ANNUAL FINANCIAL REPORT
For the year from January 1st to December 31st 2019

According to article 4, Law 3556/2007

CONTENTS

A) STATEMENTS BY THE REPRESENTATIVES OF THE BOARD OF DIRECTORS ACCORDING TO ARTICLE 4, PAR. 2, LAW 3556/2007

The members of the Board of Directors:
1) Panagiotis Lykos, Chairman of the Board of Directors
2) Panagiotis Spyropoulos, Vice Chairman & Group CEO
3) Ilias Karantzalis, Member of the Board of Directors

In the above capacity, especially assigned by the Board of Directors of the Société Anonyme under the title « INFORM P. LYKOS HOLDINGS S.A.», declare and certify that to the best of our knowledge:

(a) the annual, separate and consolidated, financial statements for the year 1/1/2019 - 31/12/2019, which were prepared according to the International Financial Reporting Standards, present truly and fairly the assets and liabilities, the equity and the financial results of "INFORM P. LYKOS HOLDINGS S.A.", as well as of the consolidated companies as a total.

(b) the annual management report of the Board of Directors presents in a true and fair view the development, the performance and the financial position of "INFORM P. LYKOS HOLDINGS S.A.", as well as the companies consolidated as a total, including the description of the main risks and uncertainties they face.

Koropi Attica, 19 May 2020

The designees

Chairman of the Board of Directors	Vice Chairman & Group CEO	Member of the Board of Directors
Panagiotis Lykos	Panagiotis Spyropoulos	Ilias Karantzalis
I.D. No AB 607588	I.D. No AI 579288	I.D. No AN 644777

B) ANNUAL REPORT OF THE BOARD OF DIRECTORS

ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS TO THE GENERAL MEETING OF SHAREHOLDERS AND CORPORATE GOVERNANCE STATEMENT

Dear Shareholders,

The Board of Directors of INFORM P. LYKOS HOLDINGS S.A. hereby presents its Report on the Annual Separate and Consolidated Financial Statements for the year ended as of December 31st, 2019.

The Separate and Consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards.

1. GROUP PROFILE

INFORM was founded in 1897, it has been listed on the Athens Stock Exchange since 1994 and today has a leading presence in the Central and Eastern Europe in the area of Information Management, under the brand INFORM, with production facilities in Greece, Romania and Albania. The Group is activated internationally and is leader in the area of secure document and information management, production of secured documents, and Business Process Outsourcing, offering services of printing and enveloping statements, electronic presentation of statements and printing management for Banks, Telecommunication companies, Public sector and Industrial/Trade companies. It innovates in the digital transformation of businesses and organizations by providing highly specialized solutions.

Is a member of AUSTRIACARD HOLDINGS, an Austrian group of high-tech IT in Hardware Embedded Security, which employs 1,300 people and has an international presence in three Divisions, AUSTRIACARD, INFORM and NAUTILUS, in the fields of Digital Security, Information Management and IoT respectively. The Group AUSTRIACARD HOLDINGS has a very strong pan-European business footprint, from the United Kingdom to Greece and Turkey, with six production facilities and eight personalization centers in Europe, as well as two additional personalization centers in South America and the US (at the construction stage), which allows to serve its customers, wherever they are, in the best possible way.

The principles of the Group are based on the commitment to personal care and support of customers. The passion for innovation and the satisfaction derived from well-served customers have been driven by the Lykos family over four generations. The company has been tried and tested through turbulent and significant times in recent Greek history and the history of Europe. It has been trusted continuously for 120 years for its high quality products, impeccable services and ethos of integrity. From traditional printing services to modern digital printing, trust, reliability and security have been the core values by which our customers have known us.

Our history demonstrates a commitment to progress and innovation, accompanied by a strong sense of responsibility towards, not only our customers, but also our employees and associates.

2. GROUP BUSINESS ACTIVITY

The entities and operations in the Information Management segment report to the parent company, INFORM P. LYKOS HOLDINGS S.A., headquarted in Greece. Inform markets its products and solutions in the Information Management segment under the brand INFORM. It has three production facilities in Athens (Greece), Bucharest (Romania) and Tirana (Albania). INFORM P. LYKOS HOLDINGS S.A has been listed on the Athens Stock Exchange since 1994 and is a market leader in Central and Eastern Europe in the area of secure document and information management in Public and Private Sector, while at the same time innovating in the digital transformation of businesses and organizations by providing highly specialized solutions.

INFORM leads the market in B2B solutions in Central and Eastern Europe by offering services to sensitive organizations such as financial institutions, government, public sector, telecommunications, as well as industry and retail too. It is highly recognized in the printing market, such as business forms, paper rolls, security forms and commercial printing (from standard ink on paper to structures of complex data, when the document is designed as a strategic information unit), and supports companies and governments across the whole document life cycle. This includes data collection and classification, verification, coding, storing as well as the physical or digital export of formatted data using Omni-channel communication solutions.

INFORM also operates in the market of Business Process Outsourcing, offering physical and digital statement and bill printing, fulfilment, electronic bill presentment, card personalization, loyalty software applications and printing management services. INFORM successfully delivers products, services and integrated solutions customized to highly sensitive and demanding requirements for major international financial institutions, companies in the telecommunications, transport and infrastructure sectors, large retail and leisure companies as well as major public sector organizations

INFORM, committed to the goal of developing digital transformation solutions, continues to dynamically create and provide technologically advanced services to support its customers in their own digital transformation by providing highly specialized solutions. An indicative example of the implementation of a digital transformation project is the Digital on Boarding (DoB) solution for the National Bank. Through this application, every citizen has the opportunity to open a savings account, issue a Debit NBG card (Debit VISA or Debit MasterCard) and obtain credentials to i-bank Internet & Mobile Banking. This new service has already attracted the interest of 30,000 customers of the National Bank and has contributed to the Group's results. The above service (DoB) is complementary to the digital solutions that have already been implemented before, such as the CCM (Customer Communication Management) service or the Enterprise Document Management and Scanning & Archiving services.

The Group, faithful to its strategy to increase the participation of new digital solutions and services, invests to strengthen its already specialized staff with the integration of new specialized partners and the development of solutions for the implementation and support of its organizations

- customers who would like to introduce digital solutions. In this context, it will focus on expanding the range of services provided to existing customers, as well as attracting new customers.

3. GROUP BUSINESS PERFORMANCE
3.1 ECONOMIC, MARKET ENVIRONMENT

On March 11, 2020, the World Health Organization (WHO) officially declared COVID-19, a disease caused by a coronavirus strain, as a pandemic. The threat to public health has led to increased government restrictions and regulations, including staff quarantine or inability to access business facilities, which could adversely affect our operations. Management is closely monitoring the progress of this pandemic, including how it can affect the Group, and has immediatelly taken steps to protect the company and its people from this crisis. Ensuring the health of staff, identifying alternative ways of communicating and directing information systems to protect uninterrupted remote work against cyber threats were the first steps in ensuring the operation of the business. The Management is not aware of any COVID-19 infection among its people and the epidemic has not had a significant impact on the Group's activities to date. The Management has the appropriate planning to deal with this situation and will continue to monitor and evaluate the current development and respond accordingly.

According to the estimates of SEV and without taking into account a possible new cycle of pandemic within 2020, the recession in economic activity in Greece for the current year will range between -4% and -7%, while with the same cases for 2021 growth rate is projected at + 6% to + 9%. Thus, in the two years 2020-2021, the average growth rate is expected to reach an average of about + 2% per year (provided that the COVID-19 pandemic will be controlled by the beginning of 2021).

The impact of the pandemic on sales and the operation of the Group in general is manageable to the extent that it does not raise doubts about its ability to continue its activities smoothly.

Due to the current variability of data and forecasts regarding the results and the development of the effects of the pandemic, the Group Management recommended a special working team and conducts relevant evaluations and action plans on a regular basis.
The impact of the crisis will depend on:

- Duration and extent of the crisis and the restrictions on movement and market operation
- Measures to strengthen market liquidity as well as business affected by the pandemic

Depending on the development of the aforementioned parameters, the Management has developed different scenarios for the fluctuation of cash flows and similar relevant operational and financial action (case scenarios).

In conclusion, in any possible development of the effects of the pandemic, in a reasonable range based on current data, the Group's Management estimates that:

- No significant additional funds or additional credit lines will be required in relation to existing ones in order to meet its financial needs
- The Group will continue to operate smoothly at all levels
- It is appropriate to apply the principle of going concern to compile the presented financial statements.

In Information Management, the security printing market continues to grow as new opportunities arise in the areas of the market we are already operating in, such as financial institutions or utility companies that lead, for example, to outsourcing their internal printing services. However, there has been a steady shift from print to electronic communication due to the growing environmental awareness, but also due to the increasing penetration of the internet, thus creating new opportunities. At the same time, the digital transformation of businesses and organizations, the transition to digital communication and interactive data management has begun. The Group is innovating in digital transformation by providing highly specialized solutions, investing in strengthening its already specialized staff with the integration of new specialized partners and developing solutions for the implementation and support of its organizations - customers who want to import digital solutions. In this context, it focuses on expanding the range of solutions provided, both to its existing customers and to the integration of new customers.

3.2 SIGNIFICANT EVENTS OF THE FINANCIAL YEAR

On December 27, 2019, the spin-off process of the production, processing, development and trading sector of printed information systems of "INFORM P. LYKOS S.A. PROCESSING & DEVELOPMENT OF PRINTED INFORMATION SYSTEMS" was completed, with its contribution to a new 100% subsidiary under the corporate name "INFORM LYKOS (HELLAS) SINGLE MEMBER S.A." in accordance with the provisions of Law 4601/2019, Law 4548/2018 and the article 54 of Law 4172/2013. After the completion of the above spin-off and the consequent modification of its name and purpose, the name of the parent company of the Group is hereinafter "INFORM P. LYKOS HOLDINGS S.A.". According to the Spin-off Contract, the assets and liabilities of the production, processing, development and trading sector of printed information systems of "INFORM P. LYKOS S.A. PROCESSING & DEVELOPMENT OF OF PRINTED INFORMATION SYSTEMS" are presented in the balance sheet as of 30.06.2019 (transformation date) and as they were formed until December 27, 2019 completion date of the spin-off. In addition, from 01.07.2019 until the completion date of the spin-off and the registration of the new company, all the transactions concerned and carried out for the above sector were done in the name and on behalf of the new company " INFORM LYKOS (HELLAS) SINGLE MEMBER S.A.". The business unit spin-off took place in the framework of the organizational split of the Group's business activities with the aim of the Group's distinct productive and commercial activity per country of activity and specifically in Greece, Romania and Albania, as well as strengthening flexibility and expanding strategic options for the Group. The parent company INFORM P. LYKOS HOLDINGS S.A. will continue to provide support services to its subsidiaries and generate revenue from the provision of consulting services in the areas of general management, financial management, sales, marketing, IT, research and development, and more generally from any type of service, which will enhance the expertise of the subsidiaries and ensure their smooth operation, as well as their development, always in accordance with the specifications set by the Group. Given that the new Company is fully integrated since INFORM P. LYKOS HOLDINGS S.A. holds 100% of it, the consolidated financial data of the Group have not been affected.

On October 30, 2019, the acquisition of the majority stake in SISTEC NEXT DOCS S.R.L. and SISTEC CONFIDENTIAL S.R.L., took place, after the successful fulfillment of the requirements set forth in the Share Acquisition Agreement (SPA). More specifically INFORM LYKOS S.A. acquired 65.07% of SISTEC NEXT DOCS S.R.L. and 65.45% of SISTEC CONFIDENTIAL S.R.L. The acquisition price of 65% of the shares of the above mentioned companies amounted to € 3.5 million. With this investment, INFORM LYKOS ROMANIA is extending its range of services, which offers to existing customers, and its ability to attract new customers by providing document management services (including electronic archiving, workflow and business process development, scanning, internal form creation, indexing, process control and access), as well as physical archiving and certified secure document shredding. The above-mentioned services are fully connected and complementary to the existing INFORM activities related to data management reproduction in either hard copy or digital form.

On April 1, 2019, the acquisition of STAR STORAGE business activity by INFORM LYKOS Romania was completed. The business activity of STAR STORAGE, which was transferred, concerns the digital printing and distribution of statements for Banks, Insurance companies, Telecommunication companies, etc. The transaction involves the transfer of customer contracts, know how, employees and equipment that serves this activity. The acquisition price for the transfer of the business activity amounted to € 2.5 million.

Regarding sales, the Group undertook and successfully completed a major project in Nigeria to produce the security ballots for the presidential election held on February 23, 2019. This project worth of € 4.6 million was successfully implemented within the first quarter of 2019 in the 2 modern facilities of the Group (Greece and Romania), which certified by the State body for organizing and conducting elections in Nigeria, appropriate for the production of the security ballots and the management of large and critical government projects. The project was a major challenge for INFORM as it had to complete the production of 150 million security ballots translated into 1,800 tons of paper in just 35 days.
The project amounted to € 4.6 million and demonstrates the dynamics of the company, to cope with international projects of high demand and volume, with absolute success.

3.3 BASIC FINANCIAL DATA OF GROUP

The basic financial figures of the Group are as follows:

	GROUP			
	31/12/2019	**31/12/2018**	**DEVIATION**	**%**
Revenues	**72.486.002**	**67.980.744**	**4.505.258**	**6,6%**
Cost of materials	(47.558.470)	(47.009.927)	(548.543)	**-1,2%**
Gross profit I	**24.927.532**	**20.970.817**	**3.956.715**	**18,9%**
Gross margin I	*34,4%*	*30,8%*	*3,5%*	
Production cost	(13.284.695)	(12.117.847)	(1.166.848)	-9,6%
Gross profit II	**11.642.837**	**8.852.970**	**2.789.867**	**31,5%**
Gross margin II	*16,1%*	*13,0%*	*3,0%*	
Other income	1.285.834	1.277.885	7.949	0,6%
Selling and distribution expenses	(4.521.662)	(4.022.374)	(499.288)	-12,4%
Administrative expenses	(4.423.201)	(3.702.791)	(720.409)	-19,5%
Research and development expenses	(677.741)	(520.447)	(157.294)	-30,2%
Other expenses	(740.911)	(696.856)	(44.055)	-6,3%
+ Depreciation & amortization	3.640.895	4.261.712	(620.816)	14,6%
Adjusted EBITDA	**6.206.052**	**5.450.099**	**755.953**	**13,9%**
- Depreciation & amortization	(3.640.895)	(4.261.712)	620.816	14,6%
Adjusted EBIT	**2.565.156**	**1.188.387**	**1.376.769**	**115,9%**
Net finance costs	**(1.441.798)**	**(1.343.269)**	**(98.529)**	**-7,3%**
Adjusted EBT	**1.123.358**	**(154.882)**	**1.278.240**	**825,3%**
Non-recurring expenses	0	(6.697.939)	6.697.939	n/a
EBT	**1.123.358**	**(6.852.822)**	**7.976.180**	**116,4%**
Income tax	(1.048.326)	1.545.249	(2.593.574)	-167,8%
EAT	**75.032**	**(5.307.573)**	**5.382.605**	**101,4%**
Profits / (losses) attributable to:				
Owners of the Company	35.032	(5.326.613)	5.361.645	100,7%
Non-controlling interests	40.000	19.039	20.961	110,1%
	75.032	**(5.307.573)**	**5.382.605**	**101,4%**

During the year 2019, Group sales increased by € 4.5 million or 7% compared to 2018 and reached € 72.5 million. Key contributors to sales growth was the production of security ballots for the presidential elections in Nigeria, which was successfully implemented in the first quarter of 2019 in Greece and Romania, worth of € 4.6 million, as well as the contribution to the turnover of the two acquisitions that took place in 2019 in Romania and specifically the acquisition of 65% of the shares of SISTEC companies and the business transfer of STAR STORAGE customer contracts.

OPERATING EXPENSES	31/12/2019	31/12/2018	DEVIATION	%
Production expenses	(13.284.695)	(12.117.847)	(1.166.848)	9,6%
Selling and distribution expenses	(4.521.662)	(4.022.374)	(499.288)	12,4%
Administrative expenses	(4.423.201)	(3.702.791)	(720.409)	19,5%
Research and development expenses	(677.741)	(520.447)	(157.294)	30,2%
+ Depreciation & amortization	3.640.895	4.261.712	(620.816)	-14,6%
TOTAL	**(19.266.403)**	**(16.101.748)**	**(3.164.656)**	**19,7%**
% OPERATING EXPENSES ON SALES	**26,6%**	**23,7%**		

Operating expenses excluding depreciation & amortization increased by € 3.2 million or 20% from € 16.1 million to € 19.3 million and as a percentage on revenue from 24% to 27% in 2019. Among the most important factors of this increase is a) the incorporation of operating expenses of the two acquisitions in Romania in 2019 by € 1.1 million, b) the operating expenses of producing 150 million security ballots in just 35 days by € 0.6 million, c) the operating expenses of € 1.2 million for the development of new digital solutions in both countries and d) € 0,3 million expenses for the development of IoT (Internet of Thinks) projects which recharged to the parent company in Austria.

Adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) of the Group increased by 14% or € 0.7 million from reported € 5.5 million in 2018 to € 6.2 million in 2019 driven from sales growth, improved product mix, reduced production cost as a percentage of sales and therefore improved gross profit margin by 3 pts. from 13% in 2018 to 16% in 2019. As a result of the above, the adjusted before tax profit (adjusted EBT) increased by € 1.3 million benefited further by the lower depreciation € 0.6 million.

	GROUP	
NON - RECURRING EXPENSES	**31/12/2019**	**31/12/2018**
Staff leaving indemnities	0	94.587
Impairment of intangible & tangible assets	0	6.603.352
Total	**0**	**6.697.939**

Earnings before taxes (EBT) of the Group reached € 1.1 million, increased by € 8 million due to the fact that in 2018 non-recurring expenses of € 6.7 million were recognized for the impairment of older equipment as they were put out of production operation within 2018, due to the completion of the Group's investments in ultra-modern digital machines. The consolidated net profit after tax (EAT) amounted to € 0.1 million against losses of € -5.3 million in 2018. The reduction of consolidated net profit after tax (EAT) by € 1 million is affected by € 0.3 million income tax and € 0.7 million reversal of recognition of deferred tax on previous years' losses.

In conclusion, 2019 was a milestone for the Group INFORM P. LYKOS S.A., considering the Group's ability to return to before & after tax profitability (EBT & EAT), reversing the trend of losses reported in previous years, rewarding the efforts of its management and the trust of its shareholders.

	Greece				Romania			
	2019	**2018**	**DEVIATION**	**%**	**2019**	**2018**	**DEVIATION**	**%**
Revenues	32.084.460	32.758.636	(674.176)	-2,1%	39.528.817	34.589.560	4.939.257	14,3%
Intersegment Reveues	1.088.131	356.856	731.275	204,9%	2.769.990	2.161.356	608.634	28,2%
Segment Revenues	**33.172.590**	**33.115.492**	**57.098**	**0,2%**	**42.298.807**	**36.750.916**	**5.547.891**	**15,1%**
Cost of Sales	(27.674.672)	(29.008.475)	1.333.803	-4,6%	(35.881.290)	(32.106.965)	(3.774.325)	11,8%
Gross Profit	**5.497.918**	**4.107.017**	**1.390.901**	**33,9%**	**6.417.517**	**4.643.951**	**1.773.566**	**38,2%**
Gross Margin	***16,6%***	***12,4%***			***15,2%***	***12,6%***		
Adjusted EBITDA	**2.370.773**	**2.506.829**	**(136.056)**	**-5,4%**	**3.736.852**	**2.786.612**	**950.240**	**34,1%**

Specifically, in relation to the business performance by main geographical segment, by excluding the intercompany transactions, the sales in Greece reached € 32.1 million compared to € 32.8 million reported in 2018. The project of the production of security ballots in 2019 for the presidential elections in Nigeria contributed € 2.8 million to Greece and partially offset the ATH.ENA transportation project for cards and tickets worth of € 4.4 million in 2018. By excluding, the above-mentioned one-off projects, sales in Greece increased by € 0.9 million in 2019 thanks to increased organic sales in the categories of payment cards, lottery tickets, as well as the introduction of new customers in digital printing as well as in the distribution of the statements. Adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) in 2019 amounted to € 2.4 million compared to € 2.5 million in 2018, driven from sales growth, improved product mix, reduced production cost as a percentage of sales and therefore improved gross profit margin.

In Romania, the sales increased by 14% compared to 2018 and reached € 39.5 million compared to € 34.6 million reported in 2018. This increase of € 4.9 million is attributed to a) the incorporation of € 2.3 million sales in digital printing category and the distribution of the statements from the transfer of STAR STORAGE customer contracts (acquisition took place in April 2019), b) the production of the security ballots for the presidential elections in Nigeria which was successfully implemented in the first quarter of 2019 worth of € 1.9 million and c) the consolidation of 2-month of business activity of the newly acquired SISTEC companies adding € 0.7 million in turnover. Adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) of 2019, amounted to € 3.7 million compared to € 2.8 million in 2018, significantly improved by € 0.9 million or 34%, driven from sales growth, improved product mix, reduced production cost as a percentage of sales and therefore improved gross profit margin.

In 2019, INFORM, focused on the goal of developing digital transformation solutions, has continued to dynamically create and provide technologically advanced services to support its customers in their own digital transformation journey by providing targeted specialized solutions. One representative example of the implementation of a digital transformation solution is the Digital on Boarding (DoB) for the National Bank of Greece (NBG). Through this application, every citizen has the ability to open a savings account, issue a debit card (Debit VISA or Debit MasterCard) and obtain credentials to i-bank Internet & Mobile Banking. This new service has already attracted the interest of at least 30.000 customers of NBG and has contributed to the Group's results. The above service (DoB) is complementary to the digital solutions that have already been implemented, such as the CCM (Customer Communication Management) service, Enterprise Document Management as well as Scanning & Archiving services.

INFORM, committed to its strategy to increase the participation of new digital solutions and services strengthens its team and expertize by adding specialized staff and partners. Additionally value added services have been developed that can contribute to the digital transformation journey of its customers as well as enabling the expansion of INFORM's client base.

3.4. FINANCIAL POSITION

Financial Position	**31/12/2019**	**31/12/2018**	**DEVIATION**	**%**
Non-current assets	57.048.756	51.610.173	5.438.583	10,5%
Current assets	24.687.795	25.299.040	(611.245)	-2,4%
Total Assets	**81.736.551**	**76.909.213**	**4.827.338**	**6,3%**
Total Equity	39.410.502	40.175.407	(764.905)	-1,9%
Non-current liabilities	22.666.585	19.753.329	2.913.256	14,7%
Current Liabilities	19.659.464	16.980.477	2.678.987	15,8%
Total Equity and Liabilities	**81.736.551**	**76.909.213**	**4.827.338**	**6,3%**
Capital expenditures excluding finance lease	**2.536.466**	**1.420.727**	**1.115.739**	**78,5%**

Group's assets increased by € 5.4 million, mainly due to the acquisitions took place in Romania in 2019 worth of € 6 million, as well as the new investments implemented by the Group worth of € 3.9 million (of which € 1 million machinery through financial leases and € 0.4 million internally developed software) reduced by the depreciation of the year worth of € 3.6 million.

Working Capital	**31/12/2019**	**31/12/2018**	**DEVIATION**	**%**
Inventories	6.237.849	6.155.854	81.995	1,3%
Contract assets	1.337.474	1.177.574	159.901	13,6%
Current tax assets	305.282	239.331	65.951	27,6%
Trade receivables	11.454.526	10.691.363	763.163	7,1%
Other receivables	982.994	758.031	224.964	29,7%
	20.318.127	19.022.153	1.295.974	6,8%
Current tax liabilities	(239.185)	0	(239.185)	#DIV/0!
Trade payables	(11.390.777)	(11.864.004)	473.227	4,0%
Other payables	(2.199.435)	(1.048.188)	(1.151.247)	-109,8%
Contract liabilities	(205.135)	(629.126)	423.990	67,4%
	(14.034.532)	(13.541.317)	(493.215)	-3,6%
Net Working Capital	**6.283.595**	**5.480.836**	**802.759**	**14,6%**

Statement of Cash Flows	**31/12/2019**	**31/12/2018**	**DEVIATION**	**%**
Net cash from operating activities	4.681.258	6.040.434	(1.359.177)	-22,5%
Net cash from investing activities	(8.295.030)	(1.632.234)	(6.662.796)	-408,2%
Net cash from financing activities	1.510.841	(549.556)	2.060.397	374,9%
Net increase (decrease) in cash and cash equivalents	**(2.102.931)**	**3.858.645**	**(5.961.576)**	**-154,5%**

Net Debt	**31/12/2019**	**31/12/2018**	**DEVIATION**	**%**
Cash and cash equivalents	(4.066.858)	(5.944.584)	1.877.726	-31,6%
Loan liabilities	24.074.099	20.908.128	3.165.970	15,1%
Net Debt	**20.007.241**	**14.963.545**	**5.043.696**	**33,7%**

The Group operating cash flow generated in 2019 reached € 4.7 million compared to € 6 million in 2018. The negative variance of € 1.3 million was mainly due to the working capital needs. The Net Debt of the Group is reported at € 20 million in 2019 from € 15 million in 2018, higher by € 5 million, in order to finance the Romanian acquisitions that took place in 2019, as well as the new investments implemented by the Group. The acquisition value of the 65% of the shares of SISTEC companies amounted to € 3.5 million, the business transfer of the STAR STORAGE customer contracts amounted to € 2.5 million, while the new investments of the Group in machinery and other equipment as well as the software programs amounted to € 2.5 million, excluding financial leases and internally developed software.

Financial performance ratios of the Group

According to the above, the financial performance ratios of the Group formed in 2019 compared to 2018, as follows:

- Consolidated sales reached € 72.5 million compared to € 68 million in 2018, increased by € 4.5 million or 7%,
- The gross margin reached 16% in 2019 from 13%, improved by 3 pts,
- The margin of adjusted EBITDA reached 8.6% in 2019 from 8%, increased by 0.6 pts,
- The margin of adjusted EBIT reached 3.5% in 2019 from 1.7%, increased by 1.8 pts,
- EBT margin reached 1.5% in 2019 from -10%, improved by 11.5 pts,
- The performance ratio of equity amounted to 0.2% in 2019 from -13.2% in 2018, increased by 13.4 pts,
- The performance ratio of assets amounted to 0.1% in 2019 from -6.9% in 2018, increased by 7 pts,
- The ratio of bank debt to equity amounted to 0.61 for 2019 from 0.52 in 2018, increased by 0.09 pts due to the acquisitions as well as the increased investments made by the Group in 2019,
- The ratio of total liabilities to equity amounted to 1.1 for 2019 from 0.9 in 2018, due to the increase in the Group's borrowing, as a consequence of the aforementioned acquisitions and investments in 2019,
- The ratio of liquidity amounted to 1.3 in 2019 from 1.5 in 2018, decreased by 0.2 pts.

