement and enhance the satisfaction of the company's employees at both personal and professional level, are a top priority. In this context, employment in all activities of the Company is marked by long-term and stable relations with the employees.

Welding is an important and crucial object for the Company, while the search for and finding of new and capable craftsmen has turned into a difficult task. On the other hand, the regulatory requirements for the training and certification of welders have risen sharply. The Company, in collaboration with the Welding Greek Institute (WGI), created a school of welders at EKME's facilities in order to train and certify new welders with an International Welder's Diploma. Experienced welders of the company train at that school. The training plan is structured according to the International Institute of Welding and this training is recognized by the latter.

Thanks to this school, the Company gets to know and creates links with the new generations of welders, and has the opportunity to select the most remarkable and promising students for its workforce.

After the successful completion of the first school (from which the Company has already hired a graduate student), the Company already plans to establish further schools of various welding methods, and at the same time, EKME and WGI, listening to the market requirements, also program departments of fitters – pipe assemblers, a specialty extremely important to the Company's object of work, which until now was lacking in training programs.

The Company has been one of the main sponsors of the Formula Student ART team (Aristotle Racing Team) of the Aristotle University of Thessaloniki since 2014, offering services, mainly welding of frameworks, and to some extent, mechanical processing of demanding vehicle parts. Thanks to the Company's contribution, but of course as a result of the excellent work of AUTH students, ART managed to significantly reduce the weight of the single-seater in the first year and thus to climb several places in the rankings, and to establish itself as one of the key title contenders.

Finally, to be close to the new generations of engineers and assist them in their training, the Company has collaborated for several years with the AUTH, which organizes educational visits to the Company's facilities, while in many cases it has hired trainees, many of whom continued to work at the Company after completing their studies.

D) Social issues

From its foundation until today the Company's history is interwoven with the economic development of the Greek society and especially of Greek provinces. It is an ever-evolving effort in various forms, which as a whole, entail the Company's commitment to understand and respond to the concerns of its local communities. In addition, the Company, being aware of the modern socioeconomic environment, supports, where possible, the work of the Local Government by offering its know-how and experience while it builds through collective efforts partnerships that bring multiple benefits, create added value and enhance social cohesion. In this context, the Company strives to effectively contribute to the strengthening of local employment and undertakes coordinated actions of financial, but also technical assistance aimed at the implementation of local infrastructure projects, as well as at actions to address the immediate local needs.

In the year 2020, the Company a) donated two water heaters of 1500 lt each to AHEPA Thessaloniki Hospital for the needs of COVID-19 patients hospitalized in that hospital and b) provided financial assistance to the "THE SMILE OF THE CHILD", the Autism Society "ELPIDA" and the GREEK CHILDREN'S VILLAGE.

Diavata Thessaloniki, 31 May, 2021
THE CHAIRWOMAN OF THE BOD

EFTHYMIA KARYOTI

ID card no. AO 242964

C. STATEMENT OF FINANCIAL SITUATION

<i>Amounts in €</i>	Note	31/12/2020	31/12/2019
ASSETS			
Non –current assets			
Tangible Assets	5.1	11.460.901,14	11.324.059,75
Intangible Assets	5.2	42.590,71	50.208,80
Rights to Use Assets	5.3	243.971,12	254.101,41
Investments in associated firms	5.4	0,00	135.515,75
Other Long-Term Receivables	5.5	12.136,25	206.362,10
		11.759.599,22	11.970.247,81
Current assets			
Inventories	5.6	575.862,63	500.267,97
Customers and Other Trade Receivables	5.7	18.011.316,18	18.940.147,34
Other Receivables	5.8	548.863,09	1.912.534,76
Other current assets	5.8	79.428,95	89.834,27
Financial assets at fair value through profit	5.9	86.873,80	199.809,74
Cash and cash equivalents	5.10	8.914.321,06	7.101.012,69
		28.216.665,71	28.743.606,77
Total Assets		39.976.264,93	40.713.854,58
Owner's Equity			
Owner's equity attributable to shareholders			
Share capital	5.12	11.364.000,00	10.599.660,00
Other reserves	5.12	7.675.979,14	8.471.826,70
Retained earnings	5.12	10.661.944,74	9.416.866,31
Total owner's equity		29.701.923,88	28.488.353,01
DEBT			
Long-term liabilities			
Deferred tax liabilities	5.13	539.661,01	436.381,92
Severance pay for retirement	5.14	453.064,02	387.591,03
Other long-term liabilities	5.15	246.075,10	252.387,81
Other long-term provisions	5.16	100.000,00	100.000,00
Total long-term liabilities		1.338.800,13	1.176.360,76
Short-term liabilities			
Suppliers and related debt	5.17	7.122.990,67	9.223.882,16
Current tax liabilities	5.18	962.174,85	708.306,20
Other short-term liabilities	5.19	850.375,40	1.116.952,45
Total Short-term liabilities		8.935.540,92	11.049.140,81
Total debt		10.274.341,05	12.225.501,57
Total owner's equity and debt		39.976.264,93	40.713.854,58

The attached explanatory notes are an integral part of these financial statements.

D. STATEMENT OF COMPREHENSIVE INCOME

<i>Amounts in €</i>	Note	01/01 - 31/12/2020	01/01 - 31/12/2019
Sales	5.20	29.582.973,76	43.846.503,47
Cost of Sales	5.21	(25.807.619,17)	(41.477.475,33)
Gross Profit		3.775.354,59	2.369.028,14
Other operating income	5.23	89.211,12	26.814,53
Administrative expenditure	5.21	(1.599.151,37)	(1.548.685,86)
Expenditure of Sales	5.21	0,00	0,00
Other operating expenditure	5.23	(85.800,45)	(386.412,34)
Profit before tax from financing and investment results		2.179.613,89	460.744,47
Financial income	5.24	4.457,37	161.310,95
Financial expenditure	5.24	(124.079,72)	(15.099,37)
Profit / Loss from associated firms		(327.328,05)	(181.234,06)
Profit before tax		1.732.663,49	425.721,99
Income tax	5.25	(441.733,22)	(210.005,69)
Profit after tax (a)		1.290.930,26	215.716,31
Other Total Income			
Amounts reclassified to the income statement in subsequent periods			
Actuarial profit / loss		(53.617,70)	(2.754,13)
Income tax		12.868,25	660,99
Other Total Income after tax (b)		(40.749,45)	(2.093,14)
Aggregate Total income after tax (a) + (b)		1.250.180,81	213.623,17
Distributed to:			
Shareholders of the company		1.250.180,81	213.623,17
Earnings after tax per share (in euros)		0,1320	0,0242
Profit before tax from financing, investment results and depreciation		1.129.234,85	1.346.244,95

The attached explanatory notes are an integral part of these financial statements.

E. CASH FLOW STATEMENT – INDIRECT METHOD
Amounts in €

	31/12/2020	31/12/2019
Cash flows from operating activities		
Earnings after tax	1.732.663,49	425.721,99
<i>Adjustments for:</i>		
Depreciation of tangible assets	750.947,04	658.360,09
Depreciation of property rights	10.130,29	10.130,29
Provisions	146.458,53	91.512,36
Income from sale of fixed assets	18,22	(9.568,21)
Actuarial (profits) / losses from employee compensation	40.749,45	2.093,14
Fair value (Earnings) / Losses of other financial assets at fair value through profit	112.935,94	(143.675,90)
Share of results to related companies	326.945,51	181.234,06
Income / expenses related to interests	8.458,75	(5.739,24)
Income from use of provisions of prior fiscal years	(297.089,50)	(11.633,44)
<i>Total adjustments</i>	<i>1.099.554,23</i>	<i>772.713,14</i>
Changes in working capital		
(Increase) / decrease in inventories	(75.594,66)	87.902,55
(Increase) / decrease in receivables	2.564.638,38	(3.831.805,53)
(Increase) / decrease in other accounts of current assets	10.405,32	239.565,13
Increase / (decrease) in debt (excluding banks)	(2.016.633,51)	1.974.608,61
<i>Total working capital changes</i>	<i>482.815,53</i>	<i>(1.529.729,24)</i>
Cash flows from operating activities		
Paid-up interest	(12.916,12)	(11.895,81)
Paid-up income tax	(431.393,54)	(444.713,83)
Net Cash flows from operating activities	2.870.723,59	(787.903,74)
Cash flows from investment activities		
Purchase of tangible and intangible assets	(880.688,56)	(2.407.977,65)
Receipts from sale of fixed assets	500,00	11.300,00
Interests received	4.457,36	17.635,05
Net Cash flows from investment activities	(875.731,20)	(2.379.042,60)
Cash flows from financing activities		
Dividends paid to shareholders of the company	(181.684,02)	(9.963,68)
Net Cash flows from financing activities	(181.684,02)	(9.963,68)
Net (decrease) / increase in cash and cash equivalents	1.813.308,37	(3.176.910,02)
Cash and cash equivalents at beginning of the year	7.101.012,69	10.277.922,71
Cash and cash equivalents at end of year	8.914.321,06	7.101.012,69

The attached explanatory notes are an integral part of these financial statements.

F. STATEMENT OF OWNER'S EQUITY

Amounts in €

	Share capital	Other reserves	Retained earnings	Total owner's equity
Balance at January 1, 2019	10.599.660,00	8.468.224,67	9.372.906,51	28.440.791,18
Changes in the accounting policies	0	0	0	0
Adjusted Balance at January 1, 2019	10.599.660,00	8.468.224,67	9.372.906,51	28.440.791,18
<u>Transactions with Owners</u>				
<u>Other changes</u>				
Result (profit) for the year 2019	0,00	0,00	215.716,31	215.716,31
	0,00	3.602,02	(3.602,02)	0,00
Dividends paid	0,00	0,00	(166.061,35)	(166.061,35)
Other total income for the year 2019	0,00	0,00	(2.093,13)	(2.093,13)
Balance at December 31 2019	10.599.660,00	8.471.826,69	9.416.866,32	28.488.353,01
Balance at January 1 2020	10.599.660,00	8.471.826,69	9.416.866,32	28.488.353,01
Changes in the accounting policies	0,00	0,00	0,00	0,00
Adjusted Balance at January 1 2020	10.599.660,00	8.471.826,69	9.416.866,32	28.488.353,01
<u>Transactions with owners</u>				
Share capital increase	764.340,00	(800.949,94)	0,00	(36.609,94)
Reserves for distribution / capitalization	0,00	(59.444,12)	59.444,12	0,00
<u>Other changes</u>				
Formation of reserves from net incomes of the year 2020	0,00	64.546,50	(64.546,50)	0,00
Dividends paid	0,00	0,00	0,00	0,00
Result (profit) for the year 2020	0,00	0,00	1.290.930,26	1.290.930,26
Other total income for the year 2020	0,00	0,00	(40.749,45)	(40.749,45)
Balance at December 31 2020	11.364.000,00	7.675.979,13	10.661.944,76	29.701.923,89

The attached explanatory notes are an integral part of these financial statements

1. Company Information

1.1 General Information

EKME S.A. was incorporated in 1973 as EKME OE, its main object being the execution of new constructions, repairs and maintenance in the ESSO PAPPAS refinery in Thessaloniki.

