



AVAX S.A.

Annual Financial Statements

for the financial year January 1st to December 31st, 2019

(pursuant to Article 4 of Law 3556/2007)

AVAX S.A.

*Company's Number in the General Electronic Commercial Registry
:913601000 (former Company's Number in the Register of Societes
Anonymes: 14303/06/B/86/26)*

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Annual financial reporting

WEBSITE WHERE THE COMPANY'S AND CONSOLIDATED

FINANCIAL STATEMENTS ARE AVAILABLE

We hereby certify that the attached Annual Financial Statements, which are an integral part of the annual financial report of article 4 of Law 3556/2007, are those approved by the Board of Directors of "AVAX SA" on 29.06.2020 and have been published by posting them on the internet, at (www.avax.gr), as well as on the Athens Stock Exchange web site, where they will remain at the disposal of the investing public for at least ten (10) years from the date of their compilation and disclosure.

STATEMENTS OF MEMBERS OF THE BOARD OF DIRECTORS

(in accordance with article 4, paragraph 2c of Law 3556/2007)

In our capacity as executive members of the Board of Directors of AVAX SA (the «Company»), and according to the best of our knowledge, we,

1. Joannou Christos, Chairman and Executive Director
2. Kouvaras Constantinos, Deputy Chairman and Executive Director
3. Mitzalis Constantinos, Managing Director,

state the following:

- the financial statements for the period from 01.01.2019 to 31.12.2019, prepared under the International Financial Reporting Standards currently in effect, give a true view of the assets, liabilities, equity and financial results of the Company, as well as the businesses included in the consolidation of the Group,
- the Annual Report of the Board of Directors of the Company gives a true view of the evolution, the performance and the stance of the Company, as well as the businesses included in the consolidation of the Group, including an overview of the main risks and uncertainties they face, along with other information required by paragraph 2 of article 4 of Law 3556/2007.

Marousi, June 29, 2020

DEPUTY CHAIRMAN &
EXECUTIVE DIRECTOR

CHAIRMAN &
EXECUTIVE DIRECTOR

MANAGING DIRECTOR

KOUVARAS CONSTANTINOS
ID: AI 597426

JOANNOU CHRISTOS
AID: 889746

MITZALIS CONSTANTINOS
ID: AN 033558

**ANNUAL REPORT OF THE BOARD OF DIRECTORS
FOR THE PERIOD FROM 01.01.2019 TO 31.12.2019**

[in accordance with article 4 of Law 3556/2007, articles 1 & 2 of Decision #7/448/11.10.2007 of the Board of Directors of Greece's Capital Markets Commission, article 2 of Law 3873/2010, article 1 of Law 4403/2016, article 2 of Law 4336/2015 and articles 150-154 of Law 4548/2018]

Dear Shareholders,

this annual report of the Board of Directors for 2019 has been prepared according to corporate and capital markets legislation and the decisions of the Capital Markets Commission to depict the true development and performance of Group AVAX in 2019, as well as the main risks and uncertainties to be dealt with.

The annual report of the Board of Directors presents a balanced and complete analysis of Group activities, accompanying the financial statements included in the Annual Financial Report 2019. To this extent, it presents financial and non-financial basic information regarding the performance of the Group and the Company in 2019, information on events affecting the business group and the risks recognised, an overview of the projected course of the Group's various business areas, and information on transactions with related parties. It also includes a Corporate Governance Report and an Explanatory Report of the Board of Directors on Company share capital, in line with relevant legislation.

Given that AVAX SA prepares consolidated financial statements at group level, besides the financial statements for the parent company, this Annual Report of the Board of Directors is issued as a single document with the consolidated information on Group AVAX being its main reference point. Reference to parent company information is made only when deemed necessary for better comprehension of the Report.

A. Important Events during 2019

Set up of AVAX Middle East Ltd, acquisition of companies in the Persian Gulf and subsequent agreement for the sale, resulting in accounting discontinuation of relevant activities