3.5. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

In thousand euro
31/12/2019

Parent company from / to subsidiaries	Sales of products / services	Purchases of products / services	Receivables	Liabilities
Inform Lykos (HELLAS) Single Member S.A.	0	0	0	1.266
S.C. Inform Lykos S.A. (Romania)	634	1.565	42	0
Lykos Paperless Solutions S.A.	30	38	0	0
Terrane Ltd	0	0	1.100	0
Inform Albania Sh.p.k	89	0	62	0
Total	**753**	**1.603**	**1.204**	**1.266**

Regarding the above we note the following:

The sales of the parent company to: (a) "S.C. Inform Lykos S.A. (Romania)" relate mainly to printing products, as well as consulting services in management, (b) "Lykos Paperless Solutions S.A." relate to services, (c) "Inform Albania Sh.p.k" relate to printing products.

The purchases of the parent company from: (a) "S.C. Inform Lykos S.A. (Romania)" relate mainly to forms and printing products (b) "Lykos Paperless Solutions S.A." relate to services.

3.6. DIVIDENDS POLICY

The closing price of the share of INFORM P. LYKOS HOLDINGS S.A. as at 31/12/2019 was € 1,520 compared to € 0,754 closing price as at 31/12/2018, or higher by 101,59%. The highest price of the year for the company's share was € 1,790 (04/09/2019) and the lowest € 0,764 (20/05/2019). The Volume Weighted Average Price was € 1,348.

The Board of Directors intends to propose to the 38th Annual General Meeting of Shareholders, the distribution of dividend.

4. L. 4548/2018 "NEW LAW ON SOCIETE ANONYME"

By decision of the Extraordinary General Meeting of the shareholders of INFORM P. LYKOS HOLDINGS S.A. that took place on May 7, 2020, the draft of Articles of Association, that was submitted by the management, was unanimously approved, for the "Adaptation / harmonization of the company's Articles of Association in accordance with the provisions of Law 4548/2018, as applicable - Amendment, abrogation and renumbering of articles of the company's Articles of Association, rendering in the vernacular of all articles of the company's Articles of Association and its coding in a single text".

5. SIGNIFICANT EVENTS AFTER THE END OF THE YEAR

With the exception of the event of pandemic mentioned in detail above in paragraph 3.1, no other events took place after December 31, 2019, which may have a significant impact on the financial position or operation of the Group.

6. FUTURE DEVELOPMENT AND RISK MANAGEMENT
6.1. PROSPECTS FOR 2020

The Group having extensive experience and know-how in integrated solutions-services has developed long term customer relationships offering high level products and services, at competitive prices, so as to be considered a strategic supplier of banking institutions, telecommunications and other organizations either in the private sector or in the public sector.

The Group is constantly working to create added value to its shareholders in the following areas:

- New markets and new customers

It will continue to focus on the increase of market share of existing markets , on the development of exports, and also will focus at exploring and evaluating new growth opportunities at the sector of secure documents management and information, with main areas of interest Europe, Africa and Middle East,

- New products and services

INFORM, focused on the goal of developing digital transformation solutions, has continued to dynamically create and provide technologically advanced services to support its customers in their own digital transformation journey by providing targeted specialized solutions. One representative example of the implementation of a digital transformation solution is the Digital on Boarding (DoB) for the National Bank of Greece (NBG). Through this application, every citizen has the ability to open a savings account, issue a debit card (Debit VISA or Debit MasterCard) and obtain credentials to i-bank Internet & Mobile Banking. This new service has already attracted the interest of at least 30.000 customers of NBG and has contributed to the Group's results. The above service (DoB) is complementary to the digital solutions that have already been implemented, such as the CCM (Customer Communication Management) service, Enterprise Document Management as well as Scanning & Archiving services. The Group, committed to its strategy to increase the participation of new digital solutions and services strengthens its team and expertize by adding specialized staff and partners. Additionally value added services have been developed that can contribute to the digital transformation journey of its customers as well as enabling the expansion of INFORM’s client base.

- Efficiency improvement

It will further utilize low-cost facilities in order to further increase the competitiveness and profitability, it will continue to improve its efficiency and will continue to invest in new technologies that will increase production capacity and reduce costs, in order to enhance profitability.

- Potential strategic co-operation opportunities

It will continue to search potential opportunities for strategic partnerships, aiming at a further strengthening of its position in the broader region of Central and Eastern Europe.

6.2. RISK MANAGEMENT

The Group uses financial instruments for commercial, financing and investment purposes. The use of financial instruments by the Group, substantially affects the financial position, profitability and cash flows.

The main risks arising from the financial instruments of the Group are, basically, the following:

- Market risk (exchange rate risk and interest rate risk)
- Credit risk
- Liquidity risk

Market risk

Regarding this risk, arising from the general market conditions, the Group has reduced exposure to this risk due to the geographical dispersion of an equal allocation of sales between Greece, Romania and other countries with significant exposure to the markets of Central and Eastern Europe. A significant part of these sales is addresed to the financial sector especially in Banks. However, the products we offer to our customers in both private and public sector are considered essential for their daily operation and growth. Furthermore, by achieving significant reductions in its operating expenses, the Group is particularly competitive and can offer high-level products and services at competitive prices.

Regarding the risks arising from the volatility of interest rates and exchange rates:

Exchange rate risk

The main part of economic transactions of the Group companies (Greece, Romania and Albania) is denominated in the currency of the main economic environment, where each company operates in (operating currency). In Romania, part of the obligations of the company is denominated in RON and in Albania is denominated in ALL

An exposure to exchange rate fluctuations exists regarding the value of the Group’s investments in Romania, only at the time of consolidation of financial statements and their translation from the functional currency RON into the presentation currency Euro.

Interest rate risk

All bank debt of the Group is connected with fluctuating interest rates, maintaining however, the option to convert into stable interest rates, depending on the market conditions. With the Group's funds benchmark at 31/12/2019, in a hypothetical increase or decrease of Euribor by +/- 1% the Group's results will be affected negatively or positively, respectively, by an amount of about € 241 thousand approximately.

The company does not use financial derivatives. As in the previous year, other financial assets and other financial liabilities are not affected by interest rates.

Credit risk

The Group has established and applied credit control procedures to minimize bad debts. Sales are directed mainly to large public and private organizations with evaluated credit rating. In any case, the Group assesses credit risk on the basis of approved policies and procedures and recognizes a provision for impairment.

The Group applies the simplified approach for customer receivables and contract assets for the calculation of expected credit losses. Therefore, in every reference date, the Group measures the provision for a financial instrument for an amount equal to the expected credit losses over the lifetime. For determining the expected credit losses, a chronological analysis and percentages table is applied using historical data and reasonable assumptions

Liquidity risk

The Group manages its liquidity needs through careful follow-up of debts, long-term financing obligations and payments. Liquidity needs are monitoring on a daily basis and planning of payments on a weekly and monthly basis. Special attention is paid to management of stocks, receivables and liabilities in order to achieve the highest possible liquidity for the Group.

The central financial department of the company is responsible for the risk management, operates following certain rules approved by the Board of Directors.

The Board of Directors through its executives:
(a) Establish and apply procedures and regulations that allow identification of risks, connected to activities, procedures and systems of operation of the Company (mainly credit risk, market risk and operational risk),
(b) Determine the acceptable level of risk,
(c) Ensure that the Group maintains the required capital adequacy and appropriately manages the risks arising from its operation.

7. NON-FINANCIAL INFORMATION

INFORM has incorporated the principles of Sustainable Development into its business activities, recognizing that these principles are a prerequisite for its long-term development. INFORM's key Sustainability priorities are, ensuring a healthy and safe working environment, caring for the natural environment, fulfilling of customers' needs and expectations and the harmonious co-existence with the local communities where it operates.

Policies and Management Systems

Aspiring at Sustainable Development, INFRORM has developed and adopted specific policies and puts into practice adequate management systems and procedures that uphold responsible operation and define the way in which the Company's goals are achieved. More specifically, the Company has established and implements, among others, the following policies and codes:

- Internal Operating Regulation
- Occupational Health and Safety Policy
- Environmental Policy
- Quality Policy

The management of Corporate Responsibility by INFORM is based on the development and implementation of certified management systems to all of its operations and facilities, while attaining high performance in all segments. Specifically, the following systems are applied:

- Quality management system in accordance with ISO 9001
- Environmental Management System in accordance with ISO 14001.
- Workplace Health and Safety Management System in accordance with OHSAS 18001.

All production units have been audited and certified according the above Management Systems. For INFORM, management systems are dynamic tools allowing the Company to secure its regular operation and to achieve continuous improvement. The implementation of certified management systems plays a very important role in achieving the goals set by the Company, and secures all their operations in light of the ongoing demands for effective risk management.

Caring for Our People

The Company focuses on making continuous investments in human capital, by encouraging initiative taking for synergies, and on continuous development through training. INFORM keeps relations of trust with all employees, while seeking to maintain a safe and discrimination-free working environment that offers at all times training opportunities and fair rewarding.

The Company's main concern is to secure optimum working environment demonstrating fairness and equal reward, showing respect for human rights, diversity and equal opportunities to all employees. The policies and initiatives of INFORM that concern human resources aim at the effectively recruitment, development and retaining of employees. Steadily oriented to human values, the Company strives to implement responsible management practices by focusing on material issues such as:

- ensuring of the health and safety of its employees
- creating a work environment of fair reward, respecting human rights and diversity
- safeguarding of jobs
- providing equal opportunities for all employees

- ensuring ongoing training and education
- providing additional benefits

Human Resources Data in Group

Group's Human Capital per gender	2019	2018
Men	262	207
Women	260	162
Total	**522**	**369**

Employees per age group in 2019	<30	30-50	51+
Men	36	167	59
Women	39	169	52
Total	**75**	**336**	**111**

In total, the Group's personnel reached 522 employees at 31/12/2019 from 369 on 31/12/2018 with the increase coming mainly from the staff of the newly acquired companies in Romania.

INFORM seeks to recruit, develop and retain the most competent individuals so as to ensure that business goals and priorities are achieved.

Environmental Responsibility

INFORM, has carried out the assessment of its environmental aspects, confirming that there is not a significant burden on the environment deriving from its operations. However, recognizing the importance of environmental protection for all of its stakeholders, the Company is stepping up its efforts to monitor and improve its environmental performance. In this context, INFORM has implemented an Environmental Management System, certified according to ISO 14001.

The purpose of implementing an Environmental Management System, is to effectively manage any significant environmental aspects and impacts that arise from the Company's operations in order to minimize any possibility of environmental spill. In addition, the Environmental Management System ensures the harmonization of the Company's operation with the relevant environmental legislation, while achieving continuous environmental improvement.

Detailed information on INFORM's Corporate Responsibility programs and action plan are presented in Corporate Responsibility Report 2018 (June 2019), which is presented on the Company's website www.informlykos.com. The Corporate Responsibility Report is an important tool as it reflects and communicates the way in which the Company responds to important/material issues and to stakeholders' expectations.

8. RESEARCH AND DEVELOPMENT ACTIVITIES

The Group's research and development strategy focuses on the following objectives:
- Innovative products and market-oriented solutions as the basis for the continuation of growth strategy
- Optimizing the use of resources and production processes.

Especially in the digital era, effective research and development is important as product cycles are short and the requirements of partners and end customers are evolving. This is particularly valid for the digital printing sector. We perceive these changes as opportunities and rely on R & D experts so that we can offer unique services to our customers that will help us grow in the short and long term.

9. BRANCHES

The company has the following branches:
- Industrial Area Koropi - 7th klm Varis-Koropiou Avenue
- Industrial Area Sindos - Thessaloniki

10. OWN SHARES

There are no own shares.

11. EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ACCORDING TO ARTICLE 4 PAR. 7 AND 8, LAW 3556/2007

(a) Share capital structure

As at December 31st 2019, the Company's share capital amounted to € 12.758.591,88 divided by 20.578.374 common nominal shares of nominal value € 0,62 each.

According to the shareholders registry as at December 31st, 2019, the share capital structure of the company was the following:

Shareholder	Number of shares	%
AUSTRIACARD AG	14.568.053	70,793%
Olga Lykos	1.937.856	9,417%
Other shareholders (<5%)	4.072.465	19,79%
Total	**20.578.374**	**100,00%**

According to the shareholders registry as at May 19th, 2020, the share capital structure of the company was the following:

Shareholder	Number of shares	%
AUSTRIACARD AG	14.568.053	70,793%
Olga Lykos	1.937.856	9,417%
Other shareholders (<5%)	4.072.465	19,79%
Total	**20.578.374**	**100,00%**

Mr. Nikolaos Lykos is the major shareholder of AUSTRIACARD AG holding 96,185% of its shares.
All (100%) shares of the Company are common, nominal and undivided and there are no special categories of shares. Rights and obligations related to the shares are those according to the mandatory provisions of L.4548/2018 as currently effective, in conjunction with the provisions of the Company's Articles of Association if they do not conflict with the above Law, have as follows:

1. Each share, offers a right to the distribution of the company's earnings and the result of liquidation of the company's assets, in case of termination by the rate of paid capital of the share divided by the total paid share capital.

2. In every case of share capital increase, not paid (a) by contribution of items or (b) by bonds issue bearing rights to convert in shares or (c) by Stock Option Plan for acquiring shares, a right of preference is offered to the total new capital or bond loan in favour of the existing shareholders at the time of share issue, proportional to their participation to the current share capital.

3. After an inquiry of any shareholder, the Board of Directors is obliged to offer to the General Meeting all the required information about the company's affairs to the extent necessary for the real evaluation of the issues raised.

4. After an inquiry of shareholders, representing one twentieth (1/20) of paid share capital (a) the Board of Directors is obliged to call for a special General Meeting, (b) the Board of Directors is obliged to include additional issues in the schedule of the General Meeting, (c) the Board of Directors provides the shareholders before the date of General Meeting, with drafts of decisions, that are submitted by shareholders, for issues have been included in daily agenda, (d) the President of the Meeting is obliged to postpone only once the decisions of the General Meeting, regular or not, for all or certain matters, (e) the Board of Directors is obliged to announce at the General Meeting of shareholders the amounts which over the last two years have been paid for any reason by the Company to the members of the Board of Directors or the managers and also every other benefit to these individuals or every existing contract of the company with them of any kind, (f) the decision on a matter in the General Meeting is taken by nominal vote. Shareholders representing one twentieth (1/20) of paid share capital have the right to ask for audit of the company by the Court in case there are indications of illegal actions or against the company's Articles of Association or decisions of the General Meeting.

5. After an inquiry of shareholders, representing one tenth (1/10) of paid share capital, the Board of Directors is obliged to provide to the General Meeting information on the company course of development and its property status. Furthermore, the shareholders of the Company, representing one fifth (1/5) of the share capital may request from the Court to conduct audit of the Company if in the cause of the Company development it is believed that the management of the corporate affairs was not exercised as required by sound and prudent management.

6. In the above cases 3, 4 and 5, the requiring shareholders ought to prove that they own the shares offering the above (3, 4 and 5) rights.

7. Responsibility of shareholders is limited to their contribution, which is the nominal capital of their shares.

(b) Limitation on shares transfer

1. There are no limitations according to the Company's Articles of Association on the transfer of its shares.
2. According to article 4 of Law 3016/2002, as effective, the independent not executive members of the BoD of the Company cannot at the same time own company's shares higher than 0.5% of the share capital.

(c) Significant direct or indirect participations according to Law 3556/2007

As at May 19th 2020, AUSTRIACARD AG and Mrs Olga Lykos owned a percentage of 70,793% and 9,417% respectively of the Company's share capital. Mr. Nikolaos Lykos holds a percentage 96,185% of the share capital of AUSTRIACARD AG.

The company is not aware of any other shareholders, who own directly or indirectly a percentage higher than 5% of the share capital of INFORM P. LYKOS HOLDINGS S.A.

It is noted that, as at May 19th 2020, INFORM P. LYKOS HOLDINGS S.A. does not participate in the share capital of any other company listed in the Athens Stock Exchange.

(d) Shareholders possessing special control rights

There are no company shares offering special control rights.

(e) Limitations on voting rights - Time schedule of exercising such rights

There are no limitations on voting rights.

1. According to the Company's Articles of Association, the ownership of a share offers one voting right.
2. The responsibilities and ways of taking decisions of the General Meeting, the process of convening the General Meeting and the required majority for decision-making are provided by the mandatory provisions of L. 4548/2018 as currently effective, in conjunction with the provisions of the Company's Articles of Association if they do not conflict with this Law.

(f) Agreements between shareholders for limitations on transfer of shares or exercise of voting rights

The Company is not aware of any such agreements for limitations on transfer of shares or exercise of voting rights.

(g) Rules of placement / replacement of members of the BoD when different from those under provisions of Law 4548/2018

Under provisions of L. 4548/2018 and the relative articles of the Company's Articles of Association:

The Board of Directors consists of five to nine (5 to 9) members elected by the General Meeting of shareholders. The term of service of the Board of Directors is three (3) years, which can be extended automatically until the first after expiration General Meeting, but in any case no longer than four years.

The members of the Board of Directors at expiration can be elected again without any limitation and are freely recalled.

In case a member dies or resigns or loses for any reason the ability to participate in the Board of Directors, then the remaining members of the Board, provided they are at least (3), elect a substitute member until the expiry of the Board. This election of new members of the Board of Directors is announced at the first regular or Extraordinary General Meeting that follows. The Director, elected in order to replace another director, sustains his/her capacity until the expiration of the Board. The remaining members of the Board of Directors, given there are at least three (3) of them, can continue managing and representing the Company without the aforementioned replacement of the missing members of the Board of Directors on condition that their number exceeds half of the number of the members of the Board of Directors existing prior to the aforementioned replacement. In any case, the remaining members of the Board of Directors, notwithstanding their number, can proceed with the conduct of the General Meeting for the exclusive purpose of electing the new Board of Directors.

The BoD members elect the President and Vice President of the Board of Directors.

When the President is absent and cannot perform his/her duties, he/she is replaced by the Vice President, while the latter can be replaced following a decision of the Board of Directors by the Managing Director. The Managing Director can be at the same time an executive member of the Board of Directors and, especially, the President of the BoD.

The Board gathers and consist a body right after election by the General Meeting. At this meeting the President, Vice President and Managing Director are elected.

The President, Vice President and Managing Director can be elected again without limitations.

(h) Acquisition of own shares

The Company is forbidden to acquire own shares, except for the cases and conditions approved by the provisions of the legislation effective.

i) Significant agreements of the company effective / modified / terminated in case of change in the control over the company after a public offering.

There are no significant agreements effective, modified or terminated in case of change in the control over the company.

(j) Agreements for compensation of members of the B.o.D or employees in case of resignation / firing without reason or termination of service / employment because of public offering.

There are no agreements of compensation of members of the BoD or employees for any reason.

Koropi, May 19^{th}, 2020

Panagiotis Lykos	Panagiotis Spyropoulos
Chairman of the Board of Directors	Vice Chairman & Group CEO

Corporate Governance Statement

General

Corporate Governance pertains to a total of principles, on which basis there is facilitated sufficient organization, operation, management and control of an entity, at a long term objective of maximizing its value and safeguarding the legitimate interests of all those connected with it.

In Greece, the corporate governance framework has been developed mainly through adoption of binding regulations, such as Law 3016/2002, which requires the participation of non-executive and independent non-executive members of the BoD of Greek listed companies, establishment and operation of internal control department and adoption of internal regulations procedures. In addition, a variety of other acts were incorporated in the Greek legal framework of European company law directives, thus creating new corporate governance rules, such as the Law 3884/2010 relating to rights of shareholders and additional corporate disclosure obligations to shareholders under preparation of the General Meeting, the Law 3873/2010, which incorporated into Greek legislation EU Directive 2006/46 / EC of the European Union on annual and consolidated accounts of certain types of entities and the Law 4449/2017, which introduced new provisions for the establishment, structure, staffing, responsibilities and duties of the Audit Committee. Finally, in Greece, as in most other countries, the Law on public limited companies (L. 4548/2018) contains their basic governance regulations.

Voluntary Compliance of the Company with the Corporate Governance Code

Our company fully complies with the requirements and provisions of the aforementioned legislative texts which constitute the minimum content of any Corporate Governance Code and constitute (the aforementioned provisions) an informal code.

The Company has adopted the Greek Corporate Governance Code (GCCG) for listed companies issued in October 2013 by the Greek Council of Corporate Governance (hereinafter "The Code"). This Code is posted on SEV website, at the following electronic address: http://www.sev.org.gr. Therefore, any reference to the corporate Governance Code implies the above Code.

Deviations from the Corporate Governance Code and explanations

The Company states that it faithfully and strictly implements the provisions of the Greek legislation (Law 4548/2018, Law 3016/2002 and Law 4449/2017) which form the minimum requirements to be met by any Corporate Governance Code applied by companies, whose shares are traded on a regulated market.

These minimum requirements are incorporated in this Corporate Governance Code (GCCG) to which the Company is subject; however, this Code contains a number of additional (beyond the minimum requirements) specific practices and principles. In connection with such additional practices and principles, there are effective, at present, some deviations (including the cases of non-implementation), which are briefly analyzed and explained. Reference to non-application of certain provisions is also made in the Corporate Governance Code (GCCG) concerning companies, not belonging to FTSE/ATHEX-20 and FTSE/ATHEX Mid-40.

On case basis, the company diverges from or does not apply as a total several provisions of the Code recorded in the current document *in italics*.

- Regarding the role and authority of the Board of Directors:

The Board of Directors has not proceeded to establishment of a separate committee occupied with the nominations for election to the Board and preparing proposals to the Board regarding the remuneration of executive directors and key executives since the company's policy in relation to such fees is fixed and formed. *A.II (1.2)*

- Regarding the size and composition of the Board of Directors:

The Board of Directors does not consist of seven (7) to fifteen (15) members, but of five (5) to nine (9) members. The specific number of members covers the company needs as to proper and effective corporate governance and the size and organization of the Company do not justify a Board with such a number of members*. A.II (2.1)*

- Regarding the role and profile of the Chairman of the Board of Directors:

The BoD does not appoint an independent vice-chairman from among its independent board members in order to facilitate the proper operation of the Board and the achievement of the Company objectives. Reference to non-implementation regarding the companies not belonging to FTSE/ATHEX-20 and FTSE/ATHEX Mid-40 is included in the Corporate Governance Code of GCCG. *A.III (3.3)*

- Regarding nomination of the Board of Directors members:

The Company does not consider it necessary to establish the BoD members' nomination committee. *A.V (5.4, 5.5, 5.6, 5.7, 5.8)*

- Regarding the functioning of the Board of Directors:

a) there is no particular operating regulation of the BoD, since the provisions of the effective Interior Regulations of the Company are assessed as sufficient regarding the organization and functioning of the BoD *A.VI (6.1)*
b) at the beginning of every calendar year, the BoD does not adopt a calendar of meetings and a 12-month agenda to ensure that it properly, fully and timely fulfils its responsibilities, since the Company considers that the functioning of BoD is sufficiently covered by the provisions of the effective Interior Regulations. Moreover, the BoD meetings can be easily held, due to objective reasons, when imposed by the Company needs or legislation without and programmed activities *A.VI (6.1)*

c) There are no provisions for the BoD being assisted by a competent, suitably qualified and experienced company secretary, since there is effective the required structure facilitating correct recording of the BoD meetings and the required good information flows between the board members *A.VI (6.2, 6.3)*
d) there is no obligation for ensuring that an induction programme is established for new board members and that continuing professional development programmes are available to other board members, since all the relative issues pertaining to the fees are clearly defined by the effective Interior Regulations and any potential deviation is discussed in front of all the BoD members *A.VI (6.5)*
e) there is no provision for existence of a program of regular briefings on business developments, and changes in the risk profile of the company and professional training, since there are nominated as BoD members the executives who have competence and proven experience in organisational - managerial duties. *A.VI (6.6)*
f) There is no special provision for sufficient resources to BoD committees to undertake their duties and employ outsource consultants. However, all the requests from any department regarding recruitment of external consultants are examined by the Management and approved on case basis, in compliance with the company needs *A.VI (6.9, 6.10)*

- Regarding BoD evaluation:

Apart from BoD evaluations through the Management Report, by the Annual General Meeting, the Board will monitor and review the implementation of its decisions on an annual basis. Moreover, there is already under discussion the implementation of evaluation system of the Board and its committees*. A.VII (7.1 & 7.2).*

- Regarding the level and structure of remuneration:

The remuneration of the Chairman of the Board and CEO and members of the Board, executive and non for their participation in Board meetings and committees thereof, are approved by the General Meeting, always in compliance with the effective Interior Regulations of the Company. C*.I (1.4).*

Executive board members' contracts do not provide that the Board may demand full or partial recovery of any bonuses awarded on the basis of restated financial statements of previous years or otherwise erroneous financial data used to calculate such bonuses. *C.I (1.3).*

- Regarding the General Meeting of the Shareholders:

Regarding the implementation of specific practices of e-voting or voting by mail, the application is temporarily suspended, due to pending issuance of the relevant ministerial decisions, as provided in Law 3884/2010. *D.II (1.2).*

Corporate Governance Practices in Addition to Those Defined in the Legislation or the Code

Within the framework of implementing a structured and efficient system of corporate governance, the Company has implemented certain corporate governance practices some of which are those provided by the relevant laws (4548 from 01/01/2019, 3016/2002 and 4449/2017). Specifically, the Company applies the following additional corporate governance practices:

a) The company keeps updated and approved by the Board, Operating Regulations, which include clear references to corporate governance, the role and function of the Board, the General Meeting and other matters relating to the proper management of the Company. In summary, the areas covered by the Regulations in question are as follows:

1. INTRODUCTION
    - 1.1. GENERAL
    - 1.2. STRUCTURE AND CONTENT
2. GENERAL DATA AND INFORMATION ON "INFORM P. LYKOS HOLDINGS S.A."
    - 2.1. GENERAL INFORMATION
    - 2.2. COMPANY MANAGEMENT – ADMINISTRATION
    - 2.3. COMPANY PERSONNEL
    - 2.4. AUDIT OF FINANCIAL STATEMENTS
3. ORGANIZATIONAL CHART – STRUCTURE OF THE COMPANY
    - 3.1. ORGANIZATIONAL STRUCTURE OF THE COMPANY
4. CORPORATE GOVERNANCE
    - 4.1. PRINCIPLES OF CORPORATE GOVERNANCE
    - 4.2. FUNCTIONING OF THE BOARD OF DIRECTORS
    - 4.3. INTERNAL CONTROL SYSTEM
    - 4.4. CORPORATE ANNOUNCEMENTS AND SHAREHOLDERS SERVICES
5. OPERATION AND PROCEDURAL REGULATIONS OF THE COMPANY
    - 5.1. ETHICS CODE OF THE COMPANY
    - 5.2. ADMINISTRATIVE SERVICES

5.3. INTERNAL AUDIT SERVICES

5.4. FINANCIAL SERVICES

5.5. IT

5.6. PERSONNEL

5.7. SALES SERVICES

5.8. INVOICING & DISTRIBUTION

The spirit of the Operation Regulations promotes compliance with laws and internal company policies to avoid risks and other legal consequences for the Company and each member of the staff, including the members of the Management.