With an initial share capital of €7,336.76 (2,500,000 drachmas), facilities covering an area of 1000m², limited resources and in conditions of cutthroat competition, EKME OE managed to achieve a significant growth, increasing each year its turnover and expanding its scope so that it also includes works for industrial and metal constructions. Since 1975 the regular staff has numbered more than one hundred (100) persons, whereas in cases of general maintenance the staff exceeded two hundred (200) people.

Late in the seventies the company was very active in the region of Kavala. In 1984 it founded the branch and the Industrial facility of EKME in Nea Karvali. The involvement of the Company in the region continues to this day with its main clients being KAVALA OIL SA (formerly North Aegean Petroleum Company - NAPC) and Phosphoric Fertilizers Industry (PFI SA). Early in 2000 it transferred 40% of the share capital of the company METKA SA, member of Mytilineos Group and the country's main manufacturer of energy projects. The synergies between the companies has already led EKME S.A. to an even greater penetration in the field of Energy Works.

August 2015 saw the start of the shareholder cooperation between EKME and the Group ARCHIRODON N.V., which also acquired 40% stake in the company replacing METKA SA. ARCHIRODON N.V. a multinational construction group with over 40 years of presence in the regions of North Africa and the Middle East with a strong desire to deal with Oil & Gas projects, has chosen EKME as partner in this venture, a fact that is honorary and hopeful about the future of the company.

Today, EKME is one of the main and largest contracting companies in the field of Industrial, Energy and Refinery projects and in the field of metallurgical structures. It is also the largest company in Greece in the field of study and construction of industrial pressure equipment, such as pressure vessels, heat exchangers, reactors, etc. and complete, prefabricated plants (skid mounted unit).

1.2 Type of Activities

The object of the Company is diverse and includes worksite and factory production activities.

Most activities are focused on the needs of the Industry / Energy sector, especially industry Refineries / Petroleum with a presence in other sectors such as Public Works, the arms industry and the private construction projects.

Specifically, EKME is active in the following areas:

A. Energy Works

The sector includes the following main industries:

- Refineries.
- Fuel marketing companies.
- Energy companies.
- Natural gas companies.
- Companies for the research and extraction of fossil fuels.

- Companies for the cogeneration of energy and heat.
- Companies of renewable energy sources.

The projects undertaken are executed by EKME either as Main Contractor or Subcontractor as part of a project such as steel structures, storage tanks, piping, fitting equipment and general engineering work.

The main customers are HELLENIC PETROLEUM S.A., MOTOR OIL HELLAS SA, CETRACORE-JETOIL SA, EKO SA, ENERGEAN OIL & GAS SA, DEPA SA, MYTILINEOS S.A., TECHNIPETROL HELLAS SA, PROGETTI EUROPA AND GLOBAL SPA, MERICHEM COMPANY LLC, TECHNIP ITALIA SPA, ARKEMA FRANCE, ECOSPRAY TECHNOLOGIES, AXENS S.A., KINETICS TECHNOLOGY SPA, OIL REFINERIES LTD - BAZAN GROUP, and FRAMES GMBH.

B. Industrial Works

EKME S.A. performs works for the wider industrial sector, such as:

- Chemical / Petrochemical industries.
- Limeworks.
- Cement industries.
- Aluminum.
- Steelworks.
- Food-Beverages.
- Noble Gases.

The main customers in these areas are ALUMINIO S.A, S.A. TITAN CEMENT, HELLENIC STEEL, SERTORIUS LTD ex GREEK FERTILIZERS & CHEMICALS ELFE A.B.E.E., AIR LIQUIDE HELLAS A.E., ATHENIAN BREWERY S.A. and SOYA MILLS S.A.

C. Pressure equipment

EKME is the leading manufacturer of high standard pressure equipment in Greece, with experience in products such as:

- Reactors.
- Refining columns / Towers.
- Shell & Tube Heat Exchangers.
- Containers of low / medium / high pressure.
- Preheaters of low / medium / high pressure.
- Condensers.

These products are manufactured "on demand" and designed according to international regulations such as ASME / AD Merkbblätter / TEMA / API / CODAP. The productive capacity of the Company covers practically all materials used in such structures, from simple steels to exotic alloys, while the allowable size per item exceeds a weight of 250 tons.

D. Metal Structures

Based on extensive productive prefabrication and dyeing facilities and the completeness of the machinery, the Company undertakes the manufacture of metal components and systems of high standards, such as:

- Tower cranes.
- Pillars for wind turbines.

- Tanks and storage silos.
- Metal buildings.
- Conveyor belts.
- Sluice gates.

Finally, the Company is also active in public works, holding a class V degree, and in projects for the construction of weapons systems.

2. Basis of preparation of financial statements

The financial statements have been prepared under the principle of the historical cost and the going concern and are in accordance with the International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), and their interpretations, as issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB.

The Company applies all the International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and their interpretations, which are applicable to its works. The relevant accounting principles, a summary of which is presented below have been applied consistently to all periods presented. In the current year the Company did not change accounting policies. All revised or newly issued standards and interpretations applicable to the Company and are in force on December 31 2020 were taken into account in preparing the financial statements of the current fiscal year to the extent that they were applicable.

The preparation of financial statements in accordance with the International Financial Reporting Standards (IFRS) requires the use of accounting estimates. It also requires the management's judgment in applying the accounting policies of the company. The cases involving a higher degree of judgment and complexity, or the cases where assumptions and estimates are significant to the financial statements are included in Note 2.2.

2.1 New accounting standards and amendments

2.1.1 New Standards, Interpretations, Reviews and Amendments to Existing Standards which have entered into force and have been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2020.

Revision of the Conceptual Framework for Financial Reporting (effective for annual periods starting on or after 01/01/2020)

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), the objective of which was to incorporate some important issues that were not covered, as well as update and clarify some guidance that was unclear or out of date. The revised Conceptual Framework includes a new chapter on measurement, which analyzes the concept on measurement, including factors to be considered when selecting a measurement basis, concepts on presentation and disclosure, and guidance on derecognition of assets and liabilities from financial statements. In addition, the revised Conceptual Framework includes improved definitions of an asset and a liability, guidance supporting these definitions, update of recognition criteria for assets and liabilities, as well as clarifications in important areas, such as

the roles of stewardship, prudence and measurement uncertainty in financial reporting. The amendments do not affect the separate Financial Statements.

Amendments to References to the Conceptual Framework in IFRS Standards (effective for annual periods starting on or after 01/01/2020)

In March 2018, the IASB issued Amendments to References to the Conceptual Framework, following its revision. Some Standards include explicit references to previous versions of the Conceptual Framework. The objective of these amendments is to update those references so that they refer to the revised Conceptual Framework and to support transition to the revised Conceptual Framework. The amendments do not affect the separate Financial Statements.

Amendments to IAS 1 and IAS 8: "Definition of Material" (effective for annual periods starting on or after 01/01/2020)

In October 2018, the IASB issued amendments to its definition of material to make it easier for companies to make materiality judgements. The definition of material helps companies decide whether information should be included in their financial statements. The updated definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS Standards. The amendments do not affect the separate Financial Statements.

Amendments to IFRS 9, IAS 39 and IFRS 7: "Interest Rate Benchmark Reform" (effective for annual periods starting on or after 01/01/2020)

In September 2019, the IASB issued amendments to some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the Interest Rate Benchmark reform. The amendments are designed to support the provision of useful financial information by companies during the period of uncertainty arising from the phasing out of interest – rate benchmarks such as interbank offered rates (IBORs). It requires companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments do not affect the separate Financial Statements.

Amendments to IFRS 3: "Definition of a Business" (effective for annual periods starting on or after 01/01/2020)

In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to improve the definition of a business. The amendments will help companies determine whether an acquisition made is of a business or a group of assets. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance. The amendments do not affect the separate Financial Statements.

Amendments to IFRS 16 "Leases": Covid-19 – Related Rent Concessions (effective for annual periods starting on or after 01/06/2020)

In May 2020, the IASB issued amendments to IFRS 16 that provide lessees with an exemption from assessing whether a Covid-19-related rent concession is a lease modification. More specifically, the amendments clarify that if certain conditions

are met, lessees are not required to assess whether particular Covid-19-related rent concessions are lease modifications. Instead, lessees that apply the practical expedient, would account for those rent concessions as if they were not lease modifications. It applies to Covid-19-related rent concessions that reduce lease payments due on or before June 30, 2021. The amendments do not affect the separate Financial Statements.

2.1.2 New Standards, Interpretations, Reviews and Amendments to Existing Standards which have not yet entered into force or have not been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

Amendments to IFRS 4 “Insurance Contracts” – deferral of IFRS 9 (effective for annual periods starting on or after 01/01/2021)

In June 2020, the IASB issued amendments that declare deferral of the date of initial application of IFRS 17 by two years, to annual periods beginning on or after January 1, 2023. As a consequence, the IASB also extended the fixed expiry date for the temporary exemption from applying IFRS 9 “Financial Instruments” in IFRS 4 “Insurance Contracts”, so that the entities are required to apply IFRS 9 for annual periods beginning on or after January 1, 2023. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2021.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: “Interest Rate Benchmark Reform – Phase 2” (effective for annual periods starting on or after 01/01/2021)

In August 2020, the IASB has finalized its response to the ongoing reform of IBOR and other interest benchmarks by issuing a package of amendments to IFRS Standards. The amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for a change in its hedging relationships as a result of the reform, as well as relevant information required to be disclosed. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2021.