The Company set up AVAX Middle East Ltd ("AVAX ME") in May 2019 in Cyprus, as part of its strategic decision to focus on mechanical, electrical and plumbing (MEP) works in Qatar, the United Arab Emirates and the broader Persian Gulf region. AVAX ME is a subsidiary of AVAX International Ltd, also based in Cyprus and 100% subsidiary of AVAX SA. In June 2019, AVAX ME acquired three companies from J&P (Overseas) Ltd, which was undergoing liquidation, more specifically it acquired 100% of Conspel Construction Specialist (Isle of Man) Limited, as well as 49% of J&P Qatar WLL and Abu Dhabi J&P LLC. All three companies are fully consolidated by AVAX ME due to effective management control, arising from a contractual agreement with other shareholders. Expansion through AVAX ME was aimed at a geographic region with a steady flow of auctions for large-scale MEP projects, by means of instant acquisition of know-how, expertise and project backlog. Upon the acquisition, AVAX ME's consolidated accounts showed work-in-hand amounting to €361 million, total debt of €82 million and cash reserves amounting to €31 million. At the same time, AVAX Group became a majority partner in the Qatar Foundation Stadium Construction Joint Venture, up from 24%. The stadium was functionally complete in 2019,

constituting a \$650million construction project of great importance to the country and the upcoming 2022 FIFA World Cup.

Towards the end of 2019, the Company took a business decision to discontinue its operations in Qatar and transfer those subsidiaries to the local partner, due to delays and even pause of payments by clients in Qatar. As of the date of issue of this Annual Report, the Company has reached an advanced stage of negotiations with the afore-mentioned interested buyer and expects to sign in the near-term the relevant agreement for the transfer of the companies operating in Qatar.

[see detailed report in section “I. Important Developments & Events past the Balance Sheet Date (31.12.2019) and up to the date of approval of this Report”]

Corporate Renaming

Shareholders at the 2nd Repeat Extraordinary General meeting on 27.03.2019 decided to rename the Company from J&P-AVAX SA to AVAX SA. The corporate renaming is part of the broader renewal of the Group’s business profile, while also arising from the need to help the investment public, banks and the construction sector avoid any misconceptions arising from the liquidation of international contractors J&P (Overseas) Ltd and the split in the business activities of the Joannou and Paraskevaides families (who are among AVAX’s main shareholders).

Administrative Changes

A. Board of Directors

The 2nd Repeat Extraordinary General shareholders meeting on 27.03.2019 elected a new Board of Directors for a three-year term ending 26.03.2022, which convened and appointed its members as follows:

1. Christos Joannou, Chairman (executive)
2. Konstantine Kouvaras, Deputy Chairman (executive)
3. Konstantine Lysarides, Vice Chairman & Director (executive)
4. Konstantine Mitzalis, Managing Director (executive)
5. Aikaterini Pistioli, Director (non executive)
6. Christos Siatis, Director (non executive-independent)
7. Alexios Sotirakopoulos, Director (non executive-independent)
8. Michael Hatzipavlou, Director (non executive-independent)

B. Project Bidding Committee

In March 2019, the Board of Directors introduced a three-member Project Bidding Committee, in line with the provisions of the Corporate Charter, article 87 of Law 4548/2018 and best practice principles and corporate governance rules. The new committee works towards the effective operation of the Company’s institutional bodies and the application of all principles, technical and organizational measures and procedures adopted by the Company to comply with competition regulations. The Board of Directors granted the Project Bidding Committee all powers of administration and representation of the Company in relation with tenders for public contracts, and overall with bidding for public and private works, as specified in the Board decision. The Project Bidding Committee comprises the following Group officials:

1. Konstantine Lysarides, Vice Chairman & Executive Director
2. Athena Demetriou-Eliades, Group Financial Officer, and

3. Zoe Lysarides, Bidding Department Director

Revision of agreements for 4 joint ventures with J&P (Overseas) Ltd in Jordan and Qatar

An announcement was made on 11.10.2018 that international contractor J&P (Overseas) Limited, incorporated in Guernsey, filed for liquidation. The Company participated in four joint venture projects with J&P (Overseas) Limited, more specifically three in Qatar and one in Jordan, for which it was necessary to review the respective contracts with the clients and banks involved in their financing. The Company made every effort to continue and complete these projects in the most technically perfect way, to ensure the Company's future presence in the construction market of the wider Arab world as well as its access to the local banking system.

More specifically, the status of each project is as follows:

1a. Roadworks in Qatar

In Qatar, the Company participated with J&P (Overseas) Ltd in two road works ("West Corridor P010" and "New Orbital Highway and Truck Route") as well as the construction of the "Qatar Foundation Stadium" sports complex (subsequently renamed into "Education City Stadium"). Those projects are linked to the overall upgrade of the country's infrastructure as part of its preparation for hosting the FIFA 2022 Football World Cup.

The contracts for the road works "West Corridor P010" and "New Orbital Highway and Truck Route" were signed with Ashghal (Qatari Public Works Authority) on 01.08.2013 and 22.01.2014, respectively, with a value of €101.3 million and €192.2 million value for the Company's 25% stake in both projects. The projects have been completed.