The main objectives of the Regulations are as follows:
1. Prevention of delinquent behaviour
2. Compliance with the policies to reduce the risks around the reputation and public image of the Group
3. On-going education of staff regarding the dangers posed by acts of corruption, fraud, misuse of personal data, deterioration of financial statements, leakage of confidential information, etc.
4. Identification of deviations relating to compliance issues, their investigation and making proposals and taking corrective actions or measures that are required.

b) Due to the nature and the objective of the Company, it has developed policies and procedures under ISO, obtaining the relative certifications.

Main Characteristics of Internal Control and Risk Management System regarding the Preparation of Financial Statements and Financial Reports

The Internal Audit and Risk Management System of the Company regarding the preparation of financial statements and financial reports includes the control procedures and mechanisms at various levels of the Organization as described below:

a) Control systems at corporate level

Recognition, assessment, measurement and management of risks:

The size and complexity of the Group's operations requires a complex system for identifying and managing risks that apply to all subsidiaries of the Group.

Recognition and assessment of risks are primarily carried out under the stage of preparation of strategic planning and annual business plan. The examined issues vary depending on market conditions and industry and include political developments in the markets (where the Group operates or which are important sources of raw materials), changes in technology, macroeconomic indices and competitive environment.

Planning and monitoring / Budget:

The company development is monitored through a detailed budget per activity sector and specific market. Given the nature of the Group's operations, the development of the financial results depends largely on external factors clearly influenced by the overall economic slowdown and uncertainty surrounding the Greek and the global market. In this context, the Group has already taken the appropriate steps to respond to new circumstances and exploit new market conditions. For all these reasons, the budget is adjusted periodically, taking these changes into account. The management monitors the development of financial sizes of the Group through regular reports, comparisons to budget and meetings of the management team.

Sufficiency of Internal Audit System:

The Management has designed and performs on-going supervisory activities, which are incorporated into the operation of the Company and which ensure that the Internal Audit System maintains its effectiveness over time. The Company carries out regular individual assessments of the adequacy of Internal Audit System, carried out primarily by the Internal Audit Department.
The Company has an independent Internal Audit Department, which among other things ensures that the identification procedures and risk management systems implemented by management are sufficient to ensure effective functioning of the Internal Audit System and the quality and reliability of the information provided by the Management to the Board of Directors regarding the Internal Audit System. The preparation of the Plan (or Manual) of Audit Department is based on the risk assessment carried out for these purposes as well as the issues identified by the Management and the Audit Committee. The Plan (or Manual) shall be submitted for approval to the Audit Committee. The risk assessment process is conducted annually and takes into account the risk assessment carried out under the responsibility of the Board within the framework of risk management of the Company.

The sufficiency of the Internal Audit System is monitored on a regular basis by the Audit Committee through quarterly reports submitted to it by the Internal Audit Department.

Reports of the Management and Internal Audit Department provide an assessment of major risks and effectiveness of Internal Audit System to manage them. Any weaknesses identified are disclosed through reports, including the impact they had or may have as well as the Management actions to correct them.
To ensure the independence of the statutory audit of financial statements of the Company, the Audit Committee recommends to the General Meeting the statutory auditors or audit firms to be appointed in accordance with Article 16 of Regulation (EU) 537/2014.

Roles and responsibilities of the BoD:

The role, the authority and the relative responsibilities of the BoD are described in the Internal Regulations of the Company approved by the BoD.

Prevention and control of financial fraud:

In the context of risk management, the areas, considered as those of high risk for financial fraud, are monitored under appropriate monitoring systems and accordingly increased control systems. Indicatively, there is mentioned the existence of detailed organizational structure, operating regulations and detailed procedures and approval limits. Also, in addition to the control mechanisms applicable by every department, all the company's operations are subject to audits by the Internal Audit Service, whose results are presented through the Audit Committee to the Board of Directors.

Internal Operation Regulations:

The Company, as mentioned above, has established the relevant Internal Operation Regulations, which are approved by the Board of Directors. Within the framework of the Regulations, there are also defined the authorities and the responsibilities of the key working positions, thereby promoting an adequate segregation of responsibilities within the Company.

b) Control systems in IT systems and the protection of personal data

The Company has developed an adequate framework to monitor and control information systems, defined by different control mechanisms, policies and procedures, sufficiently defined by the approved Internal Operation Regulations and the Internal Audit Manual. Also, there is projected a specific procedure safeguarding against any problems in the systems through a program of the Business Continuity (including off-site storage of crucial items of the Company to recover its functionality in a direct course of time). Also, there have been set specific rights (Access Rights) to various information systems for all the employees depending on the position and the role they occupy, while also maintaining the entry log in the systems of the Company. Finally, the Company has fully complied with the European Union's General Data Protection Regulation (GDPR), which has been in force since May 2018.

c) Control systems regarding the preparation of financial statements and financial reports

As part of procedures for preparation of financial statements of the Company, there are effective specific control systems, which are associated with the use of tools and methodologies based on commonly accepted international practices. The main areas in which the control systems, relating to the preparation of financial reports and financial statements of the Company, operate are as follows:

Organization - Allocation of Duties

- Allocation of duties both in upper management of the company and in the middle and inferior officers ensures the strengthening of the effectiveness of internal control system, while maintaining the required segregation of duties.
- Proper staffing of financial services with the individuals who possess the requisite technical knowledge and experience regarding the responsibilities entrusted to them.

Accounting monitoring and preparation of financial statements procedures

- Existence of uniform policies and the way of monitoring of accounting departments disclosed to the Group's subsidiaries, including definitions, accounting principles used by the Company and its subsidiaries, instructions for the preparation of financial statements and financial reporting, consolidation etc.
- Automated audits and verifications carried out between different information systems, when there is required specific approval of accounting treatment of non-recurring transaction.

Assets safeguarding procedures

- Existence of control procedures for fixed assets, inventories, cash equivalents and other assets of the company, such as, indicatively, physical security of the cash or warehouses and inventories, and a comparison of the measured quantities with those of accounting books and records.
- Schedule of monthly physical inventories to confirm the balances of physical inventories and accounting books and records and existence of analytical manual for conduct of physical inventories.

Approval limits of transactions

- Existence of Chart of Authorities, depicting the assigned authorities to various executives of the company to carry out specific transactions or transactions (e.g. payments, receipts, legal acts, etc).

General Meeting and Rights of the Shareholders

The role, responsibilities, convening, participation, collective and individual minority rights, ordinary and extraordinary quorum and majority of the participants, the Bureau, the Agenda and the general operation of the General Meeting Shareholders are determined by the mandatory provisions of Law 4548/2018 as currently effective, in conjunction with the provisions of the Company's Articles of Association, provided that they do not conflict with this Law.

The Company, with shares listed on the Athens Exchange, is obliged to publish announcements, in compliance with Regulation (EU) No 596/2014 of the European Parliament and of the Council on Market Abuse, Greek Laws 4443/2016 and 3556/2007 regarding the relevant issues, the decisions of the Hellenic Capital Market Commission and the Athens Stock Exchange Regulation. The publication of such information is made in a way that ensures the rapid and equal access to it by the investing public.

All relevant publications / announcements are available on the Athens Stock Exchange website and the Company's website.
The Shareholders' Department is responsible for the monitoring and management of the Company's relations with its shareholders and the investing public and ensures, among other things, the valid and equitable information of investors and financial analysts in Greece and abroad.

Composition and Functioning of the Board of Directors, Supervisory Bodies and Committees of the Company

Board of Directors (BoD)

General

The elected Board of Directors on June 21, 2019 by the Regural General Meeting consists of (1) executive member, three (3) members are non-executive, and the (2) members are non-executive and independent. Their term of office is three years expriring June 21, 2022.
In particular, the Board of Directors and their respective capacities at the end of 2019, are as follows:

I/N	Name - surname	Capacity	Date of undertaking duties (most recent)	End of term of office
1	Panagiotis Lykos, father's name – Nikolaos	Chairman of the BoD – Non-Executive member	21/06/2019	21/06/2022
2	Panagiotis Spyropoulos, father's name – Ioannis	Vice Chairman of the BoD & Managing Director – Executive member	21/06/2019	21/06/2022
3	Ilias Karantzalis, father's name - Georgios	Member of the BoD – Non-executive member	21/06/2019	21/06/2022
4	Georgios Triantafyllidis, father's name – Ioannis	Member of the BoD – Non-executive member	21/06/2019	21/06/2022
5	Emmanouil – Evagelos Lekakis father's name - Nikolaos	Member of the BoD – Independent Non-executive member	21/06/2019	21/06/2022
6	Ioannis Menagias, father's name - Andreas	Member of the BoD – Independent Non-executive member	21/06/2019	21/06/2022

BoD meetings
The Board met sixty four (64) times in 2019 and the meetings, at the legal quorum, were attended by the members in person or through proxy.
The Board manages the Company as a collective body, taking decisions in accordance with the principles of Corporate Governance as outlined in the Company Operation Regulations, the legislation Inc., the securities laws, S.A. regulations provisions of A.S.E and provisions of the supervisory authorities. Members of the Board, obtain any relevant information in relation to the operation of the Company. They are to act in good faith, focusing on the interests of the Company and its Shareholders.

Roles and responsibilities of the Board of Directors

The Board is the supreme governing body of the Company and primarily sets the strategy and development policy, supervises and controls the management of the assets of the Company. The composition and capacities of members of the Board are established by Law and Articles of Association. The prime duty and responsibility of BoD members is the constant pursuit of enhancing long-term financial value of the Company and protection of the general corporate interests.

To achieve the corporate objectives and sound operation of the Company, the Board may delegate part of its authority, except those requiring collective action, and management, administration or management of the affairs and representation of the Company, to the Chairman of the Board, CEO, one or more members (executive and non-executive members), Directors or executives of the Company.
Members of the Board and any third party entrusted with responsibilities, must promptly disclose to the other members of the Board their own interests, which may arise from transactions within the Company, and any other conflict of interests with those of the Company or its affiliated companies, arising in the course of their duties.

Election and electability of Board of Directors members
The Board is elected by the General Meeting (regular or extraordinary).
The Board members shall be persons fully able to perform their responsibility. Inability to perform the duties leads to inability to exercise company management and hence be a member of the Board of Directors of the company.

The Board is elected by the General Meeting (regular or extraordinary).
The Board members shall be persons fully able to perform their responsibility. Inability to perform the duties leads to inability to exercise

company management and hence be a member of the Board of Directors of the company.
Board of Directors members cannot be:
- Members of Parliament
- Prosecutors, judges, assistants of judges, magistrates, secretaries of the courts
- Civil servants
  Brokers, who cannot exercise delegation of limited company whose shares are listed

Withdrawal of Board of Directors Members
Members of the Board are freely withdrawn by the General Meeting. The withdrawal, even not stated explicitly, can arise indirectly following the General Meeting appointing the new Board of Directors before the end of its term of office. The withdrawal can be made by Regular or Extraordinary General Meeting.

In case of withdrawal, a Board member is not entitled to compensation as in the capacity of the Board member.
The withdrawal of Members shall not have any consequences in respect of termination the relationship of the members with the company, which is based on separate contract or salaried service. Therefore, if the withdrawal is accompanied by contingent termination of the labour contract, the non-elected consultants may demand compensation in accordance with the provisions of labour law.

The withdrawal of the Board automatically entails the withdrawal of the member or third persons, entrusted, under the Board decision, with total or partial management or representation of the company.

Resignation of Board of Directors members
Members of the Board of Directors of the Company may freely resign. The resignation is effective as soon as it is disclosed to the company.

The disclosure to the company is made under written notification to the Chairman of the Board.

Incomplete Board of Directors
In the event of resignation, death or any other way of losing the status of Member or Members of the Board of Directors, the other members may continue to manage and represent the company without the replacement of the missing members, provided that their number exceeds half of the members, as they were before the above events. In any case, these members may not be less than three (3).
In case of election of a replacement, the decision of the election is submitted to the public of article 13 of law 4548/2018, as it is currently valid and it is announced by the Board of Directors in the next General Assembly, which can replace the elected, even if it does not have a relevant item on the daily agenda.

Authority and responsibilities of the Board of Directors
The Board manages the company as a collective body, taking decisions in accordance with the provisions of Law 4548/2018 as currently effective.
The Board of Directors is responsible for the company legal and practical representation. All members have one vote and all responsibility for decisions taken.
The responsibilities of the Board are defined by law or in the Articles of Association.

The Board is accountable to the General Meeting of the company shareholders and has the following authorities:
- Decisions on any transaction relating to the company's management, management of the company property and general pursuit of its objective.
- Making proposals for distribution of profits and keeping balances necessary for the operation and viability of the company's reserves.
- Approval of the balance sheet and income statement.
- Approval of six month and annual financial statements of the company.
- Preparation of the BoD Report for every fiscal year.
- Keeping private and confidential information concerning the company.
- Approval of the organisational chart of the company.
- Approval of Internal Operation Regulations and potential amendments.
- Appointment of internal auditor.
- Receiving periodic reports on internal audit.
- Strategic planning of the business policy of the company.
- Ensuring the long-term growth and profitability of the company.
- Enhancing the economic value and profitability of the company and shareholders.
- Keeping the Board Meetings minutes
- Authorization of the company's representation, issue, endorsement and reimbursement of the company or third person checks.
- Approval of recruitment of senior executives and approval of any fixed term contracts.
- Comprehensive understanding of the Board of Directors members of the specific provisions adopted by the Capital Market Commission.
- Approval of important agreements relating to acquisitions and mergers.

Responsibilities - Duties of Board of Directors members
The foremost obligation and duty of members is the enhancing long-term financial value of the company and protection of general corporate interests.

Due to the increased dispersion of the share capital among the investment public, there is imposed protection of minority shareholders and making decisions that are free from any other motivation than the company interests.

The Board members must not only pursue short-term reinforcement of the market value of shares and shall not be pursuing interests contrary to those of the company.

Every Board member shall be liable to the company under managing the corporate affairs for any fault. He is also held responsible if the balance sheet contains false statements or omissions that conceal the true condition of the company.

Every Board member is obliged to strictly keep the confidential information regarding the company.

The members of the Board of Directors shall not be permitted to perform, on occasion or by profession, without the authorization of the General Meeting of shareholders of the company, either on their own behalf or on behalf of third parties, acts falling within the object of the company. When such an issue arises, an Extraordinary General Meeting shall be convened, which is authorised to provide the permission in question. In case of violation of this prohibition, the company is entitled to claim damages from the members who carried out the violation or to require the benefit be provided to it.

Members of the Board and any third party entrusted with responsibilities, must disclose to the other Board members their own interests that may arise from transactions within the company, and any other conflict of interests with those of the company or its affiliated companies which arise in the course of their duties.

The Board of Directors annually prepares reports detailing the company's transactions with affiliates.

Meetings of the Board of Directors
The Board meets at regular intervals in accordance with the Articles of Association, and when required by extraordinary circumstances, at the headquarters of the company.

The Board of Directors shall meet at the headquarters of the company.

The Board is in quorum and convenes validly when there are present or represented one more than half the number of members.

A member of the Board may, following a written authorization that can be authenticated, simple or plain paper fax validly represent only one member thereof. The representative appointed may not be a person, who is not a member of the Board.

Unless otherwise provided by law, the Board of Directors shall take its decisions by absolute majority of the members present or represented.

For following procedures are effective regarding the Board meetings:

- The meeting is convened by the Chairman of the Board through notifying the members at least two days before the meeting.
- The notice shall include clearly identified items on agenda, otherwise the decision taking is permitted, only if all members of the Board of Directors are present or represented at the meeting and none of them objects to taking of decisions.
- A quorum of the Board shall be deemed to be present.
- Discussions and decisions of the Board are recorded in a special registry.
- Copies of minutes of meetings of the Board, for which there is a requirement of registration in the Companies Register such as election of new Board members, composition of the body of the Board etc., are submitted to the competent Generam Commercial Registry (G.E.MI.) within twenty (20) days after the meeting, in compliance with the provisions of the law.

Remuneration of Board of Directors members
The fees paid to the Board of Directors members, Executive and Non-Executive, and their form are approved by the General Meeting, following a proposal by the BoD, in accordance with the provisions of Law 4548/2018 in combination with the provisions of the Articles of Association of the Company do not violate the above Law.

The Company is in process of establishing a remuneration policy for the Board of Directors members, which will be submitted to the GM for approval.

The remuneration of the Board of Directors members for the year 2019 is included in note 33 of the annual financial report for the year 2018.

Chairman of the Board

The Chairman of the Board of Directors presides over and directs the meetings of the Board of Directors and acts in accordance with each act of his competence provided by the Law, the Articles of Association and the Internal Operation regulations.

CEO

The CEO is the senior executive of the Company. The CEO presides over all the departments of the Company and directs their work. As part of operational planning, regulations and decisions of the board governing the operation of the Company, he takes all the necessary decisions, submits to the Board of Directors of the Company's proposals and recommendations needed to implement the objectives of the Company.

The brief biographies of the Board members are presented in the Attachment to this report.

Audit Committee

The Company's Audit Committee was composed on January 1, 2019 by Mr. Emmanuel - Evagelos Lekakis, President, Ioannis Menagias and Elias Karantzalis, members, who were re-elected by the Annual General Meeting of Shareholders on June 21, 2019 and formed a body with the same capacity as above.
Subsequently, the Extraordinary General Meeting of Shareholders of 18 November 2019 appointed the Audit Committee as a committee of the

Company's Board of Directors, which will be composed of three (3) members consisting exclusively of its members, two (2) of whom will be independent non-executive members which meet the conditions for the independence of the provisions of article 4 of Law 3016/2002 and one (1) non-executive member, authorized the Board of Directors to appoint from its members the persons who will participate in the said committee and set the term of the Audit Committee to expire at the same time as the term of the existing Board of Directors, ie on 21 June 2022.
The Board of Directors on 9 December 2019 appointed, by its members, the aforementioned as members of the said committee, which was formed on the same day and at 31st of December 2019 was as follows:

I/N	Name - Surname	Capacity	Date of undertaking duties (most recent)	End of term of office
1	Emmanouil – Evagelos Lekakis father's name - Nikolaos	President of the Audit Committee, Member of the BoD - Independent Non executive member	09/12/2019	21/06/2022
2	Ioannis Menagias , father's name – Andreas	Member of the Audit Committee, Member of the BoD - Independent Non executive member	09/12/2019	21/06/2022
3	Ilias Karantzalis father's name - Georgios	Member of the Audit Committee, Member of the BoD - Non executive member	09/12/2019	21/06/2022

The Audit Committee held fourteen (14) meetings in 2019 attended by all its members.

For the responsibilities and duties of the Audit Committee, all the provisions of the Law 4449/2017 and the updated Internal Operation regulations are applied.

The Audit Committee has the following responsibilities:

- To inform the BoD of the outcome of the regular audit and explains how regular audit contributed to the integrity of financial information and which was the role of the Audit Committee in the process.
- To monitor the financial reporting process and make recommendations or suggestions to ensure its integrity.
- To monitor the effectiveness of the Company's Internal Audit systems, Quality Assurance and Risk Managemen, in relation to the Company's fianancial reporting.
- To monitor the regular audit of the annual consolidated financial statements and in particular the performance.
- To review and monitor the independence of statutory auitors or audit firms and in particular the suitability of providing non-audit services to the Company.
- It is responsible for the process of selecting auditors or audit firms and proposes the statutory auditors or auditors to be appointed.
- To inform the shareholders during the General Assembly Meeting on its activities.

Information required by Article 10, paragraph 1 of Directive 2004/25/EC on takeover bids.

Disclosure of information required under Article 10 paragraph 1 of Directive 2004/25/EC on takeover bids is as follows,

- Share Capital Structure

On December 31, 2019, the Company's share capital amounted to € 12.758.591,88 divided into 20.578.374 ordinary shares of nominal value of € 0,62 each.

Shareholder	Number of shares	%
AUSTRIACARD AG	14.568.053	70,793%
Olga Lykos	1.937.856	9,417%
Other Shareholders (<5%)	4.072.465	19,79%
Total	**20.578.374**	**100,00%**

The total (100%) of the Company's shares are common, nominal and undivided and there are no special categories of shares. The rights and obligations arising from the shares, are those provided by the Law 4548/2018 as currently effective, in conjunction with the provisions of the Articles of Incorporation of the Company if they do not conflict with the aforementioned Law.

- Restrictions on transfer of securities and agreements between shareholders

There are no restrictions on the right to transfer securities of the Company, is aware of.

- Significant agreements of the Company effective / amended / terminated in the event of a change in control of the Company after a takeover bid.

There are no such agreements, which are effective, amended or terminated in the event of a change in control of the Company after a takeover bid.

- Securities providing special control rights

There are no shares of the Company providing special control rights.

- Significant direct or indirect equity of the Company is as follows:

On May 19 2020, AUSTRIACARD AG and Mrs. Olga Lykos held 70,793% and 9,417% respectively of the share capital of the Company. Mr. Nikolaos Lykos held 96,185% of AUSTRIACARD AG.
There are no other shareholders who hold directly or indirectly more than 5% of the share capital of INFORM P. LYKOS HOLDINGS S.A. and the Company is aware of.
It is noted that on April 25, 2019, INFORM P. LYKOS HOLDINGS S.A. does not participate in the share capital of any company listed on the ASE.

- Restrictions on voting rights

There are no known restrictions on voting rights (such as restrictions on voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems under which, in cooperation with the company, the financial rights attached to securities are distinguished by holding securities).

- Rules regarding appointment and replacement of memmers of Board of Directors

There are no rules that differ from those under the provisions of the articles pf Law 4548/2018.

- Specific authorities of the Board of Directors members

There are no special authorities of the Board of Directors members regarding issuance or repurchase of shares.

The issues regarding information required under Article 10 paragraph 1 c, d, f of Directive 2004/25/EC as at 21 April 2004 on takeover bids and in particular significant direct or indirect equity, the holders of any securities with special control rights and a description of these rights and restrictions on voting rights are analytically presented in the unit "EXPLANATORY STATEMENT PURSUANT TO LAW NO 4.7-8 3556/2007" of the Report of the Board of Directors.

The current Corporate Governance Statement constitutes an integral and special part of the annual Management Report of the Board of Directors of the Company.

Attachment
Brief biographies of members of the Board of Directors and the Audit Committee

Panagiotis N. Lykos
Chairman of the BoD – Non Executive Member
Panagiotis Lykos was born in Athens, in 1928 and is a graduate of Varvakeion School and the Merchant Marine Academy of Hydra. He started dealing in printing in 1951 and pioneered the establishment of EDP Printing in Greece. He was President and Managing Director of Inform P. Lykos SA from 1951 to 2000.

Panagiotis I. Spyropoulos
Vice Chairman of the BoD and CEO
Panagiotis Spyropoulos is a graduate of the University of Economics of Athens. He holds thirty years of experience in the fields of Management and Finance, the last twenty-five of which have been in large ASE listed companies, ten as Chief Financial Officer and the last fifteen years as General Manager or Chief Executive Officer. He has been employed with the Group since the beginning of 2002.

Ilias Karantzalis
Non-Executive Member
Ilias Karantzalis was elected a member of the Board of Directors of Inform Lykos in 2003. He holds a degree of the Law Department of University of Athens and DEA Droit des Affaires et Droit Economique and DESS Banques et Finances of the Universite Paris I Pantheon - Sorbonne. He is a lawyer and has been a Legal Consultant since 1984.

Georgios Triantafyllidis
Non-Executive Member
Georgios Triantafyllidis is a graduate of Athens University of Economics and Business. He has worked since 1977 as a sales executive in well known Greek and multinational companies in Greece and abroad in different sectors in markets B2C and B2B. He has been working in the company since 1987 and has served as CEO and Board member in subsidiaries of the Group.

Emmanouil - Evaggelos Lekakis
Independent Non-Executive Member
Emmanouil - Evaggelos Lekakis has been an independent and non-executive member of Inform Lykos since March 2016. He is a graduate of Athens University of Economics and Business. He holds extensive experience as Finance and General Manager in large listed on ASE companies.

Ioannis A. Menagias
Independent Non-Executive Member
He graduated from Glion institute of higher education. He has been working in Inform Lykos from 1984 until 2015. He holds extensive experience as Director of Sales - Exports in the field of Printed Information Systems.

C) INDEPENDENT AUDITOR'S REPORT

To the Shareholders of INFORM P. LYKOS HOLDINGS S.A.

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of INFORM P. LYKOS HOLDINGS S.A. (the Company) and its subsidiaries, which comprise the separate and consolidated statements of financial position as at December 31, 2019, the separate and consolidated income statements, statements of comprehensive income, statements of changes in equity and cash flow statements for the year then ended, including a summary of significant accounting policies and selected explanatory notes to the financial statements.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and its subsidiaries (the Group) as at December 31, 2019, the financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as incorporated into the Greek Law. Our responsibilities, under those standards are further described in the "Auditor's Responsibilities for the Audit of the separate and consolidated Financial Statements" section of our report. We are independent of the Company and its subsidiaries, during the whole period of our audit, in accordance with the International Ethics Standards Board for Accountants "Code of Ethics for Professional Accountants" as incorporated into the Greek Law and we have fulfilled our ethical responsibilities in accordance with current legislation requirements and the aforementioned Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the separate and consolidated Financial Statements of the current period. These matters and the relevant risks of material misstatement were addressed in the context of our audit of the separate and consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the key audit matter
Impairment on non-current assets (Goodwill and intangible assets)	
As at December 31, 2019, the Group presented in the consolidated Statement of Financial Position Goodwill amounting to € 3,2 mil., Software amounting to € 1,8 mil., Development Costs amounting to € 573 th., and Costumers lists amounting to € 5,4 mil.. Goodwill arising from the business combination is allocated in cash generating units that are expected to be benefited from the synergies of the combination. At the end of each reporting period, the Group and the Company assess whether there is an indication that an asset may be impaired. According to the requirements of IAS 36, goodwill and intangible assets with indefinite useful life are tested for impairment at least annually, while intangible assets with finite useful life are tested for impairment when there are indications of impairment. An impairment loss is recognized when the carrying amount of the cash generated unit exceeds the recoverable amount. The recoverable amount of the cash generated unit is the greater between the value in use and the fair value less costs to sell. The value in use is based on the estimated future cash flows, based on business plans and management's estimates, discounted in present value (discounted cash flows). The basic management assumptions are based mainly on the future events and parameters, as the actual operating results, future	Our audit procedures in relation to this matter mainly include: • Evaluation of the management's assessment of whether there are indications of impairment of intangible assets with finite useful life. • Evaluation of appropriateness of methodology of management for the accurate recognition of cash generating units. • Evaluation of reliability of managements provisions, by comparing the actual performance with the previous provisions. • Assessment of the reasonableness of management assumptions and estimates. • Examined the accuracy in calculation of the discounted cash flows models. • In the procedures mentioned above, we used our internal valuation specialists where it was judged as crucial. • Assessment of the adequacy of the relevant disclosures in the financial statements.

business plans, financial extensions and market data (statistical or not).