Amendments to IFRS 16 “Leases”: Covid-19 – Related Rent Concessions beyond 30 June 2021 (effective for annual periods starting on or after 01/04/2021)

In March 2021, the IASB issued amendments to the practical expedient of IFRS 16, that extend the application period by one year to cover Covid-19-related rent concessions that reduce only lease payments due on or before 30 June 2022. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

Amendments to IFRS 3 “Business Combinations”, IAS 16 “Property, Plant and Equipment”, IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” and “Annual Improvements 2018-2020” (effective for annual periods starting on or after 01/01/2022)

In May 2020, the IASB issued a package of amendments which includes narrow-scope amendments to three Standards as well as the Board's Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards. More specifically

- **Amendments to IFRS 3 Business Combinations** update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- **Amendments to IAS 16 Property, Plant and Equipment** prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.
- **Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets** specify which costs a company includes when assessing whether a contract will be loss-making.
- **Annual Improvements 2018-2020** make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

IFRS 17 "Insurance Contracts" (effective for annual periods starting on or after 01/01/2023)

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. Furthermore, in June 2020, the IASB issued amendments, which do not affect the fundamental principles introduced when IFRS 17 has first been issued. The amendments are designed to reduce costs by simplifying some requirements in the Standard, make financial performance easier to explain, as well as ease transition by deferring the effective date of the Standard to 2023 and by providing additional relief to reduce the effort required when applying the Standard for the first time. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

Amendments to IAS 1 "Classification of Liabilities as Current or Non-current" (effective for annual periods starting on or after 01/01/2023)

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity's right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying

liabilities an entity will or may settle by issuing its own equity instruments. Furthermore, in July 2020, the IASB issued an amendment to defer by one year the effective date of the initially issued amendment to IAS 1, in response to the Covid-19 pandemic. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

Amendments to IAS 1 “Presentation of Financial Statements” (effective for annual periods starting on or after 01/01/2023)

In February 2021, the IASB issued narrow-scope amendments that pertain to accounting policy disclosures. The objective of these amendments is to improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. More specifically, companies are required to disclose their material accounting policy information rather than their significant accounting policies. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates” (effective for annual periods starting on or after 01/01/2023)

In February 2021, the IASB issued narrow-scope amendments that they clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

2.2 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with the IFRS requires that the company management make judgments, accounting estimates and assumptions that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the date of preparation of the financial statements. Actual results may differ from these estimates.

A critical accounting estimate is one which is both important to the portrayal of the financial condition of the Company and its results and requires the management’s most difficult, subjective or complex judgments about the effect of assumptions that are inherently uncertain. Estimates and judgments are continually evaluated and are based on past experience and other factors, including expectations of future events which are considered reasonable based on specific circumstances and are constantly evaluated using all available information. Changes in judgments may result in an increase or decrease in the Company's contingent liabilities in the future.

The main accounting estimates, judgments and assumptions, which are formed by the management and have the most significant effect on the amounts recognized in the financial statements are related to:

➤ *Classification of investments*

The management decides on the acquisition of an investment, if the latter should be classified as held until maturity, held for trading, carried at fair value through profit or loss or available for sale. As regards investments held to maturity, the management examines if the criteria laid down in IAS 39 are met and specifically whether the Company has the intention and ability to hold them until maturity. The Company classifies investments as held for trading if they are acquired primarily for the creation of short-term profit. Classification of investments as fair value through profit or loss depends on the way in which the management monitors the performance of these investments. When they are not classified as held for trading but there are available and reliable fair values and the changes in fair values are included in profit or loss accounts, they are classified as at fair value through profit or loss. All other investments are classified as available for sale.

➤ *Liquid value of inventories*

Inventories are valued at the lowest value of the historical cost and the net realizable value. In estimating the net realizable value, the management takes into account the most reliable evidence that is available at the moment of the estimate. Its activity is subject to major technological developments, a fact that causes a significant change in prices.

➤ *Budgets of construction contracts*

The way revenue and expenses of a construction contract are handled depends on whether the end result of the contractual project's completion can be estimated with credibility (and is expected to bring gain to the constructor or losses from the performance). When the outcome of a construction contract can be estimated reliably, then the income and expenses of the contract are recognized during the contract, respectively as income and expense. The Company uses the percentage of completion method to determine the appropriate amount of income and expense to be recognized in a specific period. The completion stage is measured based on the contractual cost realized until the balance sheet date compared to the total estimated construction cost of each project. Therefore, significant estimates are required by the management, related to the gross profit with which the construction contract is executed (estimated cost of execution).

➤ *Income taxes*

The Company is subject to income tax by the Greek tax authorities. In determining the provision for income taxes significant estimates are required. There are many transactions and calculations for which the exact tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues, based on estimates of whether additional taxes will be due. When the final outcome of these taxes from those issues is different from the initially recorded amounts, such differences will affect the income tax and the provisions on deferred tax in the period in which these amounts are finalized.

➤ *Provisions on Doubtful Debtors*

Doubtful accounts are reported with the amounts likely to be recoverable. Estimates about the amounts expected to be recovered result from an analysis and the experience of the Company regarding the possibility of doubtful accounts. Once it becomes known that a particular account is subject to a risk above the normal credit risk (e.g., low creditworthiness of customer, disagreement over the existence of the claim or the amount thereof, etc.), then the account is analyzed and written down if circumstances indicate that the receivable is uncollectible.

➤ Contingencies

The company is involved in litigation and claims in its ordinary course of business. The management believes that any resulting settlements would not materially affect the financial position of the Company at the ending date of the attached balance sheet. However, the determination of contingent liabilities relating to the litigation and claims is a complex process that involves judgments as to the outcomes and interpretation of laws and regulations. Changes in judgments or interpretations may result in an increase or decrease in the Company's contingent liabilities in the future.

➤ Useful life of depreciable assets

The company management examines the useful lives of depreciable assets in every fiscal period. In the fiscal year under review, the company management estimates that the useful lives represent the expected utility of the assets.

➤ Defined Benefit Plans

The current value of liabilities for defined benefit plans is determined based on actuarial valuation using specific assumptions. The main assumptions used to determine net cost for retirement benefits refer to Note 5.14. Based on the accounting principle of the Company, any changes in assumptions affect the amount of the unrecognized actuarial gain or loss.

3. Basic accounting principles

The significant accounting policies which have been used in preparation of these financial statements are summarized below.

3.1 Foreign currency conversion

A) Currency of financial statements

The assets in the Company's financial statements are measured using the currency of the economic environment in which it operates (its functional currency). The financial statements are presented in euro, which is the Company's functional currency.

B) Transactions in foreign currency - Valuation of assets - liabilities in foreign currency

Transactions in foreign currency are converted into the functional currency using the exchange rates prevailing at the dates of the transactions. Earnings and losses from foreign exchange differences arising from conversion of monetary assets expressed in foreign currency during the period and on the balance sheet date at current exchange rates are recorded in the results. Exchange differences on non-monetary items that are measured at fair value are considered part of fair value and therefore are recorded together with the differences in fair value.

3.2 Tangible assets

Fixed assets are reported in the financial statements at their acquisition values or the values of imputed cost as determined based on fair values at the transition dates, less, first the accumulated depreciation and then any impairment of the fixed assets. The acquisition cost includes all the directly attributable expenses for the acquisition of assets.

Subsequent expenditure is added to the book value of tangible assets or as a separate asset only when it is probable that future economic benefits will flow to the Company and the cost can be measured reliably. Cost of repairs and maintenance is recognized in the results when incurred.

Depreciation of other tangible assets (excluding land which is not depreciated) is calculated using the straight line method in their useful lives, as follows:

- Buildings	25-35 years
- Machinery	4-20 years
- Vehicles	7-10 years
- Other equipment	4-7 years

The residual values and useful lives of tangible assets are reviewed at each date of balance sheet. When the book values of tangible assets exceed their recoverable value, the difference (impairment) is recognized directly in the results.

Upon sale of tangible assets, the differences between the price received and the book value are recorded in the results.

Finally, when the tangible fixed assets are valued at fair value, any revaluation reserve in owner's equity during the sale is transferred to the retained earnings. Repairs and maintenance costs are recorded in the expenditure of the fiscal period.

The self-produced tangible assets constitute an addition to the acquisition cost of tangible assets at values that include the direct cost of wages of employees involved in the construction (corresponding employer contributions), cost of materials used and other general costs.

3.3 Intangible assets

Intangible assets include software, which are measured at cost less depreciation. Depreciation is calculated using the straight-line method over the useful lives of those assets ranging from 1 to 4 years.

3.4 Impairment of Assets

Assets that have an indefinite useful life are not depreciated and are subject to impairment audit annually and whenever events or circumstances indicate that the book value may not be recoverable. Assets that are depreciated are subject to impairment audit of their value when there are indications that their book value may not be recoverable. The recoverable value is the greater amount of the net selling price and value in the fiscal year.

The loss due to the impairment of assets is recognized by the company when the book value of these assets (or cash flow generating unit) is greater than their recoverable amount.

Net sales value is the amount resulting from the sale of an asset in the context of a reciprocal transaction in which the parties have full knowledge and adhere to voluntarily, after deducting any additional direct disposal costs of the asset, while the value in use is the present value of the estimated future cash flows that are expected to flow in the company from the use of an asset and from disposal at the end of its estimated useful life.

3.5 Financial instruments

A financial instrument is any contract that creates a financial asset in one firm and a financial liability or equity instrument in another firm. Financial assets of the Company include the following categories of assets:

- Financial assets at fair value through profit or loss
- Loans and receivables

Financial assets are divided into different categories by the management according to their characteristics and the purpose for which the instrument was acquired. The category in which each financial instrument is included differs from the others,

because depending on the category in which the instrument is included, different rules apply with respect to valuation but also the way of recognition of each determined result either in the statement of Comprehensive Income or directly in the owner's equity.

i. Financial assets at fair value through the statement of comprehensive income

This involves financial assets that meet any of the following conditions:

- Financial assets held for trading purposes (including derivatives, except those that are designated and effective hedging instruments, those acquired or created for the purpose of sale or repurchase and finally those that are part of a portfolio of recognized financial instruments).
- Upon initial recognition the company defines as instrument valued at fair value with changes recognized in the Statement of Comprehensive Income.