For both road works in Qatar, agreements were signed during 2019 with Ashghal, providing for the unilateral undertaking of the completion of the project by AVAX, according to the consortium contract, and the expulsion of J&P (Overseas) Ltd from the construction consortium. Upon signing the revised contracts, the client released the performance bonds held, and then partially called the outstanding letters of guarantee (issued with AVAX providing no guarantee whatsoever) to repay any legacy payments for suppliers appearing in the books.

1b. Qatar Foundation Stadium / Education City Stadium

The contract for the sports stadium was signed with state institution Qatar Foundation on 21.07.2016, representing a value of €133.7 million for our Company, corresponding to a 24% stake. Letters of guarantee for this project were issued by J&P (Overseas) Ltd, while our Company provided corporate guarantee to the lending bank up to the percentage of its participation (24%). Through AVAX Middle East Ltd, a 100% subsidiary of AVAX International Ltd, which in turn is a 100% subsidiary of parent company AVAX SA, the Group proceed to the acquisition of Conspel "Qatar WLL" and "J&P Qattar WLL" which participated in the project, thus raising the Group's stake in the Joint venture to a majority level, up from AVAX SA's 24% direct participation. Through the consolidated accounts of AVAX Middle East, the entire amount of payables to the lender bank for working capital was recognized, while AVAX has not provided any guarantees towards the amount recognized in the accounts of AVAX Middle East. Following the acquisition by AVAX Group of J&P (Overseas) Ltd subsidiaries participating in the project, the novation agreement was signed between all parties involved.

Works towards the project continued and were concluded by end-2019, as far as the sports complex is concerned. It should be noted that following the placement of J&P (Overseas) Ltd under liquidation, the construction joint venture in 2019 was awarded two additional contracts for the project, to erect a school building complex and assume

maintenance of the entire sports and education facilities for a two-year period, worth around €62 million and €31 million, respectively. Works towards the school buildings up to 30.04.2020 registered a 37.3% completion rate. Nevertheless, in accordance with Note 25b of the 2019 Annual Financial Report titled "Discontinued operations and Disposal Group held-for-sale" and observing IFRS 5 "Non-current assets held for sale & discontinued operations", the Group reports the assets and liabilities of AVAX ME's subsidiaries (Conspel Qatar WLL and J&P Qatar WLL), and the Qatari branch as distinct units, while also reporting the financial result of discontinued operations separately in its consolidated financial accounts.

2. Jordan

The project concerns the upgrading of the baggage handling system at the international airport of Queen Alia in the capital city of Amman, which is effectively an extension of an earlier contract signed with the government of the country for the construction of the state-of-the-art airport. The contract was signed on 12.04.2018 representing a value of €24.8 million for our Company, corresponding to a 50% stake. Following J&P (Overseas) Ltd's liquidation, AVAX SA agreed to assume the continuation of the project and purchase used assets of J&P Overseas Ltd (office space and limited mechanical equipment exclusively employed in the project), according to the appraisal conducted by specialists on behalf of AVAX and the liquidator of J&P (Overseas) Ltd).

Signing of the novation agreement between the liquidators, banks and the lending bank of the concessionaire was delayed in 2019 because of the requirement to secure the consent of ARAB Bank, which had issued the letters of guarantee for the initial project contract using J&P (Overseas) Ltd credit limits with no guarantees provided by AVAX. The project has been completed and is going through its defect liability period, with responsibility assumed by AVAX which is also working on the extension project. Performance bonds are not expected to be called, and ARAB Bank is not at risk of any losses from the project.

The issue causing the delay in the deal is linked to the cession of J&P (Overseas) Ltd's share in revenue to ARAB Bank. Nevertheless, the final agreement on the provision of consent by ARAB Bank has been reached. However, the liquidators asked for the Novation Agreement to be signed by the Project Owner, who announced that he had not received approval from the lenders of the concession project. Therefore, the Novation Agreement has not been signed but the project is being carried out normally and we are receiving payments from the client as expected.

Bank guarantees for advance payments and performance, of current total value of €12.4 million, have been issued solely by our Company, while the €9.3 million guarantee for the advance payment has been returned. The execution of the project continues normally. With a reference date of 31.12.2019, projects execution rate stood at 83%.