Due to the significance of the value of the aforementioned non-current assets and the use of management assumptions and estimates for the recoverability of the amount of goodwill, was considered as a key audit matter.

During the year ended at 31 December 2019, there was no indication for impairment of the cash generate unit.

For accounting policies, management assumptions and estimates refer to the following notes of Financial Statements: 4.i., 15., 38.A., 37.I. and 37.IE.

Recoverability of Trade Receivables

The Trade Receivables of Group and Company are approximately of amount € 13 mil. as at 31/12/2019 (€ 12,2 million as at 31/12/2018) and € 1,2 mil. (€ 4,2 mil. as at 31/12/2018) respectively, while the cumulative allowance for doubtful accounts is of amount € 1,1 mil. (€ 1,09 mil. as at 31/12/2018) and € 823 th. as at 31/12/2018, as mentioned in Financial Statements (note 17).

The doubtful receivables in Financial Statements are calculated in relation to the recoverability of the amounts. The amount of allowance of doubtful accounts that the Company and the Group recognize at the end of each reporting period, is defined based on management estimates for the possible risk of not receiving the delayed or legally claimed receivables.

Due to the significance and the level of judgement used in the key assumptions by management to estimate the recoverability of doubtful accounts, was considered as a key audit matter.

For the disclosures regarding the nature of the receivables and the estimates used for the assessment of the recoverability of doubtful accounts, that are included in Financial Statements refer to notes 4.iii, 17, 26.B and 38.IC&IE.

Our audit procedures in relation to this matter mainly include :

- Evaluation of the key assumptions and methodology used by the management regarding the definition of recoverability of doubtful receivables or their categorization as bad debt.
- Evaluated whether the policy and methodology applied by the management are appropriate and consistent with IFRS 9.
- Comprehension and assessment of Group's credit control procedures and the policies regarding the credit limit of customers.
- Examined the legal letter for existing bad debts during the year and identify if there are any indicators that further balances may not be recoverable in the future.
- Inspection of trade receivables ageing at the year end and evaluated the amount of allowance of doubtful accounts.
- Evaluation of the recoverability of amounts by comparing the closing balances with subsequent to year-end collections/settlements.
- Assessment of the adequacy of the relevant disclosures in the financial statements.

Other Information

Management is responsible for the other information. The other information included in the Annual Financial Report is the Annual Report of the Board of Directors, for which reference is made in the "Report on Other Legal and Regulatory Requirements" and the declarations of the Members of the Board of Directors, but does not include the separate and consolidated Financial Statements and our Auditors' Report thereon.

Our opinion on the Separate and Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Separate and Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Separate and Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, on the based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Separate and Consolidated Financial Statements

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

In preparing the Separate and Consolidated 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Audit Committee (article 44 L.4449/2017) is responsible for overseeing the Company's and Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Separate and Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole 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, as incorporated into the Greek Law, 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 influence the economic decisions of users, taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, which have been incorporated in 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 separate and consolidated 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 for one 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 and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 or Group'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 separate and consolidated 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 of the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to those charged with governance, we determine those matters that were of most significance in the audit of the Separate and Consolidated Financial Statements of the current period and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirements

1. Board of Directors' Report
Taking into consideration that Management is responsible for the preparation of the Management Report of the Board of Directors and Corporate Governance Statement that is included therein, according to the provisions of paragraph 5 of article 2 of Law 4336/2015 (part B), we note the following:

a. The Management Report of the Board of Directors includes a Corporate Governance Statement that provides the information required by Article 152 of Law 4548/2018.
b. In our opinion, the Management Report of the Board of Directors has been prepared in accordance with the legal requirements of articles 150 and 153 and paragraph 1 (c and d) of Article 152 of the Law 4548/2018 and the content of the report is consistent with the accompanying financial statements for the year ended December 31, 2019.
c. Based on the knowledge we obtained during our audit of the Company INFORM P. LYKOS HOLDINGS S.A. and its environment, we have not identified any material misstatements in the Management Report of the Board of Directors.

2. Complementary Report to the Audit Committee

Our audit opinion on the accompanying separate and consolidated financial statements is consistent with the complementary report to the Company's Audit Committee, in accordance with Article 11 of the European Union (EU) Regulation 537/2014.

3. Provision of non-Audit Services

We have not provided to the Company and its subsidiaries any prohibited non-audit services referred to in Article 5 of EU Regulation 537/2014. The permitted non-audit services that we have provided to the Company and its subsidiaries during the year ended December 31, 2019, are disclosed in Note 33 of the accompanying separate and consolidated financial statements.

4. Appointment of Auditor

We were appointed for the first time as Certified Auditors of the Company based on the decision of the Annual General Shareholders' Meeting dated at 20/06/2006. Our appointment has been renewed uninterruptedly for a total period of 14 years based on the annual decisions of the General Shareholders' Meetings.

Athens, 19 May 2020

The certified chartered accountant

Nikos Garbis

SOEL Reg. No. 25011

Grant Thornton

An instinct for growth™

Ορκωτοί Ελεγκτές Σύμβουλοι Επιχειρήσεων
Ζεφύρου 56, 17564 Παλαιό Φάληρο
Α.Μ. ΣΟΕΛ 127

D) ANNUAL FINANCIAL STATEMENTS FOR THE YEAR 1/1 - 31/12/2019

The attached annual financial statements were approved by the Board of Directors of the issuer (hereinafter INFORM P. LYKOS HOLDINGS S.A. or the Company) on 19/05/2020 and have been published on the Company's website www.informlykos.com, as well as on the ASE website where they will remain at the disposal of investors for at least ten (10) years from their preparation and publication date. It is noted that the annual financial statements, audit reports of the statutory auditor and the reports of the board of directors of the subsidiaries are posted at the website www.informlykos.com.

Consolidated statement of financial position

The statement of financial position of the Group for the year ended at 31/12/2019 and the respective comparative figures of the previous year are the following:

	Notes	GROUP 31/12/2019	GROUP 31/12/2018
Assets			
Property, plant and equipment	13	45.602.126	46.572.490
Intangible assets and goodwill	15	11.019.766	4.040.198
Other receivables	17	27.521	26.863
Investment property	14	0	232.761
Deffered tax assets	12	399.343	737.861
Non-current assets		**57.048.756**	**51.610.173**
Inventories	16	6.237.849	6.155.854
Contract assets	23	1.337.474	1.177.574
Current income tax assets	12	305.282	239.331
Trade receivables	17	11.454.526	10.691.363
Other receivables	17	982.994	758.031
Receivables from related parties	17	302.810	332.303
Cash and cash equivalents	18	4.066.858	5.944.584
Current assets		**24.687.795**	**25.299.040**
Total assets		**81.736.551**	**76.909.213**
Equity			
Share capital	19	12.758.592	12.758.592
Share premium	19	9.436.797	13.805.791
Reserves	19	13.358.697	14.187.849
Retained profits		3.716.990	(867.435)
Equity attributable to shareholders of the Parent Company		**39.271.075**	**39.884.798**
Non-controlling interests		139.427	290.609
Total Equity		**39.410.502**	**40.175.407**
Liabilities			
Loans and borrowings	21	20.252.529	18.119.192
Employee benefits	10	1.112.245	1.006.285
Other payables	22	23.265	9.017
Deferred tax liabilities	12	1.278.546	618.835
Non-current liabilities		**22.666.585**	**19.753.329**
Current income tax liabilities	12	239.185	0
Loans and borrowings	21	3.821.570	2.788.936
Trade payables	22	11.390.777	11.864.004
Other payables	22	2.199.435	1.048.188
Contract liabilities	24	205.135	629.126
Liabilities to related parties	22	1.517.414	357.201
Provisions	25	285.948	293.023
Current Liabilities		**19.659.464**	**16.980.477**
Total Liabilities		**42.326.049**	**36.733.806**
Total Equity and Liabilities		**81.736.551**	**76.909.213**

The following explanatory notes (pages 41 to 83) constitute an integral part of these annual financial statements.

Company's statement of financial position

The statement of financial position of the Company for the year ended at 31/12/2019 and the respective comparative figures of the previous year are the following:

		COMPANY	
	Notes	31/12/2019	31/12/2018
Assets			
Property, plant and equipment	13	66.071	23.058.013
Intangible assets	15	138.338	1.836.751
Other receivables	17	0	26.863
Investments in subsidiaries	27	35.015.132	22.021.131
Deffered tax assets	12	197.532	699.201
Non-current assets		**35.417.073**	**47.641.959**
Inventories	16	0	3.143.223
Contract assets	23	0	682.156
Current income tax assets	12	290.315	215.925
Trade receivables	17	0	3.405.092
Other receivables	17	0	311.735
Receivables from related parties	17	1.203.512	155.669
Cash and cash equivalents	18	1.932.751	5.183.007
Current assets		**3.426.578**	**13.096.807**
Total assets		**38.843.651**	**60.738.766**
Equity			
Share capital	19	12.758.592	12.758.592
Share premium	19	9.436.797	13.805.791
Reserves	19	13.074.144	13.367.422
Retained profits		1.309.009	(4.329.736)
Equity attributable to shareholders of the Parent Company		**36.578.542**	**35.602.069**
Liabilities			
Loans and borrowings	21	18.481	17.310.308
Employee benefits	10	42.002	1.006.285
Other payables	22	0	9.017
Non-current liabilities		**60.483**	**18.325.610**
Deferred tax liabilities	12	110.357	0
Loans and borrowings	21	9.951	760.214
Trade payables	22	0	3.755.518
Other payables	22	818.332	938.757
Contract liabilities	24	0	569.362
Liabilities to related parties	22	1.265.986	787.237
Current Liabilities		**2.204.626**	**6.811.086**
Total Liabilities		**2.265.108**	**25.136.697**
Total Equity and Liabilities		**38.843.651**	**60.738.766**

Note: In the fiscal year 2019, the spin-off of the production, processing, development and trading sector of printed information systems was concluded, with transformation date 30/06/2019, therefore the figures of the previous fiscal year 2018 are not comparable to those of the fiscal year 2019. An extensive report on the subject is presented in the Information Memorandum of the Group published at 12/11/2019 (www.informlykos.com), in note 1 of the presented financial statements as well as in paragraph 3.2. of the annual report of the Board of Directors that accompanies the attached financial statements.

The following explanatory notes (pages 41 to 83) constitute an integral part of these annual financial statements.

Consolidated income statement

The income statement of the Group for the year 1/1 - 31/12/2019 and the respective comparative figures of the previous year are the following:

		GROUP	
	Notes	31/12/2019	31/12/2018
Revenue	6	72.486.002	67.980.744
Cost of Sales	7	(60.843.165)	(59.127.775)
Gross profit		**11.642.837**	**8.852.970**
Other income	7	1.285.834	1.277.885
Selling and distribution expenses	7	(4.521.662)	(4.022.374)
Administrative expenses	7	(4.423.201)	(3.702.791)
Research and development expenses	7	(677.741)	(520.447)
Other expenses	7	(740.911)	(696.856)
+ Depreciation & amortization		3.640.895	4.261.712
Adjusted EBITDA		**6.206.052**	**5.450.099**
Non - recurring expenses	7	0	(6.697.939)
EBITDA		**6.206.052**	**(1.247.841)**
- Depreciation & amortization		(3.640.895)	(4.261.712)
Operating profits / (losses)		**2.565.156**	**(5.509.553)**
Financial income	8	14.743	15.935
Financial expenses	8	(1.456.542)	(1.359.204)
Net finance costs		**(1.441.798)**	**(1.343.269)**
Profits / (losses) before taxes		**1.123.358**	**(6.852.822)**
Income tax expense	12	(1.048.326)	1.545.249
Profits / (losses)		**75.032**	**(5.307.573)**
Profits / (losses) attributable to:			
Owners of the Company		35.032	(5.326.613)
Non-controlling interests		40.000	19.039
		75.032	**(5.307.573)**

The following explanatory notes (pages 41 to 83) constitute an integral part of these annual financial statements.

Company's income statement

The income statement of the Company for the year 1/1 - 31/12/2019 and the respective comparative figures of the previous year are the following:

	Notes	COMPANY 31/12/2019	31/12/2018
Revenue	6	18.991.212	33.115.492
Cost of sales	7	(15.554.591)	(29.008.475)
Gross profit		**3.436.622**	**4.107.017**
Other income	7	235.218	763.143
Selling and distribution expenses	7	(1.412.692)	(2.552.507)
Administrative expenses	7	(1.334.347)	(2.213.975)
Research and development expenses	7	(280.776)	(520.447)
Other expenses	7	(29.282)	(178.189)
+ Depreciation & amortization		1.171.998	3.101.787
Adjusted EBITDA		**1.786.740**	**2.506.829**
Non - recurring expenses	7	0	(5.229.587)
EBITDA		**1.786.740**	**(2.722.758)**
- Depreciation & amortization		(1.171.998)	(3.101.787)
Operating profits / (losses)		**614.742**	**(5.824.546)**
Financial income	8	1.176.015	728.461
Financial expenses	8	(414.967)	(941.227)
Net finance costs		**761.048**	**(212.766)**
Profits / (losses) before taxes		**1.375.790**	**(6.037.312)**
Income tax expense	12	(58.503)	1.491.393
Profits / (losses)		**1.317.287**	**(4.545.919)**

Note: In the fiscal year 2019, the spin-off of the production, processing, development and trading sector of printed information systems was concluded, with transformation date 30/06/2019, therefore the figures of the previous fiscal year 2018 are not comparable to those of the fiscal year 2019. An extensive report on the subject is presented in the Information Memorandum of the Group published at 12/11/2019 (www.informlykos.com), in note 1 of the presented financial statements as well as in paragraph 3.2. of the annual report of the Board of Directors that accompanies the attached financial statements.

The following explanatory notes (pages 41 to 83) constitute an integral part of these annual financial statements.

Consolidated statement of comprehensive income

The statement of comprehensive income of the Group for the year 1/1 - 31/12/2019 and the respective comparative figures of previous year are the following:

	Notes	GROUP 31/12/2019	GROUP 31/12/2018
Profits / (Losses)		**75.032**	**(5.307.573)**
Other comprehensive income			
Items that will never be reclassified to profit or loss			
Revaluation of property, plant and equipment	13	(554.829)	0
Related tax		133.159	0
Remeasurement of defined benefit liability	11	(56.845)	5.811
Related tax		13.643	(3.818)
Effect of changing tax rates	12	189.213	199.090
		(275.659)	**201.083**
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences		(553.985)	6.996
		(553.985)	**6.996**
Other comprehensive income, net of tax		**(829.644)**	**208.079**
Total comprehensive income		**(754.612)**	**(5.099.494)**
Total comprehensive income attributable to:			
Owners of the Company		**(794.121)**	**(5.125.501)**
Non-controlling interests		**39.509**	**26.006**
		(754.612)	**(5.099.494)**

The following explanatory notes (pages 41 to 83) constitute an integral part of these annual financial statements.

Company's statement of comprehensive income

The statement of comprehensive income of the Company for the year 1/1 - 31/12/2019 and the respective comparative figures of previous year are the following:

		COMPANY	
	Notes	31/12/2019	31/12/2018
Profits / (Losses)		**1.317.287**	**(4.545.919)**
Other comprehensive income			
Items that will never be reclassified to profit or loss			
Revaluation of property, plant and equipment	13	(554.829)	0
Related tax		138.707	0
Remeasurement of defined benefit liability	11	0	5.811
Related tax		0	(3.818)
Effect of changing tax rates	12	0	199.090
Other comprehensive income, net of tax		**(416.122)**	**201.083**
Total comprehensive income		**901.165**	**(4.344.836)**

Note: In the fiscal year 2019, the spin-off of the production, processing, development and trading sector of printed information systems was concluded, with transformation date 30/06/2019, therefore the figures of the previous fiscal year 2018 are not comparable to those of the fiscal year 2019. An extensive report on the subject is presented in the Information Memorandum of the Group published at 12/11/2019 (www.informlykos.com), in note 1 of the presented financial statements as well as in paragraph 3.2. of the annual report of the Board of Directors that accompanies the attached financial statements.

The following explanatory notes (pages 41 to 83) constitute an integral part of these annual financial statements.

Consolidated statement of changes in equity

The statement of changes in equity of the Group is the following:

THE GROUP	For the year ended 31 December 2019								
	Attributable to owners of the Company								
	Share capital	Share premium	Translation and other reserves	Revaluation reserve	IAS 19 reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 31 December 2018	**12.758.592**	**13.805.791**	**(1.883.468)**	**16.224.969**	**(153.652)**	**(867.435)**	**39.884.798**	**290.609**	**40.175.407**
Profits / (losses)	0	0	0	0	0	35.032	**35.032**	40.000	**75.032**
Other comprehensive income	0	0	(553.493)	(223.921)	(51.738)	0	**(829.153)**	(492)	**(829.644)**
Total comprehensive income	**0**	**0**	**(553.493)**	**(223.921)**	**(51.738)**	**35.032**	**(794.121)**	**39.509**	**(754.612)**
Share capital increase through capitalization of share premium	4.321.459	(4.321.459)	0	0	0	0	**0**	(24)	**(24)**
Acquisition of subsidiaries	0	0	0	0	0	0	**0**	57.395	**57.395**
Reduction of share capital by offsetting accumulated losses	(4.321.459)	0	0	0	0	4.321.459	**0**	0	**0**
Dividend distribution	0	0	0	0	0	0	**0**	(20.128)	**(20.128)**
Other transactions	0	(47.536)	0	0	0	227.934	**180.398**	(227.935)	**(47.537)**
Balance at 31 December 2019	**12.758.592**	**9.436.797**	**(2.436.962)**	**16.001.048**	**(205.390)**	**3.716.990**	**39.271.075**	**139.427**	**39.410.502**

The following explanatory notes (pages 41 to 83) constitute an integral part of these annual financial statements.

THE GROUP	**For the year ended 31 December 2018**								
	Attributable to owners of the Company								
	Share capital	**Share premium**	**Translation and other reserves**	**Revaluation reserve**	**IAS 19 reserve**	**Retained earnings**	**Total**	**Non-controlling interest**	**Total equity**
Balance at 31 December 2017	**12.758.592**	**13.805.791**	**(1.885.057)**	**16.650.720**	**(155.644)**	**5.945.224**	**47.119.625**	**677.742**	**47.797.367**
Adjustment on application of IFRS 15	0	0	(358)	0	0	64.086	**63.728**	130	**63.858**
Adjustment on application of IFRS 9	0	0	1.918	0	0	(255.569)	**(253.652)**	(699)	**(254.350)**
Balance at 1 January 2018	**12.758.592**	**13.805.791**	**(1.883.497)**	**16.650.720**	**(155.644)**	**5.753.741**	**46.929.702**	**677.174**	**47.606.876**
Profits / (losses)	0	0	0	0	0	(5.326.613)	**(5.326.613)**	19.039	**(5.307.573)**
Other comprehensive income	0	0	29	199.090	1.993	0	**201.112**	6.967	**208.079**
Total comprehensive income	**0**	**0**	**29**	**199.090**	**1.993**	**(5.326.613)**	**(5.125.501)**	**26.006**	**(5.099.494)**
Change of percentage of ownerhip interests	0	0	0	0	0	138.434	**138.434**	(371.434)	**(233.000)**
Reduction of share capital	0	0	0	0	0	0	**0**	(270)	**(270)**
Distribution of dividends	0	0	0	0	0	(2.057.837)	**(2.057.837)**	(40.866)	**(2.098.704)**
Transfer to Retained Earnings	0	0	0	(624.841)	0	624.840	**0**	0	**0**
Balance at 31 December 2018	**12.758.592**	**13.805.791**	**(1.883.468)**	**16.224.969**	**(153.652)**	**(867.435)**	**39.884.798**	**290.609**	**40.175.407**

The following explanatory notes (pages 41 to 83) constitute an integral part of these annual financial statements.

Company's statement of changes in equity

The statement of changes in equity of the Company is the following

THE COMPANY	**For the year ended 31 December 2019**						
	Share capital	**Share premium**	**Revaluation reserve**	**IAS 19 reserve**	**Other reserve**	**Retained earnings**	**Total**
Balance at 31 December 2018	**12.758.592**	**13.805.791**	**5.813.820**	**(153.652)**	**7.707.254**	**(4.329.736)**	**35.602.069**
Profits / (losses)	0		0	0	0	1.317.287	**1.317.287**
Other comprehensive income	0		(416.122)	0	0	0	**(416.122)**
Total comprehensive income	**0**	**0**	**(416.122)**	**0**	**0**	**1.317.287**	**901.165**
Contributed reserves due to spin-off	0	0	(5.397.698)	153.652	(3.436.954)	0	**(8.681.001)**
Spin-off reserve	0	0	0	0	8.803.845	0	**8.803.845**
Share capital increase through capitalization of share premium	4.321.459	(4.321.459)	0	0	0	0	**0**
Reduction of share capital by offsetting accumulated losses	(4.321.459)	0	0	0	0	4.321.459	**0**
Other transactions	0	(47.536)	0	0	0	0	**(47.536)**
Balance at 31 December 2019	**12.758.592**	**9.436.797**	**0**	**0**	**13.074.144**	**1.309.009**	**36.578.542**

Note: In the fiscal year 2019, the spin-off of the production, processing, development and trading sector of printed information systems was concluded, with transformation date 30/06/2019, therefore the figures of the previous fiscal year 2018 are not comparable to those of the fiscal year 2019. An extensive report on the subject is presented in the Information Memorandum of the Group published at 12/11/2019 (www.informlykos.com), in note 1 of the presented financial statements as well as in paragraph 3.2. of the annual report of the Board of Directors that accompanies the attached financial statements.

The following explanatory notes (pages 41 to 83) constitute an integral part of these annual financial statements.

THE COMPANY

	For the year ended 31 December 2018						
	Share capital	Share premium	Revaluation reserve	IAS 19 reserve	Other reserve	Retained earnings	Total
Balance at 31 December 2017	**12.758.592**	**13.805.791**	**5.614.730**	**(155.644)**	**7.707.254**	**2.396.173**	**42.126.896**
Adjustment on application of IFRS 15	0	0	0	0	0	50.839	**50.839**
Adjustment on application of IFRS 9	0	0	0	0	0	(172.992)	**(172.992)**
Balance at 1 January 2018	**12.758.592**	**13.805.791**	**5.614.730**	**(155.644)**	**7.707.254**	**2.274.021**	**42.004.743**
Profits / (losses)	0	0	0	0	0	(4.545.919)	**(4.545.919)**
Other comprehensive income	0	0	199.090	1.993	0	0	**201.083**
Total comprehensive income	**0**	**0**	**199.090**	**1.993**	**0**	**(4.545.919)**	**(4.344.836)**
Distribution of dividends	0	0	0	0	0	(2.057.838)	**(2.057.838)**
Balance at 31 December 2018	**12.758.592**	**13.805.791**	**5.813.820**	**(153.652)**	**7.707.254**	**(4.329.736)**	**35.602.069**

The following explanatory notes (pages 41 to 83) constitute an integral part of these annual financial statements.

Consolidated statement of Cash Flows

Cash flows of the Group for the year 1/1 - 31/12/2019 and the respective comparative figures of the previous year are the following:

	GROUP	
	31/12/2019	**31/12/2018**
Cash flows from operating activities		
Profits / (Losses) before taxes	1.123.358	(6.852.822)
Adjustments for:		
– Depreciation & amortisation	3.640.895	4.261.712
– Net finance cost	1.441.798	1.343.269
– Gain on sale of property, plant and equipment	(1.057)	(27.764)
– Foreign exchange differences included in EBIT	(117.277)	(9.070)
– (Reversal of) impairment losses on property, plant and equipment	0	6.603.352
– Increase in fair value of investment property	0	1.682
– Change in long term employee benefits (included in EBIT)	105.960	(15.113)
– Other	(195.472)	115.864
	5.998.206	**5.421.110**
Changes in:		
– Inventories	(81.995)	(169.018)
– Trade and other receivables	(1.177.519)	826.333
– Trade and other payables	1.414.243	1.306.141
Cash generated from operating activities	**6.152.934**	**7.384.566**
Taxes paid	(185.475)	17.146
Interest paid	(1.286.202)	(1.361.278)
Net cash from (used in) operating activities	**4.681.258**	**6.040.434**
Cash flows from investment activities		
Interest received	14.240	19.407
Dividend received	0	33
Proceeds from sale of property, plant and equipment	32.400	21.586
Proceeds from sale of investments	134.873	0
Acquisition of subsidiaries, business, net of cash acquired	(5.988.605)	(233.000)
Cash transferred via merger and acquisition	237.456	0
Acquisition of property, plant and equipment & intangible assets	(2.487.938)	(1.440.260)
Net cash from (used in) investing activities	**(8.057.574)**	**(1.632.234)**
Cash flows from financing activities		
Tax on share capital increase	(47.536)	0
Proceeds from loans & borrowings	5.593.792	15.000.000
Payment of loans	(2.800.000)	(12.394.505)
Payment of finance lease liabilities	(1.235.414)	(1.059.842)
Dividends paid to non-controlling interest	0	(40.866)
Dividends paid to owners of the Company	0	(2.054.344)
Net cash from (used in) financing activities	**1.510.841**	**(549.556)**
Net increase (decrease) in cash and cash equivalents	**(1.865.475)**	**3.858.645**
Cash and cash equivalents at 1 January	**5.944.584**	**2.067.396**
Effect of movements in exchange rates on cash held	(12.251)	18.543
Cash and cash equivalents at 31 December	**4.066.858**	**5.944.584**

The following explanatory notes (pages 41 to 83) constitute an integral part of these annual financial statements.