Financial assets initially recognized as financial assets at fair value through profit or loss cannot be reclassified into another category.

ii. Loans and receivables

They include non-derivative financial assets with fixed or determinable payments, which are not quoted in active markets. They are created when the Company provides money, goods or services directly to a debtor. This category does not include: a) receivables from prepayments for the purchase of goods or services, b) receivables that have to do with tax transactions, which have been legislatively imposed by the state, c) anything not covered by a contract which gives the right to the company to receive cash or other financial assets.

Any change in the value of loans and receivables is recognized in income when the loans and receivables are eliminated or undergo impairment. Certain receivables are tested for impairment as per their individual requirement (for example for each customer individually) where recovery of the claim has been characterized overdue at the date of the financial statements or when objective evidence indicates the need for their impairment. Other receivables are grouped and tested for impairment as a whole. The groups share the common features of geographical distribution, activity sector of the contracting parties and, if any, other common credit risk characteristics.

Loans and receivables are included in the current assets, except for maturities greater than 12 months after the balance sheet date. The latter are included in the non-current assets.

3.6 Inventories

The cost of inventories includes all costs incurred in bringing the inventories to their present location and condition, which are directly attributable to the production process as well as the appropriate part of overheads related to the production, based on normal capacity of the production installations. The cost of inventories does not include financial expenses.

On the balance sheet date, inventories are valued at the lower value between acquisition cost and the net realizable value thereof. The net realizable value is the estimated selling price in the ordinary course of the company's operations less any relevant sales expenses. The acquisition cost is determined using the method of weighted average cost.

3.7 Trade receivables

Receivables from customers are recognized initially at fair value and subsequently measured at the depreciated cost using the effective interest method less provision for impairment. If the depreciated value or cost of a financial asset exceeds the present value, then the asset is valued at its recoverable amount, i.e. the present value of future cash flows of the asset, calculated based on the actual initial interest rate.

The relevant loss is directly transferred to the statement of profit and loss. The impairment losses, i.e. when there is objective evidence that the Company is unable to collect all amounts that are due according to the contractual terms, are recorded in the results.

3.8 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and short-term investments of high liquidation, such as bank deposits maturing in three months or less.

3.9 Share capital

Share capital is determined using the nominal value of the shares issued. The shares are classified in the owner's equity. The share capital increase through payment of cash includes any equity premium during the initial issuance of the share capital. Any transaction costs associated with the issuance of shares as well as any related income tax benefit are deducted from the share capital increase.

3.10 Income tax & deferred tax

The fiscal year's income tax comprises current taxes and deferred taxes, i.e. the taxes or tax charges or tax credits that are associated with economic benefits accruing in the period but have been or will be assessed by the tax authorities in different periods. Income tax is recognized in the income statement for the period except for the tax on transactions that are recorded directly in the owner's equity, in which case it is recorded directly in a similar manner in the owner's equity.

Current income taxes include short-term liabilities or receivables to the tax authorities that relate to taxes payable on the taxable income of the fiscal period and any additional income taxes from previous periods.

Current taxes are measured according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes in short-term tax assets or liabilities are recognized as part of the tax expenses in the Statement of Comprehensive Income.

Deferred income tax is determined using the liability method which arises from the temporary differences between the book value and the tax base of assets and liabilities.

Deferred income tax is not calculated, if it arises from the initial recognition of an asset or liability in a transaction, other than a business merger, that at the time of the transaction did not affect the accounting nor taxable profit or loss.

Deferred tax assets and liabilities are measured at the tax rates expected to apply to the period during which the receivable or liability will be settled, based on tax rates (and tax laws) that have been put in force or substantively are in force until the date of the Balance Sheet.

In the case of failure to identify clearly the time of reversal of temporary differences, the applicable tax rate is the one valid in the fiscal year following the balance sheet date.

Deferred tax assets are recognized to the extent that there will be a future taxable gain to use the temporary difference that creates the deferred tax asset.

Deferred income tax is recognized on the temporary differences arising from investments in subsidiaries and associates, except where the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax liabilities are determined taking into account any tax differences resulting from the control of the competent authorities.

Most changes in deferred tax assets or liabilities are recognized as part of the tax expenses in the statement of comprehensive income. Only those changes in assets or liabilities that affect the temporary differences are recognized directly in the company's owner's equity, such as the revaluation of real property value, that results in the relevant change in deferred tax assets or liabilities being charged against the relevant equity account.

3.11 Retirement and Short-term employee benefits

Short-term benefits: Short-term employee benefits (except post-employment benefits), monetary and in kind, are recognized as an expense when they become accrued. Any unpaid amount is recorded as a liability, while in case the amount already paid exceeds the amount of the benefits, the company recognizes the excess amount as an asset (prepaid expense) only to the extent that the prepayment will result in the reduction of future payments or in refund.

Benefits on retirement: The benefits on retirement include pensions or other benefits (life insurance and medical insurance) provided by the company after termination of employment in exchange for the service of employees.

Therefore, they include both defined contribution plans and defined benefit plans. The accrued cost of defined contribution plans is recorded as expense in the period concerned.

- *Defined contribution plan*

According to the defined contribution plan, the company's obligation (legal or constructive) is limited to the amount agreed to be contributed to the institution (e.g. fund) that manages contributions and provides benefits. Therefore the amount of benefits received by the worker is determined by the amount paid by the company (or the worker too) and by the paid investments of such contributions. The contribution payable by the company in a defined contribution plan is recognized either as a liability after deducting the contribution paid or as an expense.

- *Defined benefit plan*

According to Law 2112/20 and 4093/2012, the company pays workers compensation for dismissal or retirement. The amount of paid compensations depends on the years of service, the level of wages and the way of retirement from work (dismissal or retirement). The entitlement to participate in such plans is usually based on the employee's years of service until his retirement.

The liability recognized in the statement of financial position about defined benefit plans is the current value of the liability for the defined benefit less the fair value of the plan's assets (reserve from payments to an insurance company) and the changes arising from any actuarial profit or loss and the service cost. The defined benefit is calculated annually by an independent actuarial expert using the projected unit credit method. For discounting the fiscal year 2020 the selected interest rate follows the trend of the iBoxx AA Corporate Overall 10+ EUR indices, which is considered consistent with the

principles of IAS 19, i.e. it is based on bonds corresponding to the currency and the estimated duration with respect to employee benefits, and appropriate for long-term provisions.

A specific benefit plan determines based on various parameters, such as age, years of service, wages, specific obligations for benefits payable. Provisions relating to the fiscal year are included in staff costs in the attached simple and consolidated statements of income and consist of the current and past service cost, the relative financial cost, actuarial gains or losses and any possible additional charges. As regards unrecognized actuarial gains or losses, the revised IAS 19R follows, which includes a number of changes in accounting defined benefit plans, including among others:

- The recognition of actuarial gains /losses in the other comprehensive income and final exemption from the income statement,
- non-recognition of the expected returns of the investments of the plan in the income statement but the recognition of such interest on the net liability /(receivable) of the provision calculated based on the discount rate used to measure the defined benefit obligations,
- the recognition of past service cost in the income statement of the fiscal year before the dates of modification of the plan or when the related restructuring or terminal provision is recognized,
- other changes include new disclosures such as quantitative sensitivity analysis.

3.12 Provisions

Provisions are recognized when the Company has present legal or constructive obligations as a result of past events, their liquidation is probable through outflow of resources and the exact amount of the obligation can be reliably estimated. Provisions are reviewed at each balance sheet date and adjusted to reflect the present value of the expenditure expected to be required to settle the obligation. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of outflow of resources embodying economic benefits is minimal. Contingent assets are not recognized in financial statements but are disclosed when an inflow of economic benefits is probable.

3.13 Revenue recognition

Revenue: Revenue includes the fair value of executed projects, sale of goods and services, free of Value Added Tax, discounts and returns. The recognition of revenue is as follows:

- **Construction Contracts:** Revenues from the execution of construction contracts are accounted for in the period when the project is constructed, based on its completion stage.
- **Sales of goods:** Sales of goods are recognized when the company transfers goods to customers, the customer has accepted the products and collectibility of the receivable is reasonably assured.
- **Services provided:** Revenues from services is recognized in the period in which the services are rendered, based on the completion stage of the service in relation to the total services provided.
- **Interest revenue:** It concerns the whole income from the investment of cash and the category of "Financial assets at fair value through profit or loss".

Expenses: Expenses are recognized on an accrual basis. Payments made under operating leases are transferred to results as expenses during the period of the lease. Interest expenses are recognized on an accrual basis.

3.14 Leases

Company as Lessee: Leases of fixed assets that transfer to the Company all the risks and rewards associated with the ownership of an asset, regardless of the final transfer or none of title of ownership of that asset are classified as financial leases.

Such leases are capitalized at the start of the lease at the lower of the fair value of the fixed asset or the present value of the minimum leases. Each lease is allocated between the liability and the financial expenses, so as to achieve a constant interest rate on the remaining financial obligation.

The corresponding lease liabilities, free of financial expenses, are included in liabilities. The part of the financial expense relating to financial leases is recognized in the income statement during the lease term. Fixed assets acquired under financial lease are depreciated over the shorter period between the useful life of the fixed assets or their lease term.

Leases where the lessor transfers the right to use an asset for an agreed period without transferring the risks and rewards of ownership of the fixed asset are classified as operating leases. Payments made under operating leases (free of any incentives received from the lessor) are recognized to the income statement proportionally during the lease. All leases of the Company are operating and not financial.

Company as lessor: Leases where the Company does not transfer substantially all the risks and rewards of the asset are classified as operating leases. Initial direct costs incurred by lessors in negotiating and arranging an operating lease are added to the book value of the leased asset and recognized over the lease term as rental income.

3.15 Construction Contracts

Construction contracts refer to the construction of assets or group of associated assets specifically for customers according to the terms laid down in the relevant contracts and whose execution usually lasts for a period of over one year. The costs of the contract are recognized when they are made.

