

DISPLAY ART PLC

Consolidated Statement of Profit and Loss Account for the year ended 31 December 2020

	2020	2019
	€	€
Income	553.729	1.707.860
Cost of sales	(625.908)	(1.143.917)
Gross (loss) / profit	(73.179)	563.943
Other income	271.785	6.850
Distribution and sales expenses	(125.637)	(167.275)
Administrative costs	(195.932)	(323.782)
Fair value gains / (losses) in financial assets at fair value through profit and loss	81	(51)
Operating (loss) / profit	(122.882)	79.685
Finance costs	(64.525)	(71.220)
Net finance costs	(64.525)	(71.220)
(Loss) / profit before taxation	(187.407)	8.465
Taxation	19.873	19.161
Net (loss) / profit for the year	(167.534)	27.626
Loss / (earnings) per share:		
Basic (loss) / earnings per share (cents)	(1.24)	0.20
Fully diluted (loss) / earnings per share (cents)	(1.24)	0.20

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Consolidated Statement of Comprehensive Income for the year ended 31 December 2020

	2020 €	2019 €
Net (loss) / profit for the year	<u>(167.534)</u>	<u>27.626</u>
Other comprehensive income for the year		
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>		
Deferred tax on revaluation of land and buildings	(567)	(353)
Impairment of financial assets at fair value through other comprehensive income	(651)	(332)
Adjustment of fair value of land and buildings	<u>-</u>	<u>(29.206)</u>
Other comprehensive losses for the year after taxation	<u>(1.218)</u>	<u>(29.891)</u>
Comprehensive loss for the year after taxation	<u>(168.752)</u>	<u>(2.265)</u>
Comprehensive loss attributable to:		
Company's shareholders	(168.752)	(2.265)
Minority interest	<u>-</u>	<u>-</u>
	<u>(168.752)</u>	<u>(2.265)</u>

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Consolidated Statement of Financial Position for the year ended 31 December 2020

	2020 €	2019 €
Assets		
Non-current assets		
Property, plant and equipment	3.429.823	3.565.258
Intangible assets	801	1.650
Financial assets at fair value through other comprehensive income	13.224	13.875
	<hr/> 3.443.848	<hr/> 3.580.783
Current assets		
Inventories	569.639	669.495
Trade and other receivables	132.219	238.850
Financial assets at fair value through profit and loss	277	197
Cash and cash equivalents	2.194	11.051
	<hr/> 705.329	<hr/> 919.593
Total assets	<hr/> 4.419.177	<hr/> 4.500.376
Equity and liabilities		
Capital and reserves		
Share capital	4.592.196	4.592.196
Share premium reserve	98.673	98.673
Difference from conversion of share capital into euro reserve	23.235	23.235
Revaluation reserve	2.648.496	2.644.846
Annuity reserve	(6.575.145)	(6.402.743)
	<hr/> 787.455	<hr/> 956.207
Equity attributable to the Company's shareholders	<hr/> 787.455	<hr/> 956.207
Non-current liabilities		
Borrowings	1.112.936	874.556
Deferred tax liabilities	438.033	457.612
	<hr/> 1.550.969	<hr/> 1.332.168
Current liabilities		
Trade and other creditors	869.247	1.162.591
Current tax liabilities	892	676
Borrowings	940.623	1.048.734
	<hr/> 1.810.762	<hr/> 2.212.001
Total liabilities	<hr/> 3.361.731	<hr/> 3.544.169
Total equity and liabilities	<hr/> 4.149.177	<hr/> 4.500.376

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Consolidated Statement of Changes in Equity for the year ended 31 December 2020

	Share Capital €	Share premium reserve €	Difference from conversion of share capital into euro €	Revaluation reserve €	Annuity reserve €	Total €
Balance as at 1 January 2019	4.592.196	98.673	23.235	2.724.983	(6.480.615)	958.472
Net profit for the period after taxation	-	-	-	-	27.626	27.626
Other comprehensive loss for the period after taxation	-	-	-	(685)	-	(685)
Changes in revaluation of land and buildings	-	-	-	(29.206)	-	(29.206)
Balance as at 31 December 2019 / 1 January 2020	4.592.196	98.673	23.235	2.695.092	(6.452.989)	956.207
Net loss for the period after taxation	-	-	-	-	(167.534)	(167.534)
Other comprehensive loss for the period after taxation	-	-	-	(1.218)	-	(1.218)
Changes in revaluation of land and buildings	-	-	-	-	-	-
Balance as at 31 December 2020	4.592.196	98.673	23.235	2.693.874	(6.620.523)	787.455

Companies which do not distribute 70% of their profits after tax as defined by the Special Contribution for Defence Law of the Republic within two years after the end of the relevant tax year will be deemed to have distributed this amount as dividends. Special contribution for defence at 17% will be payable on such deemed dividends to the extent that the shareholders (individuals and companies), at the end of the period of two years following the end of the relevant tax year, are Cyprus tax residents and are deemed to be domiciled in Cyprus. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

DISPLAY ART PLC

Consolidated Statement of Cash Flows for the year ended 31 December 2020

	2020 €	2019 €
Cash flow from operations		
(Loss) / profit for the year before taxation	(187.407)	8.465
Adjustments for:		
Depreciation of property, plant and equipment	198.918	213.409
Depreciation of computer programmes	940	825
Fair value gains / (losses) in financial assets at fair value through profit and loss	(81)	51
Gain on sale of property, plant and equipment	-	(1.261)
Provision for anticipated credit losses	34.237	21.347
Interest expenses	57.880	67.013
Impairment in the value of inventories	53.923	20.000
Capitalisation of reserves	36.751	-
	<hr/>	<hr/>
Profit from operations before changes in working capital	195.161	329.849
Changes in working capital:		
Inventories	9.182	(552)
Trade and other receivables	(14.592)	(119.389)
Trade and other creditors	(207.515)	80.216
	<hr/>	<hr/>
Cash (for) / from operations	(17.764)	290.124
Tax returned / paid	92	(502)
Net cash (for) / from operations	<hr/> (17.672) <hr/>	<hr/> 289.622 <hr/>
Cash flow from investing activities		
Purchase of intangible assets	(91)	(2.475)
Purchase of property, plant and equipment	(63.483)	(61.104)
Proceeds from sale of property, plant and equipment	-	1.261
Net cash for investing activities	<hr/> (63.754) <hr/>	<hr/> (62.318) <hr/>
Cash flow from financing activities		
Loan and lease repayments	(133.880)	(83.900)
Interest paid	(57.880)	(67.013)
Proceeds from new loans	355.000	-
	<hr/>	<hr/>
Net cash from / (for) financing activities	163.240	(150.913)
Net increase in cash and bank overdrafts	<hr/> 81.994 <hr/>	<hr/> 76.391 <hr/>
Cash and bank overdrafts at beginning of year	(904.866)	(981.257)
Cash and bank overdrafts at end of year	<hr/> (822.872) <hr/>	<hr/> (904.866) <hr/>