Company's statement of Cash Flows

Cash flows of the Company for the year 1/1 - 31/12/2019 and the respective comparative figures of the previous year are the following:

	COMPANY	
	31/12/2019	**31/12/2018**
Cash flows from operating activities		
Profit (Loss) before tax	1.375.790	(6.037.312)
Adjustments for:		
– Depreciation & amortisation	1.171.998	3.101.787
– Net finance cost	400.954	212.766
– Gain on sale of property, plant and equipment	(1.057)	(9.976)
– (Reversal of) impairment losses on property, plant and equipment	0	5.100.000
– Change in long term employee benefits (included in EBIT)	21.560	(15.113)
– Other	(129.130)	73.033
	2.840.116	2.425.186
Changes in:		
– Inventories	(808.270)	381.703
– Trade and other receivables	(1.476.635)	1.238.501
– Trade and other payables	1.493.503	(311.504)
Cash generated from operating activities	**2.048.714**	**3.733.886**
Taxes paid	0	47.068
Interest paid	(302.153)	(937.705)
Net cash from (used in) operating activities	**1.746.561**	**2.843.249**
Cash flows from investment activities		
Interest received	14.240	20.873
Dividend received	0	711.238
Proceeds from sale of property, plant and equipment	32.400	3.461
Proceeds from loans granted to related parties	0	60.000
Proceeds from sale of investments	0	299.730
Acquisition of other investments	0	(217.000)
Acquisition of property, plant and equipment & intangible assets	(478.700)	(735.659)
Net cash from (used in) investing activities	**(432.060)**	**142.643**
Cash flows from financing activities		
Tax on share capital increase	(47.536)	0
Proceeds from loans & borrowings	0	15.000.000
Payment of loans	(3.700.000)	(11.100.000)
Payment of finance lease liabilities	(460.357)	(796.787)
Dividends paid to owners of the Company	0	(2.054.344)
Net cash from (used in) financing activities	**(4.207.893)**	**1.048.870**
Net increase (decrease) in cash and cash equivalents	**(2.893.391)**	**4.034.762**
Cash and cash equivalents at 1 January	**5.183.007**	**1.148.246**
Cash transferred via merger and acquisition	**(356.865)**	**0**
Cash and cash equivalents at 31 December	**1.932.751**	**5.183.007**

Note: In the fiscal year 2019, the spin-off of the production, processing, development and trading sector of printed information systems was concluded, with transformation date 30/06/2019, therefore the figures of the previous fiscal year 2018 are not comparable to those of the fiscal year 2019. An extensive report on the subject is presented in the Information Memorandum of the Group published at 12/11/2019 (www.informlykos.com), in note 1 of the presented financial statements as well as in paragraph 3.2. of the annual report of the Board of Directors that accompanies the attached financial statements.

The following explanatory notes (pages 41 to 83) constitute an integral part of these annual financial statements.

Notes to the Financial Statements

Basis of preparation

1. Reporting Entity

The Group INFORM is a fast growing Group of companies, forming the market in the business area of Information Management under the brand INFORM. Nowadays, the Group is activated internationally and is a leader in the field of secure documents and information management, in the markets of Central and Eastern Europe in the Public and Private Sector. It has three production units in Athens (Greece), Bucharest (Romania) and Tirana (Albania). The entities and activities of the Information Management sector refer to the parent company INFORM P. LYKOS HOLDINGS S.A. based in Greece.

The registered office of the parent company INFORM P. LYKOS HOLDINGS S.A. (the Company) is in Koropi Attica, 5th km. of Varis-Koropiou Avenue.

During the year and specifically on December 27th, the spin-off process of the production, processing, development and trading sector of printed information systems of "INFORM P. LYKOS S.A. PROCESSING & DEVELOPMENT OF PRINTED INFORMATION SYSTEMS" was completed, with its contribution to a new 100% subsidiary under the corporate name "INFORM LYKOS (HELLAS) SINGLE MEMBER S.A." in accordance with the provisions of Law 4601/2019, Law 4548/2018 and the article 54 of Law 4172/2013. After the completion of the above spin-off and the consequent modification of its name and purpose, the name of the parent company of the Group is hereinafter "INFORM P. LYKOS HOLDINGS S.A.". It is noted that this spin-off at a consolidated level did not have any substantial impact on the consolidated financial data of the Group as the new company INFORM LYKOS (HELLAS) SINGLE MEMBER S.A. is fully consolidated since INFORM P. LYKOS HOLDINGS S.A. owns its 100%. An extensive relevant report and the relevant financial figures of the sector and the operational implications is presented in the Information Memorandum of the Group published at 12/11/2019 as well as in paragraph 3.2. of the annual report of the Board of Directors that accompanies the attached financial statements.

The financial statements for the year 1/1 - 31/12/2019 were approved by the Board of Directors on 19/05/2020.

2. Basis of Accounting

The accompanying separate and consolidated financial statements (hereinafter "financial statements"), have been prepared by the Management based on historic cost principal, as modified following the adjustment of certain assets and liabilities at fair values and the going concern principle and are in accordance with the International Financial Reporting Standards (hereinafter «IFRS») and the International Accounting Standards (hereinafter «IAS»), as adopted by the European Union (according to the Regulation (EC) No. 1606/ 2002 of the European Parliament and the Council of the European Union at July 19th, 2002) and published by the International Accounting Standards Board (IASB), and also their interpretations, as published by the International Financial Reporting Interpretation Committee (I.F.R.I.C.) of the IASB. The period of application of each IAS/IFRS is set by the regulations published by the competent commission of the European Union.

Details of the Group's accounting policies and methods, including changes during the year 2019 are included in notes 35 - 38.

3. Fuctional and presentation currency

The separate and consolidated financial statements are presented in euro, which is the functional currency of the Company. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

4. Use of judgement and estimates

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses, as also and the notes to the financial statements. They also affect disclosures of contingent assets and liabilities as at the financial statements preparation date as well as the publicized amounts of revenue and expenses.

Judgments, estimates and assumptions are based on the experience from previous years and other factors, included the expectations of future events that are considered reasonable under the particular conditions, while estimates and underlying assumptions are reviewed on an ongoing basis, making the best use of all the available data. Actual results may differ from these estimates.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment at amounts of assets, liabilities, income and expenses is included in the following notes:

i. Testing for goodwill impairment of total participations or other assets

Group monitors annually whether goodwill has suffered any impairment and assesses the events or the conditions may trigger impairment, such as a significant adverse change in the business environment or a decision to sell or dispose of a unit or functional area. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The basic estimates in applying value in use, the Group relies on a number of factors, including actual operating results, future business plans, economic projections and discount rates that are used in the calculations.

If analysis indicates a need for impairment of goodwill, measuring of impairment requires a fair value estimate of each identified tangible asset. In this case, using the cash flow approach, referred above, by independent appraisers when appropriate. See note 15.

ii. Useful life of depreciable assets

The Group assesses the actual useful lives of the assets annually. At the end of the reporting period of the annual financial statements, the management of the Group estimates that the useful lives of the depreciable assets represent the expected utility of those assets. See notes 37 (I) and (J).

iii. Recoverability of receivables and provisions for expected credit losses

Doubtful accounts receivables are displayed with amounts that are likely to be recovered. Estimations for recoverable amounts of receivables are based on objective indications, the counterparty's financial condition as well as past experience. The Group applies the simplified approach for customer receivables and contract assets for the calculation of expected credit losses. Therefore, at each reporting date, the Group measures the provision for a financial instrument for an amount equal to the expected credit losses over the lifetime. For determining the expected credit losses, a chronological analysis and rates table is used with historical data and reasonable assumptions.

iv. Employee benefits

The present value of pension obligations depends on a number of factors determined using actuarial methods and assumptions. Such actuarial assumption is the discount rate used to calculate the cost of benefit. The Group determines the appropriate discount rate at each year end. This is the interest rate that should be used to determine the present value of future cash flows, which are expected to be required to meet the obligations of the pension plans. For determining the appropriate discount rate, the Group uses the interest rate of high quality corporate bonds that are converted to the currency in which the benefits will be paid, and whose expiry date is approaching that of the relevant pension liability. Other key assumptions of pension obligations are based in part on current market conditions. See notes 11 and 37 (E).

v. Fair value measurement

As part of the implementation of IFRS, the Group has an obligation or option to revalue assets and liabilities at fair value.

The fair value measurement is based on the market and not on a particular entity. For certain assets and liabilities may be available observable market transactions or market information. For other assets and liabilities may not be available observable market transactions or market information. However, the objective of measuring fair value is the same in both cases to estimate the price at which it would take place a normal transaction to sell the asset or transfer the liability between market participants at the measurement date under current market conditions (ie an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

Even when there is no observable market to provide pricing information on the sale of an asset or transfer a liability at the measurement date, the fair value measurement should consider that a transaction occurs on that date, considering the transaction from the perspective of a market participant that holds the asset or owes the liability. This alleged transaction constitutes the basis for valuation of the sale price of the asset or transfer the liability. Especially for liabilities if no observable market to provide pricing information on the transfer of a liability (eg when the contractual and other legal restrictions prevent the transfer of such data) may be observable market for such obligation if the other party holds as an asset (eg corporate bonds).

The assets and liabilities of the Group are measured at fair value are mainly non-financial assets.

To improve the consistency and comparability in fair value measurements and related disclosures, the Group is adopting relevant requirements of IFRS 13, which had determined the fair value hierarchy that categorizes into three levels the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to the official prices (unadjusted) in markets with significant volume of transactions for identical assets or liabilities (level 1 inputs) and minimum priority to unobservable inputs (Level 3 inputs).

The Level 1 inputs are the official quoted prices (unadjusted) in active markets for identical assets or liabilities to which the entity has access at the measurement date.

The Level 2 inputs are inputs other than formal quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly. If the asset or liability has a specified (contractual) term, a second input level must be observable for the full life of the asset or liability.

The Level 3 inputs are not based on observable market data (unobservable inputs) for the asset or liability.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 13 Property, plant and equipment
- Note 14 Investment Property
- Note 26 Financial Instruments

It is noted that the Group has certain financial assets (eg cash and cash equivalents) the historical values for which, due to their short term nature, do not differ essentially from the fair value that would be determined by using valuation techniques.

vi. Accounting treatment of proclaimed fine for alleged violation of Romanian completition law

In 2016, the Competition Council of Romania imposed a fine of approximately € 800 thousand on the subsidiary of the Group, Inform Lykos, S.A., (ILR), in Romania. As the management is convinced that the Group has complied with the competition law and that the verdict is unjustified and disproportional, it has appealed against this verdict. In 2017, the Court of Appeals rejected the demands made by the company. In response to this verdict, the company appealed to the Romanian Supreme Court. The first hearing is scheduled for 5 November 2020. Consequently, at the date of this report, the lawsuit is still ongoing. Taking into account similar cases of other companies, the Group's Management estimates that ILR will pay a fine that will be significantly lower than the original verdict. Within the framework of conservatism principle, the Management formed in 2016 a relevant provision of € 300 thousand for this claim, which is included in the consolidated financial statements.

Performance of the Year

5. Operating segments

i. Basis of segmentation

The Group maintains one strategic segment, the "Information Management" (printing segment), which is its reportable segment. Every unit of the segment offers same products and services, and requires unique technology and marketing strategies.

The activity of the printing segment mainly extents geographically in two countries Greece and Romania. This geographic allocation is the designated factor for the segmentation of printing segment.

These operating segments are monitored by the Head of Risk and Strategic decisions of the Group (Group CEO).

Information related to each reportable segment is set out below. Segment "profit before tax" is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments.

31/12/2019	**Greece**	**Romania**	**Other**	**Eliminations**	**Total**
Revenues	32.084.460	39.528.817	872.726	0	72.486.002
Intersegment revenues	1.088.131	2.769.990	0	(3.858.120)	0
Segment revenues	**33.172.590**	**42.298.807**	**872.726**	**(3.858.120)**	**72.486.002**
Cost of sales	(27.674.672)	(35.881.290)	(764.083)	3.476.880	(60.843.165)
Gross profit	**5.497.918**	**6.417.517**	**108.643**	**(381.240)**	**11.642.837**
Other income	551.288	885.722	7.008	(158.184)	1.285.834
Selling and distribution expenses	(2.763.700)	(1.995.565)	0	237.604	(4.521.662)
Administrative expenses	(2.417.086)	(2.183.977)	(109.187)	287.050	(4.423.201)
Research and development expenses	(677.741)	0	0	0	(677.741)
Other expenses	(189.328)	(624.561)	(3.021)	75.999	(740.911)
+ Depreciation & amortization	2.369.423	1.237.717	33.756	0	3.640.895
Adjusted EBITDA	**2.370.773**	**3.736.852**	**37.199**	**61.228**	**6.206.052**
- Depreciation & amortization	(2.369.423)	(1.237.717)	(33.756)	0	(3.640.895)
Adjusted EBIT	**1.350**	**2.499.135**	**3.443**	**61.228**	**2.565.156**
Financial income	1.176.266	479	1.113.104	(2.275.106)	14.743
Financial expenses	(840.046)	(545.582)	(3.785)	(67.129)	(1.456.542)
Net finance costs	**336.220**	**(545.103)**	**1.109.319**	**(2.342.235)**	**(1.441.798)**
Adjusted EBT	**337.570**	**1.954.032**	**1.112.763**	**(2.281.007)**	**1.123.358**
Non-recurring expenses	0	0	0	0	0
Profit / (loss) before tax	**337.570**	**1.954.032**	**1.112.763**	**(2.281.007)**	**1.123.358**
Income tax expense	(815.417)	(228.924)	(3.985)	0	(1.048.326)
Profit / (loss)	**(477.846)**	**1.725.108**	**1.108.777**	**(2.281.007)**	**75.032**

31/12/2018	**Greece**	**Romania**	**Other**	**Eliminations**	**Total**
Revenues	32.758.636	34.589.560	632.549	0	67.980.745
Intersegment revenues	356.856	2.161.356	0	(2.518.212)	0
Segment revenues	**33.115.492**	**36.750.916**	**632.549**	**(2.518.212)**	**67.980.745**
Cost of sales	(29.008.475)	(32.106.965)	(532.516)	2.520.181	(59.127.775)
Gross profit	**4.107.017**	**4.643.951**	**100.033**	**1.970**	**8.852.971**
Other income	763.143	834.942	83.529	(403.729)	1.277.885
Selling and distribution expenses	(2.552.507)	(1.634.916)	0	165.050	(4.022.374)
Administrative expenses	(2.213.975)	(1.564.084)	(117.457)	192.725	(3.702.791)
Research and development expenses	(520.447)	0	0	0	(520.447)
Other expenses	(178.189)	(551.243)	(15.974)	48.551	(696.856)
+ Depreciation & amortization	3.101.787	1.057.962	101.962	0	4.261.712
Adjusted EBITDA	**2.506.829**	**2.786.612**	**152.093**	**4.566**	**5.450.100**
- Depreciation & amortization	(3.101.787)	(1.057.962)	(101.962)	0	(4.261.712)
Adjusted EBIT	**(594.959)**	**1.728.650**	**50.131**	**4.566**	**1.188.388**
Financial income	728.461	34	1.824.283	(2.536.844)	15.935
Financial expenses	(941.227)	(412.840)	(8.677)	3.540	(1.359.204)
Net finance costs	**(212.766)**	**(412.806)**	**1.815.607**	**(2.533.304)**	**(1.343.269)**
Adjusted EBT	**(807.725)**	**1.315.843**	**1.865.738**	**(2.528.738)**	**(154.881)**
Non-recurring expenses	(5.229.587)	(1.503.354)	0	35.002	(6.697.939)
Profit / (loss) before tax	**(6.037.312)**	**(187.511)**	**1.865.738**	**(2.493.736)**	**(6.852.821)**

Income tax expense	1.491.393	14.876	38.980	0	1.545.249
Profit / (loss)	**(4.545.919)**	**(172.635)**	**1.904.718**	**(2.493.736)**	**(5.307.572)**

The allocation of assets, liabilities, capital expenditure and depreciation to operating segments is as follows:

31/12/2019	**Greece**	**Romania**	**Other**	**Eliminations**	**Total**
Assets	72.785.677	39.861.701	1.671.873	(32.582.701)	81.736.551
Liabilities	23.994.998	19.979.672	1.350.815	(2.999.437)	42.326.049
Capital expenditures	1.441.461	2.372.045	85.027	0	3.898.534
Depreciation & amortization	2.369.423	1.237.717	33.756	0	3.640.895

31/12/2018	**Greece**	**Romania**	**Other**	**Eliminations**	**Total**
Assets	60.738.766	34.732.974	1.997.963	(20.560.490)	76.909.213
Liabilities	25.136.697	11.554.780	605.829	(563.500)	36.733.806
Capital expenditures	1.012.789	697.734	21.875	0	1.732.398
Depreciation & amortization	3.101.787	1.057.962	101.962	0	4.261.712

The following geographical information analyzes the Group's revenues in Grecce and other countries:

	31/12/2019	**31/12/2018**
Romania	37.455.355	34.282.302
Greece	25.774.691	29.972.493
Nigeria	4.688.106	0
Austria	1.241.751	1.015.907
Albania	944.270	633.329
Morocco	716.255	464.853
France	570.962	683.875
Cyprus	235.491	124.461
Germany	197.659	102.603
Malta	147.063	7.899
Bulgaria	126.240	144.565
Spain	120.135	235.236
Slovenia	68.477	0
Hungary	17.734	19.326
Kosovo	6.789	20.720
Other countries	2.625	17.286
Adjustment IFRS 15	172.399	255.892
Total	**72.486.002**	**67.980.744**

Note: In the fiscal year 2019, the spin-off of the production, processing, development and trading sector of printed information systems was concluded with transformation date 30/06/2019, therefore the Company's figures of the previous fiscal year 2018 in the following tables are not comparable to those of the fiscal year 2019. An extensive report on the subject is presented in the Information Memorandum of the Group published at 12/11/2019 (www.informlykos.com), in note 1 of the presented financial statements as well as in paragraph 3.2. of the annual report of the Board of Directors that accompanies the attached financial statements.

6. Revenues

	GROUP		COMPANY	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Revenues from sales of goods	34.984.759	28.864.490	8.850.735	11.344.863
Revenues from services	26.910.396	24.302.018	3.572.735	5.874.104
Revenues from sale of merchandise	10.590.847	14.814.236	6.567.743	15.896.525
Total	**72.486.002**	**67.980.744**	**18.991.212**	**33.115.492**

Note: Sales increased mainly due to the project of security ballots for the Nigerian elections and the contribution of the two acquisitions that took place in 2019 in Romania.

7. Income and expenses

A. Other income

	GROUP		COMPANY	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Government grants	7.478	3.804	0	3.804
Gain on sale of property, plant and equipment	1.057	27.101	1.057	9.976
Rentals from property and machinery	511.008	501.484	42.599	349.432
Reversal of accruals	10.256	102.283	337	8.258
Capitalised development expenses	448.903	347.192	138.141	306.908
Other income	307.133	296.021	53.084	84.765
Total	**1.285.834**	**1.277.885**	**235.218**	**763.143**

B. Cost of Sales

	GROUP		COMPANY	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Employee compensation and expenses	5.637.939	4.573.643	1.578.655	2.746.891
Cost of inventories recorgnised as expense	18.944.421	15.113.434	4.678.949	4.993.146
Cost of mailings	20.306.299	18.937.150	1.591.885	2.302.996
Cost of merchandise	8.307.750	12.959.343	5.373.162	13.984.527
Third party fees	1.076.210	533.985	212.011	272.532
Utilities and maintenance expenses	1.747.895	1.588.218	596.669	1.002.638
Rentals from property and machinery	134.519	99.293	61.578	87.574
Tax and duties	93.477	89.083	20.242	40.978
Transportation expenses	8.521	8.862	2.890	8.902
Other consumable materials	1.453.966	1.401.521	498.387	841.785
Depreciation and amortisation	2.802.540	3.569.331	822.155	2.514.052
Other expenses	329.630	253.911	118.007	212.454
Total	**60.843.165**	**59.127.775**	**15.554.591**	**29.008.475**

Note: The cost of inventories increased mainly due to the project of security ballots for the Nigerian elections.

C. Selling and Distribution Expenses

	GROUP		COMPANY	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Employee compensation and expenses	2.299.180	1.949.825	802.927	1.480.852
Third party fees	192.921	226.741	165.589	255.250
Commissions paid	532.260	503.661	0	0
Utilities expenses	181.233	208.749	80.265	173.159
Rentals from property and machinery	5.599	17.234	5.880	3.561

Tax and duties	44.769	48.450	17.721	37.137
Transportation expenses	691.868	612.914	145.416	265.803
Other consumable materials	31.815	31.987	13.525	12.993
Depreciation and amortisation	293.508	225.580	121.581	200.846
Other expenses	248.509	197.234	59.788	122.907
Total	**4.521.662**	**4.022.374**	**1.412.692**	**2.552.507**

D. Administrative expenses

	GROUP		COMPANY	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Employee compensation and expenses	2.755.976	2.151.359	872.253	1.187.675
Third party fees	719.566	735.488	182.621	549.237
Utilities expenses	301.123	307.657	88.057	180.782
Rentals from property and machinery	21.601	39.786	1.470	2.993
Tax and duties	40.856	35.529	10.129	20.910
Transportation expenses	1.865	100	280	100
Other consumable materials	7.172	2.432	4.911	2.015
Depreciation and amortisation	351.863	257.831	130.234	177.920
Other expenses	223.179	172.610	44.393	92.344
Total	**4.423.201**	**3.702.791**	**1.334.347**	**2.213.975**

E. Research and Development Expenses

	GROUP		COMPANY	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Employee compensation and expenses	417.466	301.002	162.883	301.002
Third party fees	29.609	1.950	6.799	1.950
Utilities expenses	14.682	3.611	6.269	3.611
Tax and duties	2.384	78	455	78
Other consumable materials	191	182	283	182
Depreciation and amortisation	192.985	208.971	98.028	208.971
Other expenses	20.425	4.654	6.060	4.654
Total	**677.741**	**520.447**	**280.776**	**520.447**

F. Non - recurring Expenses

	GROUP		COMPANY	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Staff leaving indemnities	0	94.587	0	94.587
Impairment of tangible assets	0	6.603.352	0	5.100.000
Total	**0**	**6.697.939**	**0**	**5.229.587**

G. Other expenses

	GROUP		COMPANY	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Foreign exchange differences	0	18.339	457	445
Losses on sale of equipment	83.980	3.343	0	0
Loss of the customer’s contract term	5.500	14.399	100	6.548
Impairment loss on trade receivables	68.237	146.282	0	49.640
Losses from write - downs of inventories	43.695	31.802	0	31.802
Decrease in fair value of investment property	0	1.682	0	0
Reinvoiced expenses	216.557	184.179	0	0
Bank commisions	1.786	1.299	0	0
Other expenses	321.156	295.531	28.725	89.754
Total	**740.910**	**696.856**	**29.282**	**178.189**

8. Net Finance Costs

	GROUP		COMPANY	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Interest income from loans and receivables	14.725	15.901	13.995	17.223
Dividend income	18	33	1.162.020	711.238
Financial income	**14.743**	**15.935**	**1.176.015**	**728.461**
Interest expense	1.202.648	1.200.830	394.034	894.842
Commissions of letters of guarantee	127.633	133.385	14.459	30.364
Losses from foreign exchange differences (from financing)	109.456	0	0	0
Other financial expenses	16.805	24.988	6.474	16.021
Finance costs	**1.456.542**	**1.359.204**	**414.967**	**941.227**
Net finance costs recognised in profit or loss	**(1.441.798)**	**(1.343.269)**	**761.048**	**(212.766)**

9. Earnings / (losses) per share

A. Basic earnings or basis (losses) per share

All shares of the Company are ordinary (see note 19). The calculation of earnings / (losses) per share is based on the following earnings / (losses) per share attributable to the ordinary shareholders and the weighted average number of ordinary outstanding shares.

	GROUP	
	31/12/2019	31/12/2018
Profits / (losses) attributable to the owners of the Company	35.032	(5.326.613)

B. Weighted-average number of ordinary shares

	2019	2018
Issued ordinary shares at 1 January	20.578.374	20.578.374
Weighted - average number of ordinary shares at 31st December	**20.578.374**	**20.578.374**

C. Earnings per share

	2019	2018
Profits / (losses) per share	0,0017	(0,2588)

Employee Benefits

10. Employee Benefits

	GROUP		COMPANY	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Net defined benefit liability	1.112.245	1.006.285	42.002	1.006.285
Total employee benefit liabilities	**1.112.245**	**1.006.285**	**42.002**	**1.006.285**
Non-current	1.112.245	1.006.285	42.002	1.006.285
Current	0	0	0	0
Total	**1.112.245**	**1.006.285**	**42.002**	**1.006.285**

Social security contributions are included in other liabilities and are analyzed in note 22.

Salaries and personnel costs are detailed in note 11.

The balance of account employee benefits is formed from the Group's defined benefit plan that applies to employees in Greece. Obligations resulting from this program concern compensation of staff retirement arising from the provisions of Law 2112/20, as amended by Law 4093/12. According to the Greek legislation, establishing and funding is not provided in the form of contributions, specific fund (reserve) to cover the severance compensation laws 2112/20 and 3026/54, as amended by Law 4093/12, and for other related benefits. As a result, a special fund is not created, from which the settlement of the liability could be made. The compensation provided by the laws 2112/20 and 3026/54, as amended by Law 4093/12 are exclusively one-off indemnities which are given only in cases of normal retirement, redundancy and for those subject to Law 3026/54, in death and voluntary retirement under conditions.

The above program exposes the Group to actuarial risks, including the risk of longevity assumptions and discount rate assumptions.

A. Movement in net defined benefit liability

The following table presents the reconciliation of the opening and closing of the reporting periods of the liabilities arising from the program:

	GROUP		COMPANY	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Balance at 1 January	**1.006.285**	**1.021.398**	**1.006.285**	**1.021.398**
Included in profit or loss				
Current service cost	33.653	25.199	33.653	25.199
Settlement/Curtailment/Termination loss/(gain)	3.221	76.265	3.221	76.265
Interest cost (income)	17.610	16.342	17.610	16.342
	54.484	**117.806**	**54.484**	**117.806**
Included in OCI				
- financial assumptions	43.107	(25.376)	43.107	(25.376)
- experience adjustment	13.738	19.565	(43.107)	19.565
Total amount included in OCI	**56.845**	**(5.811)**	**0**	**(5.811)**
	111.329	**111.995**	**54.484**	**111.995**
Other				
Contribution due to segregation	0	0	(1.013.398)	0
Benefits paid	(5.369)	(127.108)	(5.369)	(127.108)
	(5.369)	**(127.108)**	**(1.018.767)**	**(127.108)**
Balance at 31 December	**1.112.245**	**1.006.285**	**42.002**	**1.06.285**

B. Actuarial assumptions

The following were the principal actuarial assumptions at 31/12/2019 (expressed as weighted averages):

	31/12/2019	31/12/2018
Discount rate	1,5%	1,8%
Future salary growth	1,0%	1,0%
Rate of compensation increase	1,0%	1,0%

The weighted-average duration of the defined benefit obligation for the fiscal year 2019 was 16,1 years (2018: 16,8 years).