Where the outcome of a construction contract cannot be reliably estimated, particularly in the cases where the project is at an early stage, then the revenue is recognized only to the extent that the contractual cost may be recovered, while the contractual cost should be recognized in the expenditure of the period in which it was incurred. Therefore for these contracts revenues are recognized so that the profit from the specific project is equal to zero.

When the outcome of a construction contract can be estimated reliably, revenue and expenses of the contract are recognized during the contract, respectively as income and expense. The Company uses the percentage of completion method to determine the appropriate amount of income and expense to be recognized in a specific period.

The completion stage is measured based on the costs incurred until the balance sheet date compared to the total estimated construction cost of each project. When it is likely for the total contract cost to exceed the total revenue, the expected loss is recognized immediately in the income statement as an expense.

In calculating the cost realized until the end of the period, any expenses related to future activities regarding the contract are excluded and are recorded as work in progress. The total cost realized and the total profit / loss recognized on each contract is compared with progressive invoices till the end of the fiscal year.

Where realized expenses, plus net profits (less losses) that have been recognized exceed the progressive invoices, the difference appears as a receivable from customers of construction contracts in the account "Customers and other receivables". When the progressive invoices exceed realized expenses, plus net profits (less losses) that have been recognized, the balance is recorded as a liability towards customers of construction contracts in the account "Suppliers and other liabilities".

3.16 Dividend Distribution

Distribution of dividends to shareholders of the company is recognized as a liability in the financial statements on the date in which the dividends are appropriated by the General Meeting of Shareholders.

4. Objectives and risk management policies

The Company's activities are subject to various risks and uncertainties which are mainly associated with the technique and time completion of construction projects and the achievement of those guaranteed characteristics.

The Company is exposed to a limited range of financial risks. The usual risks to which it is theoretically subjected is the market risk (fluctuations in exchange rates, and market prices), credit risk, liquidity risk and cash flow risk.

The risk management policy of the Company aims at limiting the negative impact on financial results that are likely to result from the inability to predict financial markets and the variation in the variables of cost and sales. The general risk management program of the Company primarily deals with the good execution of works, credibility and good execution of procurement, then follows the credit risk and then the market risk.

The procedure followed by the risk management policy in which the Company is exposed is the following:

- Evaluation of the risks associated with the Company's activities and operations,
- designing the methodology and selection of the appropriate financial products to reduce risks and
- execution / implementation of the risk management process, in accordance with the procedure approved by the management.

Risk management is performed by the services of its two main Divisions, namely the Finance Division and Project Division. Before such transactions, approval is obtained from officers who are entitled to commit the Company to the counterparties.

4.1 Market Risks

i) Foreign exchange risk

The company operates internationally and therefore is exposed to foreign exchange risk arising primarily from the US dollar. Such kind of risk mainly results from commercial transactions in foreign currency. That risk does not significantly affect the operation of the Company since the transactions in foreign currency with customers and suppliers are rare.

ii) Price risk

The Company is exposed to changes in the value of raw and other materials purchased from third parties, as well as changes in the value of its portfolio investment. This risk is not severely affected by the operation, because the Company has the products and goods in pre-agreed prices, under contracts with customers. The Company monitors the price fluctuations of cost data and tries to limit the impact of price changes.

Besides the above, the Company is exposed to other price risks in respect of investments, which have been described as "Financial assets at fair value through profit or loss". The price risk with respect to the Company's investment portfolio is considered limited.

iii) Risk of proper execution of work or commission

Potential risks that may derive from commercial partnerships of the Company is the delay in supplying equipment and the delay of subcontractors in performing construction works which have as their impact on the overall delay of the execution of projects undertaken and therefore the imposition of penalties for breach of contract terms.

The Company, thanks to its long-term experience, severe selection of partners, suppliers and close surveillance and quality assurance thereof, is not exposed to major risks regarding the proper execution of works and supplies it assigns. In addition there is a hedge against partners -suppliers, as they are required to produce bank guarantees (proper execution, supply of materials, etc.).

iv) Insurance Risk

The insurance risk arises from the Company's activities and is associated with negative events, such as among others, accidents, injuries, damage in equipment and force majeure events. All the above may cause delays and in the worst case interruption of works. Any such developments would hinder the financial position and results of the Company.

To address the above risks, the Company insures such risks in order to cover the total value of its projects and activities with all-risk insurance policies civil liability towards third party, employers' civil liability, machinery, vehicles, etc. with recognized international insurance companies.

4.2 Credit risk

The company's exposure to credit risk is limited to financial assets, which on the balance sheet date, are as follows:

<i>Amounts in thousands of €</i>	31/12/2020	31/12/2019
<i>Categories of financial instruments</i>		
Cash and cash equivalent	8.914	7.101
Trade and other receivables	18.560	20.853
Total	27.474	27.954

The credit risk to which the Company is exposed arises from the default by the customer to pay within the contractual deadlines a part or the total of his debt. A major amount of the company's turnover mainly consists of transactions with companies of the broader public sector and Greek private companies with high creditworthiness. As regards receivables not related to the State, the Company continuously monitors its receivables, either individually or by group, and incorporates this information in the credit control. The Company's policy is to cooperate only with reliable customers. The Company's management considers that all the above financial assets that are not impaired in previous reporting date of the financial statements are of high credit quality. On this basis, the credit risk is considered limited.

Potential credit risk exists also in cash and cash equivalents. In such cases, the risk may arise from counterparty's failure to meet its obligations to the Company. To minimize this credit risk, the Company sets limits on its degrees of exposure to any

individual financial institution. Also, as regards deposit products, the Company only transacts deals with well-established financial institutions of high credit standing.

4.3 Liquidity risk

Liquidity risk is maintained at low level, having sufficient cash equivalents and direct realizable securities. The risk of future cash flows (liquidity) is closely linked to the risk of proper execution of works and procurement, due to the cash burden that may arise in case of failure to execute the contractual terms.

The Company manages its liquidity needs by carefully monitoring its long-term financial liabilities as well as the daily payments.

The Company manages this risk by maintaining adequate cash and credit lines from the banks as well as from suppliers, always in relation to its operating and investment financial needs.

The table below analyzes the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date. Balances due within 12 months equal their accounting values, since the impact of discounting is not significant.

Amounts in thousands of €

31/12/2020

	Short-term		Long-term	
	within 6 moths	6 to 12 months	1 to 5 years	No later than 5 years
Trade liabilities	7.123	0	0	0
Other short-term liabilities	1.813	0	1.339	0
Total	8.936	0	1.339	0

Amounts in thousands of €

31/12/2019

	Short-term		Long-term	
	within 6 moths	6 to 12 months	1 to 5 years	No later than 5 years
Trade liabilities	9.224	0	0	0
Other short-term liabilities	1825	0	1.176	0
Total	11.049	0	1.176	0

4.4 Presentation of financial assets and liabilities per category

Financial assets and financial liabilities at the date of the financial statements can be categorized as follows:

In thousands of €

Current assets

	2020	2019
Financial assets at fair value through profit & losses	87	200

Trade and other liabilities

Customers and other receivables	18.011	18.940
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Other receivables	549	1913
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Cash and cash equivalent	8.914	7.101
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Total	27.561	28.154
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Suppliers and relevant liabilities	7.123	9.224
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Liabilities to related firms	0	0
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Other short-term liabilities	850	1117
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Total	7.973	10.341
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4.5 Capital management policies and objectives

The objectives of the management for the company's capital management is to ensure its ability to continue its activities (going - concern). This is achieved by ensuring the conservation of the company's credit rating. Moreover, particular objectives of the company are to ensure satisfactory dividend yield to its shareholders and to fulfill the contractual terms with the contracting parties.

The Company monitors capital on the basis of net debt to the total owner's equity. As regards the years 2019 and 2018 the indicator is analyzed as follows:

In thousands of €

	2020	2019
Total Owner's Equity	29.702,00	28.488,00

Plus: Loans	0,00	0,00
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Less: Cash and cash equivalent	(8.914,00)	(7.101,00)
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Net debt	20.788,00	21.387,00
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Total owner's equity	29.702,00	28.488,00
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Plus: Loans	0,00	0,00
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Total capital employed	29.702,00	28.488,00
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Net debt to total owner's equity	7/10	7,5/10
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4.6 Fair value hierarchy

The Company has adopted the amended IFRS 7 "Financial Instruments: Disclosures". The revised version requires additional disclosures about the fair value of financial instruments and liquidity risk. Specifically, according to this amendment, the funds of each class of financial instruments of the balance sheet that are measured at fair value, for disclosure purposes, should be classified in the following three levels, depending on the quality of the data used to estimate their fair value:

- Level 1: prices (unadjusted) are of active markets.

-Level 2: the data that are directly or indirectly observable and related to valuation assets (this category does not include the data of level 1).

- Level 3: data that are derived from estimates of the business itself as there are no observable data in the market.