C. Sensitivity analysis

A reasonably possible change of 1% of the discount rate used in the valuation would result the following changes to the defined benefit obligation for the staff leaving indemnity

	31/12/2019		31/12/2018	
Effect in euro	**Increase**	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(160.369)	195.876	(150.762)	185.085
Future salary increase (1% movement)	194.816	(162.543)		

11. Employee expenses

	GROUP		COMPANY	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Wages & Salaries	8.705.255	6.993.027	2.694.612	4.501.038
Social security contributions	1.400.621	1.232.484	602.104	1.135.254
Other expenses for personnel	954.375	727.098	103.175	56.908
Expenses related to defined benefit plans & termination benefits	50.309	117.806	16.827	117.806
Total	**11.110.560**	**9.070.415**	**3.416.717**	**5.811.007**

The number of employees in the Group and the Company at 31/12/2019 amounted to 522 (31/12/2018: 369) and 6 (31/12/2018: 165) respectively. The change in the Group is mainly due to the integration of the staff of the two companies acquired by Romania. Also, after the spin-off process of the production, processing, development and trading sector of printed information systems, the personnel that is presented as Company's is the one that belongs to INFORM P. LYKOS HOLDINGS S.A.

Income Taxes

12. Income Taxes

	GROUP		COMPANY	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Current tax expense				
Current year income tax	(359.152)	(14.769)	(110.357)	0
	(359.152)	**(14.769)**	**(110.357)**	**0**
Deferred tax expense (income)				
Origination and reversal of temporary differences	(468.181)	1.637.123	30.205	1.600.453
Change in Tax Rate	(220.993)	(77.105)	21.648	(109.060)
	(689.174)	**1.560.018**	**51.853**	**1.491.393**
Total	**(1.048.326)**	**1.545.249**	**(58.503)**	**1.491.393**

At 12/12/2019 the Law 4646/2019 was voted, according to which the tax rate for legal entities in Greece is reduced to 24% for revenues of tax year 2019 and years there after.

Therefore, at the reporting date remeasurement of deferred tax assets and liabilities with the aforementioned tax rates was made, resulting in a tax (expense)/income of € (220.993) for the Group and € 21.648 for the Company, as well as amount of € 189.213 concerning deferred tax related to the property revaluation reserve and the reserve of IAS 19, that was recognized in the Company's statement of comprehensive income.

A. Reconciliation of effective tax rate

	GROUP				COMPANY			
	31/12/2019		31/12/2018		31/12/2019		31/12/2018	
Profit/(loss) before tax		**1.123.358**		**(6.852.822)**		**1.375.790**		**(6.037.312)**
Tax using the Company's domestic tax rate	24%	(269.606)	29%	1.753.925	24%	(330.190)	29%	1.750.820
Effect of tax rates in foreign jurisdictions		(121.518)		15.772		0		0
Reduction of Tax Rate		(220.994)		(77.105)		21.648		(109.060)
Tax effect of:								
Non - deductible expenses		(88.717)		(31.464)		(13.962)		(15.799)
Tax - exempt income		371.230		0		264.000		0
Current - year losses for which no deferred tax asset is recognised		0		(115.879)		0		(134.569)
Recognition of the tax effect of previous unrecognized tax losses		(536.737)		0		0		0
Change in recognized deductible temporary differences		(181.984)		0		0		0
		(1.048.326)		**1.545.249**		**(58.503)**		**1.491.393**

B. Movement in deferred tax balances

	GROUP				COMPANY			
	31/12/2019		31/12/2018		31/12/2019		31/12/2018	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Property, plant and equipment	495.733	765.780	379.790	825.747	197.738	0	139.790	0
Intangible assets	0	418.246	0	77.738	0	10.286	0	77.669
Investment property	0	1.801	0	1.845	0	0	0	0
Receivables	200.641	0	278.637	0	0	0	234.843	0
Other assets	52.299	412.552	186.685	0	0	0	181.984	0
Employee benefits	266.939	0	252.886	0	10.080	0	252.886	0
Other liabilities	0	526.410	0	763.934	0	0	0	548.343
Contract assets	0	7.937	0	26.266	0	0	0	21.027
Tax loss carry forwards	237.909	0	716.559	0	0	0	536.737	0
Deferred tax assets / liabilities)	**1.253.521**	**2.132.725**	**1.814.556**	**1.695.530**	**207.818**	**10.286**	**1.346.240**	**647.039**
Set - off tax	(854.179)	(854.179)	(1.076.695)	(1.076.695)	(10.286)	(10.286)	(647.039)	(647.039)
Net deferred tax assets / liabilities	**399.343**	**1.278.546**	**737.861**	**618.835**	**197.532**	**0**	**699.201**	**0**

C. Unrecognised deferred tax assets

No deferred tax assets have been formed against the tax losses of some years presented because it is not certain that the company will provide sufficient future taxable profits against which the Group can utilize the benefits of these tax losses. These defered tax assets for the Group for year 2019 amounted to € 136.809.

D. Current deferred tax assets

Current tax assets of the Group presented in the Finacial Position amounted to € 305.282 (2018: € 239.331) mainly concern withholding taxes or prepaid income taxes, and respectively for the Company € 290.315 (2018: € 215.925).

Assets

13. Property, Plant and Equipment

A. Reconcilliation of carrying amount

	GROUP				
	Land and buildings	Plant and equipment	Fixtures and fittings	Under construction	Total
Cost					
Balace at 1 January 2018	**52.077.545**	**48.612.295**	**6.284.955**	**32.181**	**107.006.977**
Additions	47.946	647.720	138.111	203.728	1.037.505
Disposals	0	(114.254)	(9.800)	(32.400)	(156.454)
Revaluation	0	0	0	0	0
Reclassifications	0	84.844	0	(84.844)	0
Effect of movements in exchange rates	(17.570)	17.117	3.667	(1)	3.213
Balance at 31 December 2018	**52.107.921**	**49.247.721**	**6.416.933**	**118.665**	**107.891.240**
Balance at 1 January 2019	**52.107.921**	**49.247.721**	**6.416.933**	**118.665**	**107.891.240**
Additions	204.120	1.981.515	118.288	469.482	2.773.405
Disposals	0	(88.627)	(1.220)	(96.506)	(186.353)
Revaluation	(554.829)	0	0	0	(554.829)
Reclassifications	978.845	1.281.536	(39.463)	(376.997)	1.843.921
Acquisitions through business combinations*	10.013	520.988	36.001	0	567.002
Effect of movements in exchange rates	(470.762)	(288.199)	(4.900)	(2.109)	(765.970)
Balance at 31 December 2019	**52.275.308**	**52.654.934**	**6.525.639**	**112.535**	**111.568.416**
Accumulated depreciation and impairment losses					
Balance at 1 January 2018	**18.530.444**	**26.930.620**	**5.700.858**	**0**	**51.161.923**
Depreciation	522.066	2.987.747	177.022	0	3.686.835
Disposals	0	(137.221)	(6.276)	0	(143.497)
Impairments	0	6.603.352	0	0	6.603.352
Effect of movements in exchange rates	(1.884)	9.550	2.471	0	10.137
Balance at 31 December 2018	**19.050.626**	**36.394.048**	**5.874.076**	**0**	**61.318.750**
Balance at 1 January 2019	**19.050.626**	**36.394.048**	**5.874.076**	**0**	**61.318.750**
Depreciation	519.109	2.178.238	179.591	0	2.876.938
Acquisitions through business combinations*	6.932	220.038	0	0	226.970
Disposals	0	(56.684)	(1.220)	0	(57.904)
Reclassifications	978.845	904.539	(39.463)	0	1.843.921
Effect of movements in exchange rates	(45.181)	(193.637)	(3.567)	0	(242.385)
Balance at 31 December 2019	**20.510.330**	**39.446.543**	**6.009.416**	**0**	**65.966.290**
Carrying amounts					
Balance at 31 December 2018	**33.057.295**	**12.853.673**	**542.857**	**118.665**	**46.572.490**
Balance at 31 December 2019	**31.764.977**	**13.208.391**	**516.222**	**112.535**	**45.602.126**

* *It concerns assets acquired through business combinations of the fiscal year 2019 (see note 15 (B)).*

	COMPANY				
	Land and buildings	Plant and equipment	Fixtures and fittings	Under construction	Total
Cost					
Balance at 1 January 2018	**32.566.464**	**32.592.261**	**5.314.604**	**31.300**	**70.504.629**
Additions	44.930	307.985	105.353	0	458.268
Disposals	0	(27.943)	(2.682)	0	(30.625)
Balance at 31 December 2018	**32.611.395**	**32.872.303**	**5.417.275**	**31.300**	**70.932.273**
Balance at 1 January 2019	**32.611.395**	**32.872.303**	**5.417.275**	**31.300**	**70.932.273**
Additions	104.082	510.797	98.057	0	712.936
Disposals	0	(32.400)	(1.220)	0	(33.620)
Contributed due to the spin-off process*	(32.914.297)	(34.221.971)	(5.225.034)	(31.300)	(72.392.602)
Revaluation	(554.829)	0	0	0	(554.829)
Reclassifications	978.845	904.539	(39.463)	0	1.843.921
Balance at 31 December 2019	**225.196**	**33.269**	**249.614**	**0**	**508.079**

Accumulated depreciation and impairment losses					
Balance at 1 January 2018	**16.897.234**	**18.493.312**	**4.834.244**	**0**	**40.224.790**
Depreciation	336.577	2.083.539	158.313	0	2.578.428
Disposals	0	(26.276)	(2.682)	0	(28.958)
Impairments	0	5.100.000	0	0	5.100.000
Balance at 31 December 2018	**17.233.811**	**25.650.575**	**4.989.874**	**0**	**47.874.260**
Balance at 1 January 2019	**17.233.811**	**25.650.575**	**4.989.874**	**0**	**47.874.260**
Depreciation	167.927	625.601	86.053	0	879.582
Disposals	0	(457)	(1.220)	0	(1.677)
Contributed due to the spin-off process*	(18.197.105)	(27.170.060)	(4.786.911)	0	(50.154.076)
Reclassifications	978.845	904.538	(39.463)	0	1.843.920
Balance at 31 December 2019	**183.478**	**10.198**	**248.333**	**0**	**442.008**
Carrying amounts					
Balance at 31 December 2018	**15.377.584**	**7.221.728**	**427.401**	**31.300**	**23.058.013**
Balance at 31 December 2019	**41.718**	**23.071**	**1.281**	**0**	**66.071**

* *It concerns contribution of assets due to spin-off of the production, processing, development and trading sector of printed information systems (see note 1).*

B. Measurement of fair value

i. Fair value hierarchy

The fair value of land and buildings is determined by external independent valuers, who have recognized professional qualifications and recent experience in the location and category of property assessed. The independent appraisers provide or estimate the fair value of the Group's property. The frequency of revaluations depends upon the changes in the estimated fair value of properties in relation to the accounting. When the change is material is carried further adjustment.

Based on data taken into account in the valuation technique, the measurement of fair value for these properties is at Level 2 (see note 4(v)).

ii. Valuation technique and significant unobservable inputs

Land and buildings used for production in Greece

The last revaluation was carried out in 2019 following a decision by the Board of Directors on the spin-off of the production, processing, development and trading sector of printed information systems. The study conducted by an independent appraiser based on market indications on similar properties, incorporating adjustments for factors specific to the property for revaluation, such as size of land and buildings, use, location and any encumbrances. The valuation basis for calculation depends on observable transactions for similar properties. The main input factors for the valuation are the fair value of land per square meter which was appraised at € 171 on average and the replacement cost per square meter which was appraised at € 307 on average.

Land and buildings used for production in Romania

For the valuation of the Group's property in Romania the same valuation technique was used, as that was used and described for the properties in Greece. The latest revaluation took place in December 2016. The main input factors for the valuation are the fair value of land per square meter, which was appraised at € 156 on average and the replacement cost per square meter, which was appraised at € 470 on average. The Group considers that the above observable prices have not changed substantially up to the period of publication of the presented financial statements.

C. Leased machinery

The Group leases machinery in Greece and Romania with a value of € 3.827.005 (2018: € 4.069.911). The value of the leased equipment is a guarantee of the relevant leasing liabilities.

D. Assets with rights of use

The Group leases assets with the right of use (mainly means of transport) in Greece and Romania. Their value amounts to € 670.382 at 31/12/2019 and is a guarantee of the relevant leasing liabilities.

E. Security

There are encumbrances on the Group's fixed assets (land and building located in Romania) for an amount of € 12,3 million in order to cover loan liabilities. There are no encumbrances on the parent company's fixed assets.

14. Investment property

A. Reconciliation of carrying amount

	GROUP	
	31/12/2019	**31/12/2018**
Balance at 1 January	232.761	244.839
Disposals	(227.140)	0
Change in fair value	0	(11.858)
Revaluation due to exchange rates	(5.620)	(221)
Balance at 31 December	**(0)**	**232.761**

Investment property of the Group was entirely related to land area and buildings of the subsidiary "Compaper Converting SA" in Romania.

15. Intangible assets and goodwill

A. Reconcialiation of carrying amount

	GROUP				
	Goodwill	**Software, Patents, licenses**	**Development costs**	**Customer Relationship**	**Total**
Cost					
Balance at 1 January 2018	**6.103.881**	**11.681.571**	**2.621.449**	**0**	**20.406.901**
Additions	0	347.790	0	0	**347.790**
Acquisitions - internally developed	0	141.423	205.679	0	**347.102**
Effect of movements in exchange rates	0	(1.367)	0	0	**(1.367)**
Balance at 31 December 2018	**6.103.881**	**12.169.418**	**2.827.128**	**0**	**21.100.427**
Balance at 1 January 2019	**6.103.881**	**12.169.418**	**2.827.128**	**0**	**21.100.427**
Additions	0	690.161	0	0	**690.161**
Acquisitions through business combinations*	1.107.634	81.593	0	5.503.561	**6.692.788**
Acquisitions - internally developed	0	209.090	225.878	0	**434.968**
Reclassifications	0	2.543.904	(1.638.585)	0	**905.319**
Effect of movements in exchange rates	0	(40.382)	(971)	0	**(41.352)**
Balance at 31 December 2019	**7.211.515**	**15.653.784**	**1.413.450**	**5.503.561**	**29.782.310**
Accumulated amortisation and impairment losses					
Balance at 1 January 2018	**4.017.437**	**10.400.893**	**2.075.577**	**0**	**16.493.907**
Depreciation	0	360.318	207.468	0	**567.785**
Effect of movements in exchange rates	0	(1.460)	(4)	0	**(1.464)**
Balance at 31 December 2018	**4.017.437**	**10.759.751**	**2.283.041**	**0**	**17.060.229**
Balance at 1 January 2019	**4.017.437**	**10.759.751**	**2.283.041**	**0**	**17.060.229**
Depreciation	0	478.215	196.107	89.636	**763.958**
Acquisitions through business combinations*	0	73.014	0	0	**73.014**
Reclassifications	0	2.543.904	(1.638.585)	0	**905.319**
Effect of movements in exchange rates	0	(39.195)	(141)	(640)	**(39.975)**
Balance at 31 December 2019	**4.017.437**	**13.815.689**	**840.421**	**88.996**	**18.762.543**
Carrying amounts					
Balance at 31 December 2018	**2.086.444**	**1.409.667**	**544.088**	**0**	**4.040.198**
Balance at 31 December 2019	**3.194.077**	**1.838.095**	**573.029**	**5.414.565**	**11.019.766**

* *It concerns assets acquired through business combinations of the fiscal year 2019 (see note 15 (B)).*

	COMPANY		
	Software, Patents, licenses	Development costs	Total
Cost			
Balance at 1 January 2018	**7.801.141**	**2.621.449**	**10.422.590**
Additions	247.613	0	**247.613**
Acquisitions - internally developed	141.423	165.485	**306.908**
Balance at 31 December 2018	**8.190.177**	**2.786.934**	**10.977.111**
Balance at 1 January 2019	**8.190.177**	**2.786.934**	**10.977.111**
Additions	437.067	0	**437.067**
Acquisitions - internally developed	209.090	82.367	**291.458**
Contributed due to the spin-off process*	(10.088.954)	(1.230.717)	**(11.319.671)**
Reclassifications	2.543.904	(1.638.585)	**905.319**
Balance at 31 December 2019	**1.291.284,28**	**0,00**	**1.291.284**
Accumulated amortisation and impairment losses			
Balance at 1 January 2019	**6.541.424**	**2.075.577**	**8.617.001**
Depreciation	317.716	205.644	**523.360**
Balance at 31 December 2018	**6.859.140**	**2.281.221**	**9.140.361**
Balance at 1 January 2019	**6.859.140**	**2.281.221**	**9.140.361**
Depreciation	197.746	94.670	**292.417**
Contributed due to the spin-off process*	(8.447.844)	(737.306)	**(9.185.150)**
Reclassifications	2.543.904	(1.638.585)	**905.319**
Balance at 31 December 2019	**1.152.945,80**	**0,00**	**1.152.946**
Carrying amounts			
Balance at 31 December 2018	**1.331.037**	**505.714**	**1.836.751**
Balance at 31 December 2019	**138.338**	**0**	**138.338**

* *It concerns contribution of assets due to spin-off of the production, processing, development and trading sector of printed information systems (see note 1).*

B. Acquisitions through business combinations

In the presented fiscal year 2019, the Group made a total of three business compinations, two of which SISTEC NEXT DOCS S.R.L. and SISTEC CONFIDENTIAL S.R.L. were related to business units under common control, acquired as a single transaction. Following the relevant appraisals and allocations of the Purchase Price Allocation, significant intangible assets (mainly customer relationships) emerged.

Acquisition of SISTEC NEXT DOCS S.R.L. and SISTEC CONFIDENTIAL S.R.L.

During the presented fiscal year 2019 and specifically on October 30, 2019, the Group through its subsidiary S.C. INFORM LYKOS S.A. in Romania, acquired and owned two new subsidiaries, SISTEC NEXT DOCS S.R.L. and SISTEC CONFIDENTIAL S.R.L. with a participation rate of 65,07% and 65,45% respectively (see note 27). The acquisition price of 65% of the shares of the above mentioned companies amounted to € 3,5 million. The two companies were under common control and their acquisition involved a single transaction. During the business combination of the two companies, the acquired recognizable assets were measured, as well as the assumed liabilities and a total amount of € 873.457 were recognized as goodwill, which concerns the acquisition cost of the two companies, which exceeded the value of the Group's shareholders' shares, obligations and possible obligations of the acquired companies.

Details of the net assets and liabilities acquired by the Group at 30/10/2019 as well as the amount of goodwill that resulted, are as follows:

	SISTEC NEXT DOCS S.R.L.	SISTEC CONFIDENTIAL S.R.L.	Total
Purchase price			
Acquisition price covered by cash and cash equivalents	2.341.175	1.173.991	3.515.166
Total Purchase Price	**2.341.175**	**1.173.991**	**3.515.166**
Fair value of net assets and liabilities acquired	78.699	28.740	107.439
Excess amount	**2.262.477**	**1.145.251**	**3.407.727**

	65,075% SISTEC NEXT DOCS S.R.L.	65,45% SISTEC CONFIDENTIAL S.R.L.	Accounting value 30/10/2019
Property, plant and equipment	317.680	23.817	341.497
Intangible assets	6.277	2.339	8.616
Deffered tax assets	139	28	166
Inventories	4.484	1.797	6.281
Trade receivables	297.221	86.628	383.849
Other receivables	246.636	103.248	349.883
Cash and cash equivalents	181.052	76.175	257.227
Long term Loans and borrowings	(212.868)	(7.728)	(220.596)
Short term Loans and borrowings	(60.676)	(2.943)	(63.619)
Trade payables	(94.151)	(13.988)	(108.139)
Other payables	(564.858)	(225.460)	(790.318)
Net assets and liabilities	**120.935**	**43.912**	**164.847**
Group's net assets and liabilities	**78.699**	**28.740**	**107.439**

Customer relationships	**1.807.130**	**1.026.547**	**2.833.677**
Minus Deferred tax liability	(289.141)	(10.265)	(299.406)
Total net assets	**1.517.989**	**1.016.281**	**2.534.271**
Purchase Price	2.341.175	1.173.991	3.515.166
Goodwill	**744.487**	**128.969**	**873.457**

Acquisition STAR STORAGE

During the presented fiscal year 2019 and specifically on April 1, the Group through its subsidiary S.C. INFORM LYKOS S.A. in Romania acquired the business activity of the Romanian company STAR STORAGE. The business activity concerns the digital printing and distribution of statements for Banks, Insurance companies, Telecommunication companies, etc and the transfer of customer contracts, knowledge, employees and equipment that serves this activity. The purchase price for the business transfer activity amounted to € 2,5 million

During the above acquisition of the business activity, it was recognized goodwill, which was calculated as follows:

Customer relationships	**2.694.806**
Minus Deferred tax liability	(431.169)
Total net assets	**2.263.637**
Purchase Price	2.500.000
Goodwill	**236.363**

C. Amortisation

Intangible assets of the Group (excluding goodwill) have a limited useful life which is reviewed at least annually. This examination showed no significant change in the expected pattern of future economic benefits embodied in those assets.

Amortisation of software licenses charged to all functions (production, administration, distribution and research and development), while amortisation of capitalized development costs incurred in research and development function.

D. Impairment tests

In 2019, there was no need to test impairment of intangible assets (software licenses, capitalized development costs and customer relationships), whose useful life is determined.

Following the relevant accounting policy, it was performed impairment test in cash-generating units (CGU) that integrate acquisition goodwill and acquired in previous years. This impairment test did not show any need for impairment of these CGUs. Specifically, an impairment test was carried out in the production unit of printed information products in Romania (S.C. Inform Lykos S.A.- Romania) amounted to € 1.997.105 and in Albania (Inform Albania Sh.p.k) amounted to € 89.339, as presented in the below table:

Goodwill allocation	
Production unit of printed information products in Romania (Inform Lykos S.A.- Romania)	1.997.105

Production unit of printed information products in Albania (Inform Albania Sh.p.k)	89.339
Goodwill of acquisitions in previous years	**2.086.444**
Goodwill of acquisitions of Sistec in 2019 (see note 15 (B))	873.457
Goodwill of business transfer of Star Storage in 2019 (see note 15 (B))	236.363
Effect of movements in exchange rates	(2.186)
Total Goodwill	**3.194.077**

Unit printing production in Romania

The recoverable amount of the unit was determined based on value in use calculations of the unit as derived from an estimate of future cash inflows and outflows to be derived from continuing use of CGU and from its ultimate disposal. The calculated value also reflects the time value of money, represented by the current market interest rate (market risk-free) and the cost to deal with uncertainty that is inherent in the CGU.

The key assumptions used for the estimation of the recoverable amount are presented in the table below. The values assigned to the key assumptions represent management assessment of future trends in similar companies and are based on historical data from external and internal sources.

	2019	**2018**
Discount rate	10,6%	10,2%
Growth rate residual value	1,5%	1,5%
Forecast EBITDA growth rate (average 5 years)	2%	6,8%

The discount rate is a tax-exempt estimate and is based on the historical weighted average cost of capital of the industry where the unit belongs.

Forecasts of cash flows contain specific estimates for five years and an estimated growth rate in perpetuity for future years. This growth rate in perpetuity determined based on an assessment by the management for the long-term compound annual growth rate of EBITDA which is reasonable based on market conditions.

The main management assumptions include stable profit margins, based on past experience. The Group's management believes that this is the best available information on market forecasting. The estimated cash flows reflect profit margins based on historical data periods. Prices and wages reflect the available inflation forecasts for the location of the unit.

Sensitivity Analysis	**Change required for carrying amount to equal recoverable amount**	
(in percentage points)	**2019**	**2018**
Discount rate	4	2,2
Forecast EBITDA growth rate	(5,6)	(3,6)

A. Development Costs

Development costs are mainly staff payroll costs employed in software development tools that the Group uses to generate economic benefits, either providing services, or by incorporating the technical skills of software used by the Group to produce goods and services.

16. Inventory

	GROUP		**COMPANY**	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Raw materials and consumables	4.684.889	3.846.667	0	2.096.713
Work in progress	0	8.224	0	0
Finished and semi-finished goods	449.186	273.216	0	58.993
Merchandise	683.795	631.031	0	652.643
Prepayments for inventory purchase	419.978	1.396.715	0	334.874
Total	**6.237.849**	**6.155.854**	**0**	**3.143.223**

In 2019, inventories of the Group of amount € 27.252.171 (2018: € 28.072.777) were recognized as cost during the period and were included in "Cost of Sales" of the Group (see relevant note 7(B)).

During 2019, part of the Group's inventories (relating entirely to the Company) recorded at net realisable value lower of acquisition or production cost, as a consequence to burden the results (Other expenses) of an amount of € 72.295 (2018: € 61.184).

17. Trade and other receivables

	GROUP		COMPANY	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Trade receivables	12.576.015	11.787.671	0	4.227.689
Minus: Allowance for doubtful accounts	(1.121.488)	(1.096.308)	0	(822.597)
Total trade receivables	**11.454.526**	**10.691.363**	**0**	**3.405.092**
Trade receivables due from related parties	302.810	332.303	1.203.512	155.669
Total trade receivables due from related parties	**302.810**	**332.303**	**1.203.512**	**155.669**
Debtors-Prepayments to creditors	92.272	64.223	0	26.341
Personnel prepayments and loans	76.319	57.511	0	57.511
VAT and other Tax related receivables	66.108	51.859	0	0
Deffered expenses	313.428	421.375	0	176.058
Other non-financial receivables and assets	(24.830)	61.053	0	0
Other receivables - non-financial instruments	*523.298*	*656.020*	*0*	*259.910*
Accruals	93.791	51.825	0	51.825
Other financial receivables and assets	393.427	77.048	0	26.863
Other receivables - financial instruments	*487.218*	*128.873*	*0*	*78.688*
Other receivables	**1.010.515**	**784.894**	**0**	**338.598**
Total	**12.767.852**	**11.808.560**	**1.203.512**	**3.899.359**
Non-current	27.521	26.863	0	26.863
Current	12.740.331	11.781.697	1.203.512	3.872.496
	12.767.852	**11.808.560**	**1.203.512**	**3.899.359**

Information in relation to exposure to credit risk is included in note 26.

A. Transfer of trade receivables

During 2019, the Group transferred trade receivables to a financial institution against cash, of which an amount of € 3,8 million is uncollected. The amount financed from the financial institution was derecognized from trade receivables of the Group as the financial institution retains substantially all the risks and rewards associated with the above receivables.

18. Cash and cash equivelants

	GROUP		COMPANY	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Cash at hand	20.093	7.727	0	5.273
Short term bank balances	4.046.765	5.936.857	1.932.751	5.177.734
Total	**4.066.858**	**5.944.584**	**1.932.751**	**5.183.007**

The Group does not hold deposits pledged to secure any obligation.

Equity and liabilities

19. Capital and reserves

A. Share capital and share premium

The Company's share is freely traded on the Athens Stock Exchange and participates in the Industrial Goods & Services / Business Support Services.

The share capital consists exclusively of ordinary shares, fully paid up. In the Company's shares are not included shares with revoke right or preference shares. Moreover, the Company has not issued any bonds or other securities convertible into shares.

The share premium of the Group and the Company comes from previous issuing of shares for cash at a value higher than their nominal value.

The Extraordinary General Meeting of the company's shareholders held on November 18, 2019 unanimously approved the increase of its share capital by capitalization of part of the reserve "difference from issuance of shares in favor of share premium" amount of € 4.321.458,54 with an increase in its nominal value share by € 0,21 and at the same time equal reduction of the share capital by offsetting accumulated losses.

The share capital and share premium of the Group and the Company as at December 31, 2019 were as follows:

	Value in Euro			
Number of shares	**Price/ share**	**Share capital**	**Share premium**	**Total**
20.578.374	**0,62**	**12.758.592**	**9.436.797**	**22.195.388**

B. Nature and purpose of reserves

The reserves of the Group and the Company are analyzed as follows:

	GROUP	
Reserves	**31/12/2019**	**31/12/2018**
Translation reserve	(2.436.962)	(1.883.468)
Revaluation reserve	16.001.048	16.224.969
IAS 19 reserve	(205.390)	(153.652)
Total	**13.358.697**	**14.187.849**

	COMPANY	
Reserves	**31/12/2019**	**31/12/2018**
Revaluation reserve	0	5.813.820
IAS 19 reserve	0	(153.652)
Other reserve	13.074.144	7.707.254
Total	**13.074.144**	**13.367.422**

Other reserves of the Company constitute reserves which formed from its realized profits according to the regulations of trade and tax legislation and analyzed as following

i. Statutory reserve amount € 4.261.895

The statutory reserve is formed under the provisions of Greek Law (4548/2018) in which an amount at least equal to 5% of the profit (after tax) must be transferred to the reserve until it reaches one third of the paid share capital. The statutory reserve is used exclusively to cover losses before each dividend distribution.

ii. Spin-off reserve € 8.803.845

The above reserve was formed due to the spin-off of company’s sector and can be used exclusively in accordance with the tax provisions of the Law 4172/2013 and the provisions of commercial Law 4548/2018.

C. Dividends

According to the relevant proposal of the Board of Directors of the Company, the Ordinary General Meeting of the fiscal year 2018 that took place on 21/06/2019 decided not to distribute dividends. The Board of Directors of the Company intends to propose to the 38th Ordinary General Meeting of Shareholders, the distribution of dividend.

20. Capital management

The Group's policy is to maintain a strong capital base so as to maintain a high level of confidence of shareholders, creditors and the market, as well as to sustain future development of the business. Management monitors the return on capital and aims at a medium-term performance of dividends to shareholders.

The Board of Directors tries to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital base.

Consistent with others practices in the industry, the Group monitors capital using a leverage ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as "Total debt" (including "current and non-current borrowings" as shown in the Statement of Financial Position) minus" Cash and cash equivalents". Total capital employed is calculated as 'equity' as shown in the statement of financial position plus net debt.

The leverage ratios of 31/12/19 and 31/12/18 were as follows:

	GROUP	
	31/12/2019	**31/12/2018**
Total loan liabilities	24.074.099	20.908.128
Minus: Cash and cash equivalents	(4.066.858)	(5.944.584)
Adjusted net debt	**20.007.241**	**14.963.545**
Total equity	**39.410.502**	**40.175.407**
Adjusted net debt to adjusted equity ratio	**0,34**	**0,27**

21. Loans and borrowings

	GROUP		COMPANY	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Non-current liabilities				
Secured bank loans	5.091.269	0	0	0
Unsecured bank loans	5.900.000	9.000.000	0	9.000.000
Bonds	6.000.000	6.000.000	0	6.000.000
Finance lease liabilities	3.261.259	3.119.192	18.481	2.310.308
	20.252.529	**18.119.192**	**18.481**	**17.310.308**
Current liabilities				
Secured bank loans	2.257.601	1.838.217	0	0
Unsecured bank loans	327.841	0	0	0
Finance lease liabilities	1.236.128	950.719	9.951	760.214
	3.821.570	**2.788.936**	**9.951**	**760.214**

The Annual General Meeting of Shareholders of the Company on 11/05/2018 approved to issue a common bond loan according to the provisions of Law 3156/2003, for the amount up to € 8.000.000 for refunding of existing bank borrowing and provided to Board of Directors with the required authorizations for the implementation of the above decision. In execution of the aforementioned decision, the Board of Directors of 19/12/2018 decided the issuance of common bond loan (not convertible) amounted to € 6.000.000 by the issuance of 6.000.000 bonds with nominal value € 1,00 each one. The bond loan was fully covered by EUROBANK ERGASIAS S.A.. Repayment of the capital will take place lump sum on 31/07/2021 and the lending rate was set at 3,80% plus EURIBOR three months.

The contract for the bond loan means the fulfilment of the obligations and limitations on behalf of the company throughout the duration of the loan, including among others and the compliance with the financial ratio "Total Net Borrowing/EBITDA" calculated on the annual and half-yearly audited consolidated financial statements.

A. Terms and maturity

The terms and conditions of Group's loans at 31/12/2019 are as follows:

Lender/Bank	Currency	Nominal interest rate	Year of maturity	Pledge type	Carrying amount
Secured bank loans					**7.348.870**
	RON	Robor 3m + 2,55%	2020	Mortgage on Land and Building	1.487.759
	EUR	Robor 3m + 2,9%	2024	Mortgage on Land and Building	2.361.111

	EUR	Robor 3m + 2,9%	2024	Pledge on receivables	3.500.000
Unsecured bank loans					**6.227.841**
	EUR	Euribor 1m+3,8%	2021	-	4.200.000
	EUR	1y Euribor+ 3,5%	2020	-	27.841
	EUR	Euribor 6m+3,85%	2021	-	2.000.000
Bonds					**6.000.000**
	EUR	Euribor 3m+3,8%	2021		6.000.000
Finance lease liabilities					**4.497.387**
	EUR	6,0%	2021	Pledge on leased	435.800
	EUR	0%	2022	Pledge on leased	1.363
	EUR	5,0%	2023	Pledge on leased	294.361
	EUR	4,0%	2023	Pledge on leased	1.221.029
	EUR	2%	2024	Pledge on leased	808.598
	EUR	1y Euribor+3,5% > 3,99%	2024	Pledge on leased	21.440
	EUR	5%	2025	Pledge on leased	353.588
	EUR	2%	2026	Pledge on leased	690.826
IFRS 16			Less than 1 year		208.098
			More than 1 year		462.284
					24.074.099

For the coverage of secured loans, there are encurmbances of an amount € 12,3 million.

B. Finance lease liabilities

Finance lease liabilities are payable as follows:

	GROUP					
	Future minimum lease payments 2019	**Interest 2019**	**Present value of minimum lease payments 2019**	**Future minimum lease payments 2018**	**Interest 2018**	**Present value of minimum lease payments 2018**
Less than one year	1.229.133	120.609	1.108.524	1.056.974	106.255	950.720
Between one and five years	3.194.831	233.203	2.961.628	3.343.689	243.903	3.099.786
More than five years	15.968	3	15.965	19.661	255	19.406
	4.439.932	**353.815**	**4.086.117**	**4.420.324**	**350.413**	**4.069.911**

	COMPANY					
	Future minimum lease payments 2019	**Interest 2019**	**Present value of minimum lease payments 2019**	**Future minimum lease payments 2018**	**Interest 2018**	**Present value of minimum lease payments 2018**
Less than one year	15.788	718	15.070	848.398	88.184	760.214
Between one and five years	13.809	447	13.362	2.452.271	161.370	2.290.902
More than five years	0	0	0	19.661	255	19.406
	29.597	**1.165**	**28.432**	**3.320.331**	**249.809**	**3.070.522**

22. Trade and other payables

	GROUP		COMPANY	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Trade payables	11.087.758	11.813.198	0	3.755.518
Accrued expenses	303.018	50.806	0	0
Trade payables	**11.390.777**	**11.864.004**	**0**	**3.755.518**
Other trade payables due to related parties	1.517.414	357.201	1.265.986	787.237
Trade payables due to related parties	**1.517.414**	**357.201**	**1.265.986**	**787.237**
Social security	421.228	341.572	291.589	253.376
Wages and salaries payable	154.046	78.956	0	(176)
Accruals - personnel related	48.436	0	0	0
VAT payable and other taxes	552.483	480.501	578.089	562.308
Other non-financial payables	45.448	31.109	22.183	31.109
Other payables - non-finanacial instruments	***1.221.641***	***932.138***	***891.861***	***846.617***
Dividends payable	695.722	24.718	20.417	20.625
Accruals	251.910	80.532	16.410	80.532
Other financial payables	53.426	19.817	0	0
Other payables - financial instruments	***1.001.059***	***125.067***	***36.828***	***101.156***
Other payables	**2.222.700**	**1.057.205**	**928.688**	**947.774**
Total	**15.130.890**	**13.278.409**	**2.194.674**	**5.490.528**
Non current	23.265	9.017	0	9.017
Current	15.107.625	13.269.392	2.194.674	5.481.511
	15.130.890	**13.278.409**	**2.194.674**	**5.490.528**

Information about the Group's exposure to currency and liquidity risk is included in note 26.

23. Contract assets

	GROUP		COMPANY	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Contract assets	1.337.474	1.177.574	0	682.156
Total	**1.337.474**	**1.177.574**	**0**	**682.156**

24. Contract liabilities

	GROUP		COMPANY	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Contract liabilities	205.135	629.126	0	569.362
Total	**205.135**	**629.126**	**0**	**569.362**

25. Provisions

	GROUP	
	Litigations costs *	Total
Balance at 1 January 2019	**293.023**	**293.023**
Exchange rate differences	(7.075)	**(7.075)**
Balance at 31 December 2019	**285.948**	**285.948**
Non current	0	0
Current	285.948	285.948
	285.948	**285.948**

*See note 4vi.

Financial instruments

26. Financial instruments – Fair values and risk management

A. Accounting classification and fair value

The following table shows the carrying amounts of the financial instruments of the Group. The specific financial assets and liabilities are not measured at fair value:

31/12/2019	**GROUP Carrying amount**		
	Financial assets measured at amortised cost	**Other financial liabilities**	**Total**
Financial assets not measured at fair values			
Trade and other receivables	12.244.554	0	**12.244.554**
Cash and cash equivalents	4.066.858	0	**4.066.858**
	16.311.412	**0**	**16.311.412**
Financial liabilities not measured at fair values			
Bank loans	0	19.576.711	**19.576.711**
Finance lease liabilities	0	4.497.387	**4.497.387**
Trade payables	0	13.909.249	**13.909.249**
	0	**37.983.348**	**37.983.348**

31/12/2018	**Carrying amount**		
	Financial assets measured at amortised cost	**Other financial liabilities**	**Total**
Financial assets not measured at fair values			
Trade and other receivables	11.152.540	0	**11.152.540**
Cash and cash equivalents	5.944.584	0	**5.944.584**
	17.097.124	**0**	**17.097.124**
Financial liabilities not measured at fair values			
Bank loans	0	16.838.217	**16.838.217**
Finance lease liabilities	0	4.069.911	**4.069.911**
Trade payables	0	12.346.271	**12.346.271**
	0	**33.254.399**	**33.254.399**

B. Risk management

The Group has exposure to various risks arising from financial instruments. Financial assets and financial liabilities of the Group by category are summarized in note 26 (A). The main types of these risks are the following:

- Credit Risk
- Liquidity Risk
- Market Risk

i. Risk management framework

Risk management is coordinated at group level, in close cooperation with the Board of Directors and is focused primarily on actively ensuring short and medium-term cash inflows by minimizing exposure to volatile financial markets.

The Group does not actively participate in the purchase or sale of financial instruments for profit. The major risks to which the Group is exposed are described below.

ii. Credit risk

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. Further details of revenue collection are included in note 7.

Trade receivables

In managing credit risk, the Board of Directors formulates the procedures and policies necessary for the effective prevention and management of credit risk.

The Board of Directors, in collaboration mainly with General, Finance and Commercial Division:

- Establish and apply credit control procedures in order to minimize credit risk and immediately covering claims with promissory notes.
- Assess the needs of the Group's equity for credit risk.
- Carry out the separation of assets and other exposure requirements overdue and doubtful debts (impaired).
- Check the requirements, either individually or by group, and incorporates this information to the controls of credit control.
- Determine the amounts of required impairments for doubtful debts.
- Identify policies and valuation procedures and management processes of any collaterals.
- Analyze the various categories of exposures based on their residual maturity.
- Evaluate the collateral provided for the Group.
- Check the integrity, reliability and accuracy of the data sources used and the procedure of such date version.
- Evaluate in cooperation with the Commercial Division, the creditworthiness of the counterparties clients.

To reduce credit risk, are taken into account the creditworthiness of the counterparty, the risk of the country and the economy of the area in which it operates, as well as qualitative and quantitative characteristics.

It is noted, that sales related to the vast majority and wholesale sales to customers with credit history and with great dispersion in their balances. The Group's policy is to work only with reputable clients.

Finally, the Group applies the simplified approach for customer receivables and contract assets for the calculation of expected credit losses. Therefore, in every reference date, the Group measures the provision for a financial instrument for an amount equal to the expected credit losses over the lifetime. For determining the expected credit losses, a chronological analysis and percentages table is applied using historical data and reasonable assumptions

At 31 December 2019, the maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

Trade receivables per country	**Gross amount 2019**	**Expected credit loss allowance (ECL)**	**Credit impaired**	**Total allowance**	**Net amount 2019**
Romania	8.343.197	(9.945)	(241.447)	(251.392)	8.091.805
Greece	3.493.941	(334.584)	(529.783)	(864.367)	2.629.575
Morocco	163.737	0	0	0	163.737
Austria	133.352	0	0	0	133.352
France	138.290	0	(5.629)	(5.629)	132.661
Albania	128.444	0	0	0	128.444
Spain	83.997	0	0	0	83.997
Bulgaria	35.040	0	0	0	35.040
Cyprus	28.085	0	0	0	28.085
Germany	20.793	0	0	0	20.793
Hungary	2.967	0	0	0	2.967
Other Countries	4.170	(100)	0	(100)	4.070
Total	**12.576.015**	**(344.629)**	**(776.859)**	**(1.121.488)**	**11.454.526**

At 31 December 2019, the ageing of trade and other receivables that were not impaired was as follows:

	31/12/2019
Current - not past due	7.960.815
Past due 1 - 30 days	1.696.348
Past due 31-90 days	827.310
Past due 91-120 days	89.333
Past due more than 121 days	880.721
	11.454.526

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term, easy liquidated investments that are convertible into cash and are so near maturity, that present insignificant risk of changes to the valuation at the time of liquidation.

iii. Liquidity risk

Liquidity risk is the risk that the Group faces difficulty in paying its liabilities. The Group manages its liquidity needs by monitoring the contractual payments on the debt for the long-term financial liabilities, and the cash flow forecasts and outputs needed for daily operations. Liquidity needs are monitored in various time bands, on a daily and weekly basis and on the basis of a rolling projection of 30 days. Long-term liquidity needs are determined monthly for a period of 180 and 360 days. Net cash requirements are compared to available borrowing limits, to determine the maximum amount or any deficiencies. This analysis shows that available borrowing limits are expected to be adequate.

The Group aims to maintain cash and deposits to meet its liquidity needs for periods of 30 days at least. The objective is met for the reporting periods. Funding for long-term liquidity needs is ensured in addition by an adequate amount of committed credit facilities. Emphasis is given on proper management of inventories, receivables and liabilities in order to provide the maximum of liquidity to the Group.

Exposure to liquidity risk

At 31 December 2019, the Group's financial liabilities (not derivatives) have contractual maturities (including interest payments where applicable) as summarized below:

31 December 2019	Carrying amount	Total	2020	2021	2022	2023	2024	2025	2026 and later
Financial liabilities									
Secured bank loans	7.348.870	**7.462.884**	2.311.404	1.441.016	1.431.984	1.423.030	855.451	0	0
Unsecured bank loans	6.227.841	**6.496.175**	950.545	5.545.630	0	0	0	0	0
Bonds	6.000.000	**6.462.000**	231.000	6.231.000	0	0	0	0	0
Finance lease liabilities	4.497.387	**4.889.482**	1.369.641	1.311.482	1.032.674	639.489	362.632	157.596	15.968
Trade payables	11.390.777	**11.390.777**	11.390.777	0	0	0	0	0	0
Other payables - financial instruments	1.001.059	**1.001.059**	1.001.059	0	0	0	0	0	0
	36.465.934	**37.702.377**	**14.943.022**	**13.088.112**	**1.032.674**	**639.489**	**362.632**	**157.596**	**15.968**

iv. Market risk

In relation to the market risk arising from the general market conditions, the Group has reduced exposure to this risk due to the geographical dispersion of an equal allocation of sales between Greece, Romania and Other Countries with major exposure in Central and Eastern Europe. An important part of these sales is addressed to the financial sector, especially in Banks. The ongoing economic downturn makes the markets in which the Group operates more vulnerable. However, the products produced for the private and government organizations are essential both for their daily operations and for their development. In addition the Group achieved significant reductions in operating costs. As a result Group is highly competitive and can provide the high level of products and services in competitive prices.

The Group is not using derivatives to manage market risks.

In relation to the risks arising from volatility in interest and exchange rates:

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group companies. The functional currency of Group companies is primarily the Euro (EUR). The currencies in which these transactions are primarily denominated as shown in the following table are mainly RON.

Exposure to currency risk

The summary quantitative data about the Group’s exposure to currency risk as reported to the management of the Group is as follows:

31 December 2019	EUR	RON	ALL	USD	GBP	Total
Trade receivables	3.419.135	8.280.155	58.046	0	0	11.757.337
Other receivables	370.401	613.045	27.069	0	0	1.010.515
Cash and cash equivalents	3.305.741	717.110	43.855	151	0	4.066.858
Bank loans	(22.173.448)	(1.900.651)	0	0	0	(24.074.099)
Trade payables	(6.533.115)	(6.298.289)	(75.709)	(1.010)	(69)	(12.908.191)
Other payables	(1.157.067)	(1.038.336)	(27.296)	0	0	(2.222.700)
Net statement of financial position exposure	**(22.768.352)**	**373.035**	**25.966**	**(859)**	**(69)**	**(22.370.279)**

Exposure to currency fluctuations is mainly in the exchange differences arising on the incorporation in the consolidated financial statements of the financial statements of the Group's subsidiaries in Romania and their conversion from functional currency RON to presentation currency EUR.

Sensitivity analysis

A reasonable change of the Romanian RON against the Euro would result about the following changes

RON (10% increase)	**2019**
Earnings before taxes	(177.639)
Equity	(2.117.251)

RON (10% decrease)	**2019**
Earnings before taxes	217.115
Equity	2.587.751

Interest rate risk

Interest rate risk is the risk of the results from the fluctuation of interest rates.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

	2019
Variable - rate instruments	
Cash and cash equivalent	4.066.858
Loans	24.074.099
	28.140.956

Sensitivity analysis

A reasonable change in interest rates in the range of +/- 100bp would result the following changes in the income before taxes and equity of the Group:

	2019
Profit or loss	
100bp increase	240.741
100bp decrease	(240.741)
Equity, net of tax	
100bp increase	182.963
100bp decrease	(182.963)

Group composition

27. List of subsidiaries

Set out below is a list of all subsidiaries of the Group as at 31/12/2019:

Company	Country	Participation percentage	Consolidation method	Participation relationship
INFORM P. LYKOS HOLDINGS S.A.	Greece	Parent	-	Parent
LYKOS PAPERLESS SOLUTIONS S.A.	Greece	99,91%	Full	Direct
INFORM LYKOS (HELLAS) SINGLE MEMBER S.A.	Greece	100,00%	Full	Direct
INFORM ALBANIA Sh.p.k	Albania	75,50%	Full	Direct
TERRANE LTD	Cypus	100,00%	Full	Direct
S.C. INFORM LYKOS S.A.	Romania	99,99%	Full	Indirect
COMPAPER CONVERTING S.A.	Romania	97,44%	Full	Indirect
SISTEC NEXT DOCS S.R.L.	Romania	65,07%	Full	Indirect
SISTEC CONFIDENTIAL S.R.L.	Romania	65,44%	Full	Indirect

The investments in subsidiaries are analyzed as follows:

Investments in subsidiaries	31/12/2019	31/12/2018
TERRANE LTD	20.402.500	20.402.500
INFORM LYKOS (HELLAS) SINGLE MEMBER S.A.	12.994.001	0
LYKOS PAPERLESS SOLUTIONS S.A.	1.301.631	1.301.631
INFORM ALBANIA Sh.p.k	317.000	317.000
	35.015.132	**22.021.131**

During the year 2019:

a) On December 27, the spin-off process of the production, processing, development and trading sector of printed information systems of "INFORM P. LYKOS S.A. PROCESSING & DEVELOPMENT OF PRINTED INFORMATION SYSTEMS" was completed, with its contribution to a new 100% subsidiary under the corporate name "INFORM LYKOS (HELLAS) SINGLE MEMBER S.A." in accordance with the provisions of Law 4601/2019, Law 4548/2018 and the article 54 of Law 4172/2013. After the completion of the above spin-off and the consequent modification of its name and purpose, the name of the parent company of the Group is hereinafter "INFORM P. LYKOS HOLDINGS S.A.". The value of the contribution, which is also the value of parent's participation in the new company, according to a relevant assessment by an independent auditing firm, amounted to € 12.994.001.

It is noted that this spin-off at a consolidated level did not have any substantial impact on the consolidated financial data of the Group as the new company INFORM LYKOS (HELLAS) SINGLE MEMBER S.A. is fully consolidated since INFORM P. LYKOS HOLDINGS S.A. owns its 100%. An extensive relevant report and the relevant financial figures of the sector and the operational implications is presented in the Information Memorandum of the Group published at 12/11/2019 as well as in paragraph 3.2. of the annual report of the Board of Directors that accompanies the attached financial statements.

(b) On October 30, 2019, the acquisition of the majority stake in SISTEC NEXT DOCS S.R.L. and SISTEC CONFIDENTIAL S.R.L., was completed, after the successful fulfillment of the requirements set forth in the Share Purchase Agreement (SPA). More specifically INFORM LYKOS S.A. acquired 65,07% of SISTEC NEXT DOCS S.R.L. and 65,45% of SISTEC CONFIDENTIAL S.R.L. The companies are active in the sector of providing document management services (including electronic archiving, workflow and business process development, scanning, internal form creation, indexing, process control and access), as well as physical archiving and certified secure document shredding. By this investment, INFORM extends the services range in its portfolio, currently being offered to existing customers, as well as the ability to enhance new customers by providing document management services, as the above mentioned, that are fully connected and complementary to existing INFORM activities related to data management reproduction in either hard copy or digital form.

Given that the above acquisitions took place on 30/10/2019, the following figures were integrated in the consolidated results of the current fiscal year:

	SISTEC NEXT DOCS S.R.L.	SISTEC CONFIDENTIAL S.R.L.	Total
Revenues	539.133	169.923	**709.056**
Operating expenses excluding depreciation & amortization	(440.315)	(113.252)	**(553.567)**
EBITDA	101.260	60.097	**161.356**
Depreciation & amortization	(15.034)	(7.327)	**(22.361)**
EBT	84.022	52.397	**136.419**

The value of the two companies as well as the assets and liabilities acquired during the acquisition are analyzed in the note 15 (B).

Finally, the 100% subsidiary Terrane Ltd, based in Cyprus, absorbed the Cypriot subsidiary of INFORM LYKOS (ROMANIA) Ltd. That event had no effect on consolidated financial statements.

28. Non - controlling interests (NCI)

The Group does not include subsidiary with material non-controlling interests.

Other disclosures

29. Operating leases

Leases are classified as finance lease, when the terms of the relevant contracts transfer substantially all the risks and benefits of the object which is rented to the lessee. Leases where substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases (net of any incentives received from the lessor) and are charged to the income statement on a straight line basis over the term of the lease.

Group does not lease important contracts in terms of duration or value except those relating to property leases with related companies.

At December 31st, the future minimum finance lease payments are set out in note 21 (B).

30. Commitments

The Group has not entered into important commitments apart from those mentioned in subsections (loans, finance lease contracts etc.).

31. Contingencies

In 2016, the Competition Council of Romania imposed a fine of approximately € 800 thousand on the subsidiary of the Group, Inform Lykos, S.A., (ILR), in Romania. As the management is convinced that the Group has complied with the competition law and that the verdict is unjustified and disproportional, it has appealed against this verdict. In 2017, the Court of Appeals rejected the demands made by the company. In response to this verdict, the company appealed to the Romanian Supreme Court. The first hearing is scheduled for 5 November 2020. Consequently, at the date of this report, the lawsuit is still ongoing. Taking into account similar cases of other companies, the Group's Management estimates that ILR will pay a fine that will be significantly lower than the original verdict. Within the framework of conservatism principle, the Management formed in 2016 a relevant provision of € 300 thousand for this claim, which is included in the consolidated financial statements.

Besides the aforementioned case, there are no other judicial or legal claims that are expected to affect significantly the financial position of the company as at 31/12/2019.

For the Greek companies of the Group, for the years 2011-2018, an unqualified conclusion tax compliance certificate has been issued in accordance with the provisions of Article 82, par. 5, of Law 2238/1994. The tax audit for the year 2019 is in progress and is expected to be completed without substantial tax burdening.

Regarding subsidiaries and related companies, they have not been tax inspected by tax authorities for the years, presented below, and therefore, their tax liabilities in respect of these years have not been finalized:

Company	Domicile	Tax unaudited years
INFORM P. LYKOS HOLDINGS S.A.	Greece	2019
LYKOS PAPERLESS SOLUTIONS S.A	Greece	2019
INFORM LYKOS (HELLAS) SINGLE MEMBER S.A.	Greece	2019
INFORM ALBANIA Sh.p.k	Albania	2011-2019
TERRANE LTD	Cyprus	2014-2019
S.C. INFORM LYKOS S.A	Romania	2005-2019
COMPAPER CONVERTING S.A	Romania	2005-2019
SISTEC NEXT DOCS S.R.L.	Romania	2008-2019
SISTEC CONFIDENTIAL S.R.L.	Romania	2010-2019

Apart from the aforementioned, there are no other cases of contingent liabilities or contingent receivables which could significantly affect the Group or the Company's financial position or operation.

Encumbrances

There are encumbrances on the Group's fixed assets with value of € 12,3 million in order to cover loan obligations. There are no encumbrances on the parent company's fixed assets.

32. Audit fees

Auditors' fees for the independent external audit of the Group's financial statements for the year 2019 amounted to € 101 thousand. Also, fees amounted to € 32 thousand relate to non-audit services.