The Company's financial instruments that are measured at fair value are classified in the following three levels:

<i>Amounts in €</i>	Total	Level 1	Level 2	Level 3
Financial assets at fair value through profit and loss	86.783,80	86.873,80	-	-

5. Notes to the Financial Statements

5.1 Tangible fixed assets

The Company holds legal titles of ownership of fixed assets and there are no liens or other encumbrances. Tangible fixed assets are as follows:

<i>Amount in €</i>	Land	Buildings	Mechanical equipment	Transport means	Furniture and other equipment	Intangible Assets under construction	Total
Acquisition cost on January 1, 2018	1.772.253,68	6.833.523,67	6.293.422,63	648.798,08	524.805,34	782.375,42	16.855.178,82
Less: Accumulated Depreciation	0,00	(2.727.355,26)	(3.580.728,18)	(519.693,92)	(457.167,54)	0,00	(7.284.944,90)
Book value as of January 1, 2019	1.772.253,68	4.106.168,41	2.712.694,45	129.104,16	67.637,80	782.375,41	9.570.233,91
Additions	0,00	34.016,52	254.396,20	152.322,00	16.839,90	1.940.379,03	2.397.953,65
Plus /(less): settlements	682.769,64	1.491.908,53	528.833,34	0,00	4.616,00	(2.708.127,51)	0,00
Sales - Reductions	0,00	0,08	(18.923,03)	(85.461,20)	(21.376,46)	0,00	(125.760,61)
Depreciation of fiscal year	0,00	(228.032,35)	(364.719,05)	(26.408,72)	(23.235,88)	0,00	(642.396,00)
Depreciation of sales – write-offs	0,00	(0,11)	17.192,41	85.461,17	21.375,31	0,00	124.028,78
Acquisition cost (or deemed acquisition cost) as of December 31, 2018	2.455.023,32	8.359.448,80	7.057.729,14	715.658,88	524.884,78	14.626,94	19.127.371,86
Less: Accumulated Depreciation	0,00	(2.955.387,70)	(3.928.254,82)	(460.641,47)	(459.028,11)	0,00	(7.803.312,10)
plus/less: arrangements	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Book value as of December 31, 2019	2.455.023,32	5.404.061,10	3.129.474,32	255.017,41	65.856,67	14.626,94	11.324.059,76
Additions	0,00	15.074,95	280.478,36	43.500,00	36.345,33	498.265,60	873.664,24
Plus / (minus): Transportation	0,00	148.625,08	24.598,72	0,00	0,00	(173.223,80)	0,00
Sales – Reductions	0,00	0,00	(28,76)	(5.110,00)	(6.644,53)	0,00	(11.783,29)
Depreciation of fiscal year	0,00	(284.888,04)	(384.210,87)	(46.073,76)	(21.131,96)	0,00	(736.304,63)
Depreciation of Items Sold – Deleted	0,00	0,00	28,75	4.592,00	6.644,32	0,00	11.265,07
Acquisition cost (or deemed acquisition cost) as of December 31, 2019	2.455.023,32	8.523.148,83	7.362.777,46	754.048,88	554.585,58	339.668,74	19.989.252,81
Less: Accumulated Depreciation	0,00	(3.240.275,74)	(4.312.436,94)	(502.123,23)	(473.515,75)	(0,00)	(8.528.351,66)
plus/less: arrangements	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Book value as of December 31, 2020	2.455.023,32	5.282.873,09	3.050.340,52	251.925,65	81.069,83	339.668,73	11.460.901,14

5.2 Intangible assets

The intangible assets of the Company include only purchased software and are analyzed as follows:

Amounts in €	Software
Acquisition cost on January 1, 2019	255.158,95
Less: Accumulated Depreciation	(199.010,07)
Book value as of January 1, 2019	56.148,88
Additions 2019	10.024,00
Depreciation of the fiscal year 2019	(15.964,08)
Acquisition cost as of December 31, 2019	265.182,95
Less: Accumulated Depreciation	(214.974,15)
Book value as of December 31, 2019	50.208,80
Additions 2020	7.024,32
Depreciation of the fiscal year 2020	(14.642,41)
Acquisition cost as of December 31, 2020	272.207,27
Less: Accumulated Depreciation	(229.616,56)
Book value as of December 31, 2020	42.590,71

5.3 Rights to use

As of 31/12/2020, the Company holds rights to use and they are broken down as follows:

Amounts in €	Rights
Balance at start 1/1/2019	264.231,70
Depreciation of rights to use of assets	(10.130,29)
Balance at end of the year 31/12/2019	254.101,41
Depreciation of rights to use of assets	(10.130,29)
Balance at end of the year 31/12/2020	243.971,12

5.4 Investments in associated / jointly controlled companies.

As of 31/12/2020, the Company has the following investments in associated / jointly controlled companies:

Name	Seat	% Shareholding
ARCOMET RMC FZC	United Arabic Emirates	25.00%

The results of ARCOMET RMC FZC using the equity method.

The movement of investments in associated / jointly controlled companies is broken down in the table below:

Amounts in €	31/12/2020	31/12/2019
Start of year	135.515,75	232.821,82
Proportion of profit /loss of affiliated companies	(135.515,75)	(181.234,06)
Additions	0,00	83.927,99
Balance at the end	0,00	135.515,75

5.5 Other long-term receivables

Other long-term requirements of the Company are analyzed in the following table:

Amounts in €	31/12/2020	31/12/2019
Other long-term receivables	0,00	191.429,76
Guarantees given	12.136,25	14.932,34
Total other long-term receivables	12.136,25	206.362,10

The other long-term receivables relate to a receivable from the affiliate company ARCOMET RMC FZC and to guarantees given to third parties, which are not expected to be returned in the next financial year.

5.6 Inventories

The inventories of the Company are as follows:

Amounts in €	31/12/2020	31/12/2019
Raw materials	529.050,68	411.406,78
Consumables	218.097,55	243.893,11
Products & other stocks	71.089,76	71.762,35
Total	818.237,99	727.062,24
Less: Provisions for depreciation of inventories	(242.375,36)	(226.794,27)
Total net realizable value	575.862,63	500.267,97

5.7 Customers and other trade receivables

Customers and other trade receivables of the Company, are analyzed as follows:

Amounts in €	31/12/2020	31/12/2019
Customers (open account)	7.130.461,67	11.118.526,24
Customers- account of guarantees of proper execution	917.574,88	1.351.773,78
Receivables from customers for construction contracts	6.240.766,19	6.327.128,33
Notes receivable	3.815,11	3.815,11
Checks receivable	3.597.507,80	672,71
Less: Provision for impairment	(45.409,65)	(44.135,25)
Total Net Receivables from Customers	17.844.716,00	18.757.780,92
Advances to suppliers and subcontractors	166.600,18	182.366,42
Total	18.011.316,18	18.940.147,34
Non-current assets	0,00	0,00
Current assets	18.011.316,18	18.940.147,34
	18.011.316,18	18.940.147,34

The maturity of customers that have not been impaired is shown in the following table:

<i>Amounts in thousands of €</i>	31/12/2020	31/12/2019
Less than 3 months	14.720	16.577
Between 3 and 6 months	1.004	466
Between 6 months and 1 year	986	648
Greater than 1 year	1.301	1.249
Total	18.011	18.940

The change in the provision for doubtful receivables is presented in the table below.

Balance at 1.1.2019	42.841,25
Additional provisions	1.294,00
Used provisions	0,00
Balance at 31.12.2019	44.135,25
Additional provisions	1.274,40
Used provisions	0,00
Balance at 31.12.2020	45.409,65

5.8 Other receivables and Other current assets

Other receivables and other current assets of the Company's assets are analyzed below:

<i>Amounts in €</i>	31/12/2020	31/12/2019
Receivables from the Greek State for taxes	622.131,47	2.054.526,26
Advances to workers and third parties	6.768,05	6.701,00
Contested receivables against the Greek State	0,00	96.220,56
Receivables from joint ventures	0,00	382,54
Other receivables	194,61	50.197,84
Advance contributions to IKA (Social Insurance Institute)	50,45	50,45
Less: Provisions for impairment	(80.281,49)	(295.543,89)
Total Other Receivables	548.863,09	1.912.534,76

Other Current Assets

Expenses of next years	79.428,95	89.834,27
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The expenditure in the next years include the amount of €79.428,95 regarding Purchases under Order.

5.9 Financial assets at fair value through profit and loss

These are high liquidity placements in bank bonds of Piraeus Bank and mutual funds with short-term investment horizon.

<i>Amounts in €</i>	31/12/2020	31/12/2019
Balance at the start of the year	199.809,74	56.133,84
Additions		
- Shares	0,00	0,00
Sales / write-offs		
- Fair value adjustments	(112.935,94)	143.675,90
Balance at the end of the year	86.873,80	199.809,74

<i>Amounts in €</i>	31/12/2020	31/12/2019
Bank bonds	0.00	0,00
Shares listed on the stock exchange	86.873,80	199.809,74
Total trade portfolio securities	86.873,80	199.809,74

The book values of those financial assets are classified as at fair value through the statement of comprehensive income. Changes in fair value of financial assets are included in "Other financial results" in the statement of comprehensive income.

5.10 Cash and cash equivalents

Cash equivalents represent cash in the Company's funds and bank deposits available on demand. Cash and cash equivalents of the Company are as follows:

<i>Amounts in €</i>	31/12/2020	31/12/2019
Cash	12.617,14	50.539,48
Bank deposits	8.901.703,92	7.050.473,21
Total Cash	8.914.321,06	7.101.012,69

During those dates there were no overdrafts from bank accounts.

5.11 Construction contracts

Construction contracts refer to the construction of assets or group of associated assets specifically for customers according to the terms laid down in the relevant contracts and whose execution usually lasts for a period of over one year.

Amounts in €	01/01 - 31/12/2020	01/01 - 31/12/2019
Contract revenue accounted for in the year	29.509.800,55	43.707.468,32
Contract costs incurred and recognized profits (less recognized losses) until present	121.095.674,14	104.917.833,90

The analysis of receivables and liabilities from construction contracts of the Company is as follows:

Amounts in €	31/12/2020	31/12/2019
Advances received	1.857.503,99	3.521.528,46
Customer reservations for proper execution	917.574,88	1.351.773,78
Gross amount due from customers for contract work presented as a receivable	6.240.766,19	6.327.128,33
Gross amount due to customers for contract work, presented as a liability	637.009,63	81.160,51

The book values analyzed above reflect the best estimate of the management regarding the result from each of the construction contracts as well as the percentage of completion at the balance sheet date. The Company's management assesses the profitability of ongoing projects on a monthly basis using detailed procedures for monitoring their progress.