33. Related parties

Within the framework of the operational and investment activity of the Group, certain earnings, assets or liabilities concern other than others, related companies or individuals persons. These transactions are realised in commercial base and according to the laws of market. The Group did not participate in any transaction of uncommon nature or content that is material to the Group, or the companies and the individuals closely connected with it, and does not aim to participate in such kind of transactions in the future.

The table below presents analytically all the transactions between the Company and the related parties during the fiscal years 2019 and 2018 as well as the balances arising from these transactions as at 31/12/19 and 31/12/18 respectively:

Sales of goods or services

	GROUP		COMPANY	
	2019	**2018**	**2019**	**2018**
Subsidiaries	0	0	774.006	356.856
Other related parties	471.968	370.533	146.716	208.070
Total	**471.968**	**370.533**	**920.722**	**564.926**

Purchases of goods or services

	GROUP		COMPANY	
	2019	**2018**	**2019**	**2018**
Subsidiaries	0	0	1.602.690	2.228.312
Other related parties	2.275.350	5.196.451	2.239.867	5.153.024
Total	**2.275.350**	**5.196.451**	**3.842.557**	**7.381.335**

Granted loans

	GROUP		COMPANY	
	2019	**2018**	**2019**	**2018**
Subsidiaries	0	0	0	3.540
Total	**0**	**0**	**0**	**3.540**

Balances of receivables from sales of goods or services

	GROUP		COMPANY	
	2019	**2018**	**2019**	**2018**
Subsidiaries	0	0	41.510	124.318
Other related parties	216.396	332.303	0	31.351
Total	**216.396**	**332.303**	**41.510**	**155.669**

Balances of liabilities from purchases of goods or services

	GROUP		COMPANY	
	2019	**2018**	**2019**	**2018**
Subsidiaries	0	0	1.265.986	433.291
Other related parties	287.466	357.201	0	353.946
Total	**287.466**	**357.201**	**1.265.986**	**787.237**

Income from dividends

	GROUP		COMPANY	
	2019	**2018**	**2019**	**2018**
Subsidiaries	0	0	1.162.002	711.205
Other related parties	18	33	18	33
Total	**18**	**33**	**1.162.020**	**711.238**

Balances of receivables from key executives

	GROUP		COMPANY	
	2019	**2018**	**2019**	**2018**
Key executives	0	0	0	0
Total	**0**	**0**	**0**	**0**

Balances of liabilities to key executives

	GROUP		COMPANY	
	2019	2018	2019	2018
Key executives	0	0	0	0
Total	**0**	**0**	**0**	**0**

Remuneration of key executives

	GROUP		COMPANY	
	2019	2018	2019	2018
Key executives	490.129	622.594	490.129	622.594
Total	**490.129**	**622.594**	**490.129**	**622.594**

Remuneration of non-executive members of the Board of Directors

	GROUP		COMPANY	
	2019	2018	2019	2018
Non-executive members of the Board of Directors	42.674	28.640	42.674	28.640
Total	**42.674**	**28.640**	**42.674**	**28.640**

34. Subsequent events

On March 11, 2020, the World Health Organization (WHO) officially declared COVID-19, a disease caused by a coronavirus strain, as a pandemic. The threat to public health has led to increased government restrictions and regulations, including staff quarantine or inability to access business facilities, which could adversely affect our operations. Management is closely monitoring the progress of this pandemic, including how it can affect the Group, and has immediatelly taken steps to protect the company and its people from this crisis. Ensuring the health of staff, identifying alternative ways of communicating and directing information systems to protect uninterrupted remote work against cyber threats were the first steps in ensuring the operation of the business. The Management is not aware of any COVID-19 infection among its people and the epidemic has not had a significant impact on the Group's activities to date. The Management has the appropriate planning to deal with this situation and will continue to monitor and evaluate the current development and respond accordingly.

According to the estimates of SEV and without taking into account a possible new cycle of pandemic within 2020, the recession in economic activity in Greece for the current year will range between -4% and -7%, while with the same cases for 2021 growth rate is projected at + 6% to + 9%. Thus, in the two years 2020-2021, the average growth rate is expected to reach an average of about + 2% per year (provided that the COVID-19 pandemic will be controlled by the beginning of 2021).

The impact of the pandemic on sales and the operation of the Group in general is manageable to the extent that it does not raise doubts about its ability to continue its activities smoothly.

Due to the current variability of data and forecasts regarding the results and the development of the effects of the pandemic, the Group Management recommended a special working team and conducts relevant evaluations and action plans on a regular basis.
The impact of the crisis will depend on:

- Duration and extent of the crisis and the restrictions on movement and market operation
- Measures to strengthen market liquidity as well as business affected by the pandemic

Depending on the development of the aforementioned parameters, the Management has developed different scenarios for the fluctuation of cash flows and similar relevant operational and financial action (case scenarios).

In conclusion, in any possible development of the effects of the pandemic, in a reasonable range based on current data, the Group's Management estimates that:

- No significant additional funds or additional credit lines will be required in relation to existing ones in order to meet its financial needs
- The Group will continue to operate smoothly at all levels
- It is appropriate to apply the principle of going concern to compile the presented financial statements.

Apart from the aforementioned events, there are no other events subsequent to 31/12/2019 that could have a significant impact on the financial statements of the Group.

Accounting Policies

35. Basis of measurement

The attached separate and consolidated financial statements have been prepared on the historical cost basis except for the assets, which are measured on fair values and are described in the relevant note 4(v).

36. Changes in accounting policies

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 01/01/2019.

(a) New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

- IFRS 16 "Leases" (effective for annual periods starting on or after 01/01/2019)

In January 2016, the IASB issued a new Standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties apply to a contract, i.e. the customer ('lessee') and the supplier ('lessor'), for providing relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognise assets and liabilities arising from a lease. The effect of the impact of the implementation of IFRS16 to the Group is presented in note 36 (b).

- IFRIC 23 "Uncertainty over Income Tax Treatments" (effective for annual periods starting on or after 01/01/2019)

In June 2017, the IASB issued a new Interpretation, IFRIC 23. IAS 12 "Income Taxes" specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty. IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting treatment of income taxes. The new Interpretation does not affect the consolidated Financial Statements.

- Amendments to IFRS 9: "Prepayment Features with Negative Compensation" (effective for annual periods starting on or after 01/01/2019)

In October 2017, the IASB published narrow-scope amendments to IFRS 9. Under the existing requirements of IFRS 9, an entity would have measured a financial asset with negative compensation at fair value through profit or loss as the "negative compensation" feature would have been viewed as introducing potential cash flows that were not solely payments of principal and interest. Under the amendments, companies are allowed to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income, if a specified condition is met. The amendments do not affect the consolidated Financial Statements

- Amendments to IAS 28: "Long-term Participations in Associates and Joint Ventures" (effective for annual periods starting on or after 01/01/2019)

In October 2017, the IASB published narrow-scope amendments to IAS 28. The objective of the amendments is to clarify the way that companies follow the accounting treatment for long-term participations in an associate or joint venture – to which the net equity method is not applied – according IFRS 9. The amendments do not affect the consolidated Financial Statements

- Annual Improvements to IFRSs – 2015-2017 Cycle (effective for annual periods starting on or after 01/01/2019)

In December 2017, the IASB issued Annual Improvements to IFRSs – 2015-2017 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2015-2017 cycle. The issues included in this cycle are the following: **IFRS 3 - IFRS 11:** Previously held interest in a joint operation, **IAS 12:** Income tax consequences of payments on financial instruments classified as equity, **IAS 23:** Borrowing costs eligible for capitalization. The amendments are effective for annual periods beginning on or after 1 January 2019. The amendments do not affect the consolidated Financial Statements

- Amendments to IAS 19: "Plan Amendment, Curtailment or Settlement" (effective for annual periods starting on or after 01/01/2019)

In February 2018, the IASB published narrow-scope amendments to IAS 19, under which an entity is required to use updated actuarial assumptions to determine current service cost and net interest for the remainder of the reporting period after an amendment, curtailment or settlement to a plan. The objective of the amendments is to enhance the understanding of the financial statements and provide useful information to the users. The amendments do not affect the consolidated Financial Statements.

(b) Impact of IFRS 16

- **IFRS 16 "Leases"**

The new standard, which is mandatory for reporting periods beginning on or after 1st January 2019, sets out the principles for the recognition, measurement, presentation and disclosures about leases.

The Group adopted the new standard on January 1, 2019 using the simplified approach and consequently did not adjust the 2018 comparative figures included in the first half of 2019. In the transition to the new Standard, the Group recognized the right-of-use assets and the respective lease liabilities for all leases previously classified as operating, except for short-term leases and leases for which the underlying assets are of low value. The rights-of-use assets were recognized at an amount equal to the amount of the lease liabilities, adjusted for any advance payments previously recognized. Lease liabilities are recognized at the present value of the remaining leases, using the relevant discount rate.

In accordance with the new Standard, the Group assesses whether a contract is or contains a lease at its inception and recognizes on a case by case basis an asset with a right to use and a corresponding lease liability for all leases other than the short-term leases (leases with a lease term of up to 12 months) and leases of underlying assets which are of low value. For these leases, the Group recognizes the lease payments as operating expenses on a straight-line basis over the lease term. At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date, which are discounted using the interest rate implicit in the lease.

Leases are recognized in the Statement of Financial Position on the date that the leased asset becomes available for use. Each lease is allocated between the lease liability and the interest, which is recognized in profit or loss over the term of the lease. The rights-of-use assets are initially measured at cost, and subsequently reduced by the amount of accumulated depreciation and any impairment. The rights-of-use assets are depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, using the straight-line method. After the initial measurement, the lease liabilities are increased by their finance cost and reduced by the lease payments made.

The Group's lease payments are related mainly to leases of means of transport and other equipment used mainly for administrative purposes.

The impact by the application of IFRS 16 on January 1, 2019 is as follows:

	THE GROUP		
	31/12/2018	**IFRS 16**	**1/1/2019**
Assets			
Property, plant and equipment	46.572.490	356.266	46.928.756
Intangible assets	4.040.198		4.040.198
Other receivables	26.863		26.863
Investment property	232.761		232.761
Deferred tax assets	737.861		737.861
Non-current assets	**51.610.173**	**356.266**	**51.966.439**
Inventories	6.155.854		6.155.854
Contract assets	1.177.574		1.177.574
Current income tax assets	239.331		239.331
Trade receivables	10.691.363		10.691.363
Other receivables	758.031		758.031
Receivables from related parties	332.303		332.303
Cash and cash equivalents	5.944.584		5.944.584
Current assets	**25.299.040**	**0**	**25.299.040**
Total assets	**76.909.213**	**356.266**	**77.265.479**
Equity			
Share capital	12.758.592		12.758.592
Share premium	13.805.791		13.805.791
Reserves	14.187.849		14.187.849
Retained profits	(867.435)		(867.435)
Equity attributable to shareholders of the Parent Company	**39.884.798**	**0**	**39.884.798**
Non-controlling interests	290.609		290.609
Total Equity	**40.175.407**	**0**	**40.175.407**
Liabilities			
Loans and borrowings	18.119.192	194.171	18.313.363
Employee benefits	1.006.285		1.006.285
Other payables	9.017		9.017
Deferred tax liabilities	618.835		618.835
Non-current liabilities	**19.753.329**	**194.171**	**19.947.500**
Loans and borrowings	2.788.936	162.095	2.951.031
Trade payables	11.864.004		11.864.004
Other payables	1.048.188		1.048.188
Contract liabilities	629.126		629.126
Liabilities to related parties	357.201		357.201
Provisions	293.023		293.023
Current Liabilities	**16.980.477**	**162.095**	**17.142.572**
Total Liabilities	**36.733.806**	**356.266**	**37.090.072**
Total Equity and Liabilities	**76.909.213**	**356.266**	**77.265.479**

	THE COMPANY		
	31/12/2018	**IFRS 16**	**1/1/2019**
Assets			
Property, plant and equipment	23.058.013	166.680	23.224.693
Intangible assets	1.836.751		1.836.751
Other receivables	26.863		26.863
Investments in subsidiaries	22.021.131		22.021.131
Deferred tax assets	699.201		699.201
Non-current assets	**47.641.959**	**166.680**	**47.808.639**
Inventories	3.143.223		3.143.223
Contract assets	682.156		682.156
Current income tax assets	215.925		215.925
Trade receivables	3.405.092		3.405.092
Other receivables	311.735		311.735
Receivables from related parties	155.669		155.669
Cash and cash equivalents	5.183.007		5.183.007
Current assets	**13.096.807**	**0**	**13.096.807**
Total assets	**60.738.766**	**166.680**	**60.905.446**
Equity			
Share capital	12.758.592		12.758.592
Share premium	13.805.791		13.805.791
Reserves	13.367.422		13.367.422
Retained profits	(4.329.736)		(4.329.736)
Total Equity	**35.602.069**	**0**	**35.602.069**
Liabilities			
Loans and borrowings	17.310.308	89.879	17.400.187
Employee benefits	1.006.285		1.006.285
Other payables	9.017		9.017
Non-current liabilities	**18.325.610**	**89.879**	**18.415.489**
Loans and borrowings	760.214	76.802	837.016
Trade payables	3.755.518		3.755.518
Other payables	938.757		938.757
Contract liabilities	569.362		569.362
Liabilities to related parties	787.237		787.237
Current Liabilities	**6.811.088**	**76.802**	**6.887.890**
Total Liabilities	**25.136.697**	**166.680**	**25.303.377**
Total Equity and Liabilities	**60.738.766**	**166.680**	**60.905.446**

The right-of-use assets as of 1/1/2019 and 31/12/2019 are as follows

	1/1/2019	
	Group	**Company**
Right-of-use assets - Means of transport	356.266	166.680
Total	**356.266**	**166.680**

	31/12/2019	
	Group	**Company**
Right-of-use assets - Means of transport	825.246	33.268
Total	**825.246**	**33.268**

Depreciations of right-of-use assets for the 2019 are as follows:

	1/1 - 31/12/2019	
	Group	**Company**
Depreciation of right-of-use assets - Means of transport	147.299	10.198
Total	**147.299**	**10.198**

The interest on the liability for right-of-use assets for 2019 is as follows:

	1/1 - 31/12/2019	
	Group	**Company**
Interest	19.066	4.625
Total	**19.066**	**4.625**

37. Significant accounting principles

Except for the changes explained in note 36, the Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

A. Basis of Consolidation

i. Business Combination

The Group accounts for business combinations using the acquisition method when control is transferred to the Group (see (A) (ii)). At the date of acquisition the Group recognizes separately from goodwill, the recognized assets acquired, the liabilities incurred and any non-controlling participations to the merged subsidiary. The recognized assets and the liabilities incurred should satisfy the definitions of assets and liabilities in the framework of preparation and presentation of Financial Statements at the date of acquisition, in order to fulfil the criteria of recognition by the purchase method. The Group measures the acquired recognized assets and the liabilities incurred at fair values at the date of acquisition. The amount paid in return for the acquisition is measured at fair value, which is estimated as the sum of fair value at the date of acquisition of the assets by the Group, the liabilities incurred if any to the previous owners and non-controlling interests of the Group.

A cash element, receivable by or payable to a foreign activity, whose settlement has not been programmed or expected to be in the near future, consists, practically, a part of the net investment of the Group in this activity. Long-term receivables or loans and borrowings are included in such cash elements. These elements do not include trade receivables or payable accounts.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as net equity, then it is not remeasured and settlement is accounted for within net equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of the parent company and its subsidiaries, used for the preparation of consolidated financial statements, are prepared at the same reference date.

Consolidated financial statements are prepared based on uniform accounting policies for similar transactions and other events, under similar conditions. Accounting principles of subsidiaries are modified, if required, in order to be uniform to those adopted by the Group.

In its separate financial statements, the Company accounts for investments in subsidiaries at acquisition cost less potential impairment.

iii. Non-controlling interests

NCI are measured at their proportionate share of the acquiree's identifiable fair value of net assets at the date of acquisition.

Changes in the Group's rights in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iv. Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. A potential gain or loss is recognized in profit or loss.

v. Participations in net equity of companies

The Group does not include participations in associates or joint ventures, therefore it does not include equity participations in other companies.

vi. Intra-group transactions eliminated on consolidation

Intra-group balances and transactions and any unrealized income and expenses arising from intra-group transactions, are eliminated.

B. Foreign currency

The elements of financial statements of the Group companies are measured using the currency of the economic environment in which every entity operates (the functional currency). The financial statements are presented in Euro € which is the functional and presentation currency of the parent. The functional currency of subsidiaries is also the Euro €, except for the subsidiary in Romania, where the functional currency is the Romanian RON and the subsidiary in Albania, where the functional currency is the ALL.

i. Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary assets that are measured based on historical cost in a foreign currency are not translated.

However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- Available-for-sale equity investments (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss).

- A financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective.

- Qualifying cash flow hedges to the extent that the hedges are effective.

ii. Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into euro at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI.

iii. Hedge of a net investment in foreign currency

The Group does not use risk hedging for foreign currency differences arising between the functional currency of the foreign operation and the Company's functional currency.

C. Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:
- represents a separate major line of business or geographic area of operations
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations
- is a subsidiary acquired exclusively with a view to re-sale

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI are re-presented as if the operation had been discontinued from the start of the comparative year.

D. Revenue

Revenue: Revenues comprise the fair value of sale of goods and render of services, net of value added tax, rebates and discounts. Revenues within the Group are eliminated fully.
The Group recognizes revenue when (or as) satisfies the obligation to execute a contract by transferring a promised good or services to a client. A promised good or services are transferred when (or as) the customer acquires control of that item. The customer acquires control of the good or service when it can direct its use and take substantially all the remaining benefits from the good or service. Control is passed over a period or at a specific time.
The recognition of revenues is as follows:
Sales of goods: Revenue from the sale of goods is recognized when the control of the good is transferred to the customer and there is no unfulfilled obligation that could affect the acceptance of the good by the customer.
Revenue from services: Revenue from services is accounted for in the period in which the services are rendered, based on the stage of completion of the service rendered in relation to all the services provided.
The customer requirement is recognized when there is an unconditional right for the entity to receive the consideration for the contractual obligations performed to the customer.
A contract asset is recognized when the Group executes its contractual obligations by transferring goods or services to a customer before the client pays the consideration or before the payment is due.
The contract liability is recognized when the Group receives a consideration from the customer or when it reserves the right to a price that is unconditional (deferred income) before the performance of the contract's obligations and the transfer of the goods or services. The Group ceases to recognize the contractual obligation (and recognizes revenue) when it transfers the goods or services in question and thus fulfills the obligation to execute.
Interest income: Interest income is recognized on a time proportion basis using the effective interest rate.
Dividends: Dividends are recognized as income when is established the right to receive them.

E. Employee benefits

i. Short-term benefits

Short-term employee benefits include:

- Wages, salaries and social security contributions
- Short term compensated absences, such as annual paid leave and sick paid leave when the absences are expected to happen in the next 12 months, after the end of the year in which the employees offer the relevant service.
- Profit appropriation and exceptional benefits paid in the next 12 months after the end of the year, in which the employees offer the relevant service
- Non-monetary benefits (like medical care, residence, cars and free or subsided goods or services) for current employees.

Short-term employee benefits (except for termination of employment benefits) monetary and in kind are recognized as an expense when they accrue. Any unpaid amount is recorded as a liability, while in the case where the amount paid exceeds the amount of services rendered, the company recognizes the excess amount as an asset (prepaid expense) only to the extent that the prepaid expense will lead to a reduction of future payments or to reimbursement.

ii. Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in potential, future payments is available.

iii. Defined benefit plan

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by an independent qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That future benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

v. Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

F. Government Grants

Government Grant is a financial aid provided by the State in a form of a fund transfer to a company, in return to its direct compliance by certain conditions regarding its operations. Government grants which cannot be evaluated because of their form, are not included to the above concept and the same applies to the transactions with the State which cannot be separated from the usual transactions of the company.

Grants regarding assets are government grants with a basic condition that in order for a company to be entitled for it, must buy, construct or acquire by any other way, usefully long lived assets.

Grants regarding income are government grants not related to the acquisition of assets.

The Group recognizes government grants which satisfy cumulative the following criteria: a) there is a concluded certainty that the company complies or is about to comply with the conditions of the grant and b) the amount of the grant has been received or is thought possible to be received. Grants are recorded at fair value and recognized systematically as income, based on the principle of relating grants to the respective costs that they finance.

Grants regarding assets are included in the long-term liabilities as income of following years and systematically recognized as income during the useful life of the fixed asset.

G. Income Tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

i. Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years.

Current tax assets and liabilities are offset only if certain criteria are met.

ii. Deffered Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.
- Temporary differences related to investments in subsidiaries, associates and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not be reversed in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that will arise from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

H. Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average method. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity of the unit. Cost of inventories does not include any financial expenses.

I. Property, plant and equipment

i. Recognition and measurement

Property, plant & equipment used for production, disposal of goods or services, or for cover of needs of administrative services of Company, are presented in the balance sheet at their readjusted values, less their accumulated depreciation and potential impairment. The management decides on readjustments of value of these assets at intervals, so that the balances in the statement of Financial Position do not essentially differ from fair values as at reporting date.

When the carrying amount of property, plant & equipment is increased by a re-adjustment, this increase will be recorded in the statement of comprehensive income and then accumulated to equity as a readjustment surplus. In case the accounting value of buildings or land is reduced in the future following a readjustment, this reduction will be recorded in the statement of comprehensive income up to the amount of the existing credit balance of readjustment surplus. Any excess of impairment loss over this surplus will be recorded in the income statement.

The remaining categories of tangible assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will inflow to the Group.

iii. Depreciation

Depreciation is calculated to write off the acquisition cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Leased assets are depreciated over the

shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.
The estimated useful lives of property, plant and equipment for current and comparative years are as follows:

	Years
Buildings	20-50
Plant and machinery	3-20
Means of transport	10
Other equipment	3-20

The residual values and useful economic lives of tangible fixed assets are subject to reassessment at every date of balance sheet. When an asset's carrying amount is higher than its estimated recoverable amount, the difference (devaluation) is carried directly to the income statement as an expense.

iv. Reclassification from investment property to owner-occupied property

For a transfer from investment property carried at fair value to owner-occupied property or inventories, the property's deemed cost for subsequent accounting shall be its fair value at the date of change in use.

J. Intangible assets and Goodwill

i. Recognition and measurement

Element	Measurement
Goodwill	Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.
Research and development expenses	Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.
Customer relationships	Customer relationships are part of assets acquired through Group's business combinations. Fair value was recognized by the income approach (in the particular multi-period excess earnings method). After the initial recognition, the Group measures the above assets at cost minus any accumulated depreciation and any impairment losses.
Other intangible assets	Other intangible assets, which are mainly software licenses when acquired by the Group and have a limited useful life are measured at acquisition cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Goodwill is not amortised but tested (at least) annually for impairment according to IAS 36.

The estimated useful lives for current and comparative years are as follows:

	Years
Development costs	2-5
Software licenses	5-10
Customer Relations	10-15

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

K. Investment property

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. For a transfer from investment property carried at fair value to owner-occupied property or inventories, the property's deemed cost for subsequent accounting shall be its fair value at the date of change in use.

L. Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

M. Financial instruments

i. Financial assets-initial recognition, classification and subsequent measurement

A financial asset is recognized in the Group's statement of financial position when it occurs or when the Group becomes a party of the contractual provisions of the instrument.

The Group initially evaluates financial assets or financial liability at fair value plus transaction costs, in the case of a financial asset or financial liability not at fair value through profit or loss. Trade receivables are valued at the transaction price.

Financial assets are classified at initial recognition and subsequently measured at fair value through profit or loss or at fair value through other comprehensive income.

The classification is based on two criteria: (a) the Group's business model for managing the asset and the business model for managing the financial asset, ie whether the objective is to hold for the purpose of collecting contractual cash flows or to collect contractual cash flows and the sale of financial assets; and (b) assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ("SPPI" criterion).

Financial assets measured at amortized cost include the financial instruments that are retained under the business model for the purpose of holding and collecting contractual cash flows that meet the "SPPI" criterion. All financial assets of the Group are included in this category.

The Group does not hold financial assets that are measured at fair value through profit or loss or other comprehensive income at the reporting date.

Financial assets at amortized cost are subsequently measured using the effective interest method and are tested for impairment. Profits and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

ii. Financial assets - impairment

The Group applies the simplified approach for trade receivables and contingent assets for the calculation of expected credit losses. Therefore, at each reporting date, the Group measures the provision for a financial instrument for an amount equal to the expected credit losses over the lifetime. For determining the expected credit losses, a chronological analysis and rates table is used using historical data and reasonable assumptions.

iii. Financial assets - derecognition

The Group derecognizes a financial asset when:

- the contractual rights to receive the cash flows from the assets have expired
- the contractual rights to receive the cash flows from the assets have been transferred or the Group has an obligation to remit any cash it collects from the assets without material delay and either (a) the Group transfers substantially all the risks and rewards of ownership, or (b) the Group neither transfers nor retains substantially all the risks and rewards of ownership and the Group has not retained control.

iv. Financial liabilities - Measurement

Financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

N. Share capital

Incremental external costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

O. Impairment

i. Financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:
- default or delinquency by a debtor
- restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- indications that a debtor or issuer will not enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;

- the disappearance of an active market for a security; or
- observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

ii. Non – financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than biological assets, investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

P. Provisions

Provisions are calculated by discounting expected future cash flows with a pre-tax rate that reflects current market estimates for the time value of money and the risks specific to the liability. Reversal of discount is recognized as finance cost.

Categories	Accounting Principle
Warranties	A provision for warranties is recognised when the underlying products or services are sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities.
Restructuring	A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.
Onerous contracts	A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

Q. Leases

i. Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether the arrangement is or contains a lease.
At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate.

ii. Leased assets

Assets held by the Group under leases that transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognized in the statement of financial position of the Group.

iii. Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

38. New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet 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.

- 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 Group 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 01/01/2020.

- 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 Group 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 01/01/2020.

- 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 Group 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 01/01/2020.

- 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 Group 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 01/01/2020.

- 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 Group 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 01/01/2020.

- IFRS 17 "Insurance Contracts" (effective for annual periods starting on or after 01/01/2021)

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. The Group 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 01/01/2022)

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. The Group 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.

Koropi Attica, May 19, 2020

CHAIRMAN OF THE BoD	VICE CHAIRMAN & GROUP CEO
PANAGIOTIS LYKOS ID No AB 607588	PANAGIOTIS SPYROPOULOS ID No AI 579288
MANAGING DIRECTOR	CHIEF FINANCIAL OFFICER
EMMANOUIL KONTOS ID No AK 093427	ALEXANDRA ADAM ID No AE 118025
HEAD OF ACCOUNTING DEPARTMENT	
ANASTASIOS TATOS ID No AM 556006 Registr. No of E.C. A' CLASS 9657	