5.12 Owner's Equity

i) Share Capital

The share capital of the Company consists of 9.470.000 shares of nominal value €1,20 each. The total share capital amounts to €11.364.000,00.

ii) Other reserves

The analysis of other reserves of the Company, is as follows:

<i>Amounts in Euro</i>	Legal reserve	Extraordinary reserves	Tax-free reserves	Total
Balance at January 1, 2019	1.554.498,43	4.401.274,79	2.512.451,45	8.468.224,67
<u><i>Changes during the year 2019</i></u>				
- Formation of reserves from net profit of year 2019	3.602,03	0,00	0,00	3.602,03
- Correction of the occurrence of deferred tax from untaxed reserves	0,00	0,00	0,00	0,00
- Transfer to profit carried forward	0,00	0,00	0,00	0,00
Balance at December 31, 2019	1.558.100,46	4.401.274,79	2.512.451,45	8.471.826,70
<u><i>Changes during the year 2020</i></u>				
Capitalization of tax-free reserves	0,00	0,00	(800.949,96)	(800.949,96)
Commitment of retained earnings for own participation in the investment program of Law 3908 / 2011	0,00	(59.444,12)	0,00	(59.444,12)
Formation of reserves from net profit of year 2020	64.546,52	0,00	0,00	64.546,52
Balance at December 31, 2020	1.622.646,98	4.341.830,67	1.711.501,49	7.675.979,14

The legal reserve has been formed in accordance with the provisions of the Law 4558/2018.

iii) Retained earnings

<i>Amounts in Euro</i>	31/12/2020	31/12/2019
Proposed dividend	414.972,00	23.220,84
Retained earnings	10.246.972,74	9.393.645,47
Total	10.661.944,74	9.416.866,31

The General Meeting of 1/7/2020 amended the proposal of the Board of Directors about the appropriation of results of the year 01/01/2019 - 31/12/2019 and decided not to distribute dividend instead of the proposed €23.220,84.

5.13 Deferred Tax Assets and Liabilities

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

Amounts in €

	31/12/2020		31/12/2019	
	D.T. Receivable	D.T. Liability	D.T. Receivable	D.T. Liability
Non-current assets				
Intangible Assets	159,56	0,00	1.120,79	0,00
Tangible Assets	0,00	740.736,59	0,00	742.465,34
Rights to use assets	0,00	58.553,07	0,00	60.984,34
Investments in subsidiaries	0,00	0,00	0,00	0,00
Current Assets				
Construction Contracts	1.361.000,63	0,00	1.829.215,13	0,00
Other Receivables	0,00	1.497.783,88	0,00	1.518.510,80
Joint Ventures	0,00	0,00	0,00	0,00
Long-term Liabilities				
Reserves	0,00	0,00	0,00	186.189,37
Long-term Liabilities				
Provisions for benefits to workers	108.735,36	0,00	93.021,85	0,00
Provisions for losses of projects	4.993,18	0,00	1.880,59	0,00
Other provisions	69.068,41	0,00	65.023,08	0,00
Short-term Liabilities				
Liabilities from right to use (IFRS 16)	60.573,07	0,00	62.027,97	0,00
Other Short-term Liabilities	152.882,32	0,00	19.478,52	0,00
Total	1.757.412,53	2.297.073,54	2.071.767,93	2.508.149,85
Offset	(1.757.412,53)	(1.757.412,53)	(2.071.767,93)	(2.071.767,93)
Total	-	539.661,01	-	436.381,92

Under the tax law, some types of income are not taxed at the time of their acquisition but at the time of their distribution to shareholders. The Company's accounting policy is to recognize deferred tax liability for such types of income at the time of their realization, regardless of the time they are distributed. Deferred tax is calculated on the basis of the applicable tax rate at the time of maturity of the tax receivable / liabilities.

Deferred tax assets are recognized as tax losses to the extent that the realization of the related tax benefit through future taxable profits is probable.

The deferred tax was calculated using the tax rate of the years during which the temporary differences are expected to be settled. The tax rate for the year 2020 and in the future will be 24%.

5.14 Severance Pay for Retirement

The employees of the Company receive a lump sum compensation according to Law 2112/20 upon leaving service due to retirement. The Company recognizes as a liability the present value of the legal commitment to pay a lump sum compensation to personnel due to retirement. This liability was calculated based on an actuarial study. This liability of the Company is analyzed as follows:

Amounts in €	<u>31/12/2020</u>	<u>31/12/2019</u>
Lump sum plan under Law 2112/20 (unfunded)		
Balance at the start of the year	387.591,03	371.078,67
Pension benefits	83.170,04	28.145,81
Payments during the fiscal year	(17.697,05)	(11.633,45)
Less: Reduction in liability due to adjustments	0,00	0,00
Balance at the end of the year	453.064,02	387.591,03

The amounts relative to the cost of pension benefits are as follows:

Amounts in €	<u>31/12/2020</u>	<u>31/12/2019</u>
Analysis of pension benefits		
Current service cost	26.451,61	19.454,42
Financial cost	3.100,73	5.937,26
Actuarial (profits) / losses	53.617,70	2.754,13
Balance at the end of the year	83.170,04	28.145,81

The main actuarial assumptions used for the above accounting purposes are the following:

	<u>31/12/2020</u>	<u>31/12/2019</u>
Discount interest rate	0,40%	0,80%
Future salary growth	2,30%	2,30%
Inflation	1,70%	1,70%

5.15 Other long-term liabilities

During the fiscal year 2019, the company has adopted the first application of the new IFRS 16. The application of the standard has resulted in the use of property rights (note 5.3) and lease obligations from the usage rights. The total amount of the obligation has been classified as long-term and short-term (note 5.19), depending on the expected year of settlement of the relevant obligation. The change of the obligation and the distinction between short-term and long-term for 31.12.2019 is analyzed as follows:

<i>Amounts in €</i>	Rental liability
Balance at the start 1/1/2019	264.231,70
Interest from rental liabilities	10.616,98
Payments of rental interest	(10.616,98)
Payments of amortization of rents	(5.781,82)
Balance at the end of year 31/12/2019	258.449,88
Interest from rental liabilities	10.376,49
Payments of rental interest	(10.376,49)
Payments of amortization of rents	(6.062,07)
Balance at the end of year 31/12/2020	252.387,81

The table below lists the breakdown of the Company's long-term liabilities:

<i>Amounts in €</i>	31 December 2020	31 December 2019
Short-term rental liabilities	6.312,71	6.062,07
Long-term rental liabilities	246.075,10	252.387,81
Total rental liabilities	252.387,81	258.449,88

5.16 Other non-current Provisions

The Company establishes provisions in order to cover future differences from tax audits. They are expected to be used over the next 3 years.

The following table provides a breakdown of the movement on the accounts of provisions:

	Provisions for tax of unaudited years
Balance at 1.1.2019	75.000,00
Additional provisions	25.000,00
Balance at 31.12.2019	100.000,00
Additional provisions	0,00
Balance at 31.12.2020	100.000,00

5.17 Suppliers and other liabilities

The remaining suppliers and other related liabilities of the Company are analyzed as follows:

<i>Amounts in €</i>	31/12/2020	31/12/2019
Suppliers	4.627.796,01	5.610.822,15
Advances from customers	1.858.185,03	3.531.899,50
Liabilities to customers from the execution of works	637.009,63	81.160,51
Total	7.122.990,67	9.223.882,16

Trade liabilities do not bear interest and are settled normally.

5.18 Current tax liabilities

The company's current tax liabilities include current liabilities from income tax, tax of wages to staff and third parties and liabilities from taxes of previous years and are analyzed as follows:

<i>Amounts in €</i>	31/12/2020	31/12/2019
Tax Liabilities	962.174,85	708.306,20
Total	962.174,85	708.306,20

As regards the unaudited fiscal years of the Company see section 5.27 "Contingent Liabilities - Receivables".

5.19 Other short-term liabilities

The company's other short-term liabilities are analyzed as follows:

<i>Amounts in €</i>	31/12/2020	31/12/2019
Insurance corporations	404.448,29	446.295,47
Accrued expenses	15.424,40	24.749,75
Staff benefits payable	348.341,20	393.394,88
Provisions from losses associated with works	20.804,93	7.835,78
Dividends payable	54.863,87	236.547,89
Short-term Obligation to Use Assets	6.312,71	6.062,07
Other liabilities	180,00	2.066,61
Total	850.375,40	1.116.952,45

5.20 Turnover

The breakdown of the Company's turnover for the current year and previous year is as follows:

<i>Amounts in €</i>	31/12/2020	31/12/2019
Income from the execution of construction contracts	29.515.818,55	43.675.418,82
Sales of other inventories and scrap	67.155,21	171.084,65
Total	29.582.973,76	43.846.503,47

5.21 Breakdown of expenses by category

The company's breakdown of expenses by category for the years 2019 & 2018 is as follows:

<i>Amounts in €</i>	31/12/2020			31/12/2019		
	Cost of sales	Administrative expenses	Total	Cost of sales	Administrative expenses	Total
Pension benefits	0,00	0,00	0,00	0,00	0,00	0,00
Remunerations and other employee benefits	9.724.664,86	982.246,81	10.706.911,67	9.703.961,83	943.200,11	10.647.161,94
Cost of inventories recognized as an expense	3.569.928,60	0,00	3.569.928,60	14.060.840,06	0,00	14.060.840,06
Depreciation of fixed assets	705.447,61	41.786,02	747.233,63	629.829,87	18.153,92	647.983,79
Depreciation of intangible assets	0,00	13.843,70	13.843,70	0,00	20.506,59	20.506,59
Fees & expenses of Subcontractors	7.114.707,95	0,00	7.114.707,95	11.643.541,35	0,00	11.643.541,35
Other fees and third party expenses	1.457.262,20	179.656,82	1.636.919,02	1.894.964,52	169.467,75	2.064.432,27
Insurance Premiums	116.095,50	3.201,42	119.296,92	62.007,94	1.627,20	63.635,14
Rents	115.444,03	114.774,70	230.218,73	245.332,43	113.181,53	358.513,96
Maintenance repairs	303.570,49	16.578,46	320.148,95	412.950,96	18.015,97	430.966,93
Other benefits to third parties	1.460.059,76	94.515,90	1.554.575,66	2.023.033,16	93.335,21	2.116.368,37
Taxes and duties	93.030,11	35.077,24	128.107,35	73.650,58	28.499,77	102.150,35
Other miscellaneous expenses	1.176.894,20	114.825,14	1.291.719,34	913.843,06	140.752,37	1.054.595,43
Provisions for losses from the execution of works	12.969,15	0,00	12.969,15	0,00	0,00	0,00
Provision reversal	0,00	0,00	0,00	(4.411,60)	0,00	(4.411,60)
Provisions for liabilities of defined benefit plans	23.806,45	2.645,16	26.451,61	17.508,98	1.945,44	19.454,42
Sharing of expenses by joint ventures	0,00	0,00	0,00	0,00	0,00	0,00
Total	25.873.880,91	1.599.151,37	27.473.032,28	41.677.053,14	1.548.685,86	43.225.739,00
Less: Cost of own production	(66.261,74)	0,00	(66.261,74)	(199.577,81)	0,00	(199.577,81)
FINAL TOTAL	25.807.619,17	1.599.151,37	27.406.770,54	41.477.475,33	1.548.685,86	43.026.161,19

5.22 Employee Benefits

The number of employed the company's employed staff during the reported date is analyzed as follows:

	31/12/2020	31/12/2019
Salaried employees	85	87
Day workers	152	171
	237	258

The benefits to the Company's staff are analyzed as follows:

<i>Amounts in €</i>	31/12/2020	31/12/2019
Wages, salaries and allowances	7.644.707,38	8.068.156,08
Social security expenses	1.964.109,90	2.104.243,19
Severance pay compensation	17.697,05	11.633,45
Other employee benefits	1.080.397,34	463.129,22
Total	10.706.911,67	10.647.161,94
Amount charged to the income statement	10.639.915,28	10.449.423,40
Amount capitalized in owner-produced fixed assets	66.996,39	197.738,54
	10.706.911,67	10.647.161,94

5.23 Other income and operating expenses

Other income and operating expenses of the company are analyzed as follows:

<i>Amounts in €</i>	31/12/2020	31/12/2019
Other operating income		
Earnings from Exchange Differences	49.581,27	0,00
Income from compensations	5.890,16	0,00
Income from services provided abroad	79,69	0,00
Income from Grants	0,00	11.299,81
Other	8.102,74	0,00
Income from unused provisions	7.860,21	0,00
Income from provisions of previous years	17.697,05	15.514,72
Total	89.211,12	26.814,53

Other operating expenses

Losses from exchange differences	0,00	(8.693,66)
Waiver of receivables	2.796,09	0,00
Fines- Additional Charges -Interest Overdue	1.112,59	46.570,05
Provisions for coverage of losses from dissolution of joint venture	18,22	1.731,60
Provisions for Doubtful Receivables	80.985,54	0,00
Provisions for contingent risks	0,00	25.000,00
Provisions for depreciated inventories	0,00	50.000,00
Other	888,01	(8.735,66)
Losses from expenses on behalf of subsidiary	0,00	280.540,01
Total	85.800,45	386.412,34

5.24 Financial Income and Expenses

The company's financial income and expenses are analyzed as follows:

<i>Amounts in €</i>	<u>31/12/2020</u>	<u>31/12/2019</u>
Financial income:		
- Profit from depreciation of assets	0,00	143.675,90
- from Banks	4.457,36	17.635,05
Total	4.457,36	161.310,95
Financial expenditure:		
- Supplies of letters of guarantee	6.264,21	10.362,58
- Interests	34,46	0,00
- Provisions for depreciation of financial assets	112.935,94	0,00
- Other bank expenses	4.845,11	4.736,79
Total	124.079,72	15.099,37

5.25 Income Tax

Under tax law 4646/2019 passed on 12/12/2019, the tax rate of legal entities headquartered in Greece amounts to 24% for the years starting on 01/01/2019 and thereafter. The Company has calculated the income tax for the year 2020 at a rate of 24% (2019 24%), while the deferred tax was calculated using the tax rate of the years during which the temporary differences are expected to be settled. The tax on profits to be distributed from 01/01/2020 is 5%.

The Company's income tax is analyzed as follows:

<i>Amounts in €</i>	<u>31/12/2020</u>	<u>31/12/2019</u>
Current annual tax	312.785,88	360.344,19
Other non-incorporated taxes	12.800,00	16.550,00
Deferred tax	116.147,34	(166.888,50)
Total	441.733,22	210.005,69

The tax amount on the Company's profit before tax differs from the theoretical amount that would result using the weighted average tax rate applicable to the company's profits. The relationship between the expected tax expense based on the actual tax rate of the Company and the tax actual expense directly recognized in comprehensive income, is as follows:

<i>Amounts in €</i>	31/12/2020	31/12/2019
-Profit before tax, as income statement	1.732.663,49	425.722,00
-Applicable Tax Rate	24%	24%
-Income tax under the applicable tax rate	415.839,24	102.173,28
-Tax corresponding to expenses not recognized as fiscal	172.479,41	80.746,80
- Taxes, duties, fines	12.800,00	16.550,00
-Tax due to difference between accounting and tax base	(159.385,43)	0,00
-Effect on the deferred tax due to changes in the tax coefficients	0,00	(5.256,03)
-Other permanent differences with no tax impact	0,00	15.791,64
Tax expense in the income statement	441.733,22	210.005,69

5.26 Commitments

The company's commitments regarding construction contracts are as follows:

<i>Amounts in €</i>	31/12/2020	31/12/2019
Unexecuted remaining works	13.675.790,33	17.750.552,51
Granted guarantees of proper execution	9.897.551,56	9.791.112,64

As of 31/12/2020, the Company does not lease transportation means, tangible assets and other equipment under non-cancelable leases that have been agreed.

5.27 Contingent Assets - Liabilities

The Company holds legitimate deeds of ownership of fixed assets and there are no liens or other encumbrances.

Contested Receivables

The Company is involved (as plaintiff and defendant) in various court cases and arbitration procedures in the context of its normal operation. The management and its legal advisors estimate that all pending lawsuits are expected to be settled without significant negative effects on the Company's financial position or on its operating results.

Unaudited fiscal years

For the years 2011, 2012 and 2013, the Company has been subject to tax audit by a statutory auditor or an audit firm according to POL 1159/26/7/2011 and has received a Certificate of Tax Compliance with Consent without substantial differences. The audits have not been finalized yet by the Ministry of Finances.

For the fiscal years 2014, 2015, 2016, 2017, 2018 and 2019, the Company has been audited in accordance with Article 65A(1) of Law 4171/20. The audits have not been finalized yet by the Ministry of Finances.

From the 2016 onwards, the audit in question has become optional. The Company has chosen to keep receiving the Annual Certificate.

The audit for the year 2020 is under way and the relevant tax certificate is due to be issued after that the financial statements have been published. Upon completion of the tax audit, the Company's Management does not expect to incur major tax liabilities other than those recorded and presented in the financial statements.

5.28 Transactions with related parties

Transactions with the following companies are performed on a purely commercial basis. The Company was not involved in any transaction of unusual nature or content that is essential for the Company or the Group and those closely related to the latter, and does not intend to be involved in such transactions in the future. None of the transactions incorporates special terms and conditions and no guarantee was given or received.

1) Balances with related parties

Amounts in €	31/12/2020	31/12/2019
<i>a) Receivables from customers and works in progress</i>		
Affiliated companies	375.612,29	382.252,29
Total	375.612,29	382.252,29
<i>b) Other receivables</i>		
Subsidiaries	0,00	382,54
	164,16	0,00
Affiliated companies	191.429,76	191.429,76
Total	191.593,92	191.812,30
<i>c) Liabilities to suppliers and other liabilities</i>		
Affiliated companies	25.000,00	50.000,00
Management members	5.128,00	4.732,80
Total	30.128,00	54.732,80
<i>d) Liabilities to customers and work in progress</i>		
Affiliated companies	0,00	0,00
Total	0,00	0,00

2) Transactions with related parties

Amounts in €	31/12/2020	31/12/2019
<i>a) Income from the execution of works and other income</i>		
Other affiliated companies	0,00	0,00
Total	0,00	0,00
<i>b) Purchases and remunerations from services provided</i>		
Management members	147.900,00	146.820,00
Total	147.900,00	146.820,00

3) Guarantees granted to related parties

Amounts in €	31/12/2020	31/12/2019
Management members	0,00	0,00
Total	0,00	0,00

5.29 Benefits to the Company's Management

The benefits to the Company's management for the years 2020 and 2019 are broken down as follows:

<i>Amounts in €</i>	31/12/2020	31/12/2019
Short-term benefits to employees		
- Other allowances	330.000,00	330.000,00
	330.000,00	330.000,00
<u>Benefits after the end of the work related to</u>		
Net worth payments	0,00	0,00
	0,00	0,00
Total	330.000,00	330.000,00
Receivables from managers	0,00	0,00
Liabilities to managers	13.624,58	11.300,14

No loans have been granted to Board members or other managers of the Company (or their families). As of 31/12/2020 there was a liability of €13.624,58 to Board members and it regarded outstanding remuneration.

5.30 Proposal on the distribution of profit

Profit is distributed as follows:

<i>Amounts in €</i>	31/12/2020
Annual profit	1.290.930,27
Balance of earnings of previous years	9.416.866,31
Minus: Formation of reserves from net profits in the year 2019	(5.102,39)
Other total income (expenditure)	(40.749,45)
Distribution of Profit	10.661.944,74

On May 31 2021 the Board of Directors proposed to distribute the first dividend. That proposal of the Board of Directors is subject to approval by the company's Annual General Meeting of Shareholders. The proposed distribution of profit is as follows:

<i>Amounts in €</i>	31/12/2020
Legal Reserve	64.546,51 €
First Dividend	414.972,00 €
Retained Earnings	10.182.426,23 €
Total	10.661.944,74 €

5.31 Events after the balance sheet date

For the needs of storing ready equipment and prefabricated equipment before shipping them to customers in the industrial facilities at the Company's headquarters in Diavata Thessaloniki, the Company purchased two (2) adjacent land plots to facilitate production, a) parcel No. 619 measuring 12,316.51 m² and b) parcel No. 618B measuring 1,316.91 m².

There are no events after the financial statements related to the Company and that need to be mentioned according to the International Financial Reporting Standards (IFRS).

Diavata Thessaliniki, 31 May, 2021

**THE CHAIRWOMAN OF THE
BOARD OF
DIRECTORS**

THE MANAGING DIRECTOR

**ON BEHALF OF THE
ACCOUNTS DEPARTMENT**

**EFTHYMIA
KARYOTI**

**IOANNIS
KARYOTIS**

KONSTANTINOS ELIAS

**ID CARD NO.
AO 242964**

**ID CARD NO.
AE 206298**

**ID CARD NO. AO 243544-
LICENSE NO. A 0006213**