Acquisition of Businesses in Libya and Greece

In April 2019, the Company acquired PSM Suppliers Ltd ("PSM") based in Channel Islands from "Overseas Holdings Limited" (OHL), which belongs to the J&P (Overseas) Ltd group, placed under liquidation since October 2018. PSM's shares were transferred along with all rights and obligations related in particular to the continuation of two separate contracts for an energy project in Libya's Faregh oil deposit, the client being WAHA Oil Company of Libya. It is noted that the project is under testing & commissioning of mechanical equipment from Siemens, a subcontractor of PSM. With this transaction, the Company sought:

- to acquire PSM's experience and project record, thereby improving its bidding capacity for similar energy projects in international markets

- to collect in the near-term the funds withheld to guarantee the performance of the two projects, which exceed the agreed acquisition price.

In April 2019, the Company also acquired J&P Energy & Industrial Works SA ("J&P Energy"), based in Greece, from J&P (Overseas) Ltd, which is in the process of liquidation. The acquisition was concluded at a token price and was aimed at further enhancing the operations of AVAX Group's energy projects department, as J&P Energy boasts considerable expertise in producing technical studies for energy-related industrial works in international markets. The Company fully absorbed J&P Energy during 2019.

Collaboration of subsidiary Volterra with PPC to develop wind parks totalling 69.7 MW

Volterra, 100% subsidiary of AVAX Group, signed a deal with PPC to jointly develop and operate wind parks with total capacity of 69.7MW. Specifically, PPC acquired 45% of the share capital of two Volterra SPVs, the first of which owns two wind parks of 16MW total capacity in Etoloakarnania region which are already operational at a FiP of €98/MWh, and the second which owns two wind parks under construction in Viotia region, one with capacity 42.9MW with a FiP of €98/MWh, and the other with a 10.8MW capacity with a FiP of €56.45/MWh.

Appointment of Internal Auditor

The Board of Directors of the Company appointed Mr Anastasios Tsakanikas as new Internal Auditor, replacing Mr John Papadopoulos who resigned, starting on 01.08.2019. Subsequently, the Board decided on 11.11.2019 to appoint Mr George Koliopoulos as new Internal Auditor, to replace Mr Tsakanikas who assumed the position of Management Consultant in the Group. The Internal Auditing unit was strengthened in January 2020 with the addition of Mrs Claire Voyatzis, to improve auditing capacity Group-wide.

Sale of Attica Schools PPP

The Company signed on 01.10.2019 a contract with Swedish Group "Sterner Stenhus" for the sale of the PPP of 10 Schools in Attica, along with the outstanding balance of two different tranches of subordinated debt issued by the Company. The Project was a €52.6 million total investment and included the construction of the buildings, completed a few years ago, and their maintenance and facility management for a 25-year period for an annual rent paid by the Greek State. The remaining lease period is 22 years. The school facilities serve more than 2,000 students in the municipalities of Athens, Heraklion, Oropos and Megara in the Attica prefecture. The project was co-financed by the Company's own funds and a long-term loan of €33.4 million from the European Investment Bank (EIB) and the European Union's Jessica program.

Addition of new project:

The most important projects signed by the Company in 2019 include:

1. contract for the design, financing, construction, maintenance and operation on a PPP basis (Public-Private Partnership) of a Waste Management Plant in the Ilia Prefecture of Western Greece, in a consortium with Mesogeios SA and AAGIS SA. The investment amounts to €39.5 million and the project aims to effectively manage urban solid waste produced in the prefecture, with a maximum capacity of 80,000 tons per annum. The waste management plant will be located in a rural area between the municipalities of Pyrgos and Ilida. The construction period is 22 months, including 4 months of pilot operation, to be followed by an operation

term of 25 years and 2 months. The private entity of the public & private sector partnership, assumes, among others, the following obligations: a) construction, operation and maintenance of the waste management unit, b) financing of the project with own equity, debt and a financial participation by Ilida municipality, c) commercial use of by-products (recycled material, biogas-energy, compost, etc), d) transportation of residual waste to sanitary landfills.

2. construction of the "City of Dreams Mediterranean" integrated casino resort in Limassol, Cyprus, in a joint venture with GEK TERNA Group, for China's "ICR CYPRUS RESORT DEVELOPMENT CO LIMITED". The joint venture is comprised of J&P-AVAX SA (60%) and TERNA SA (40%). The contract, worth around €270 million with a 30-month deadline, pertains to the construction of an integrated casino resort with approximately 96,000 m2 building construction area on a 37 hectare site. The resort will include a casino, restaurants, retail and commercial area, spa, a 16-storey hotel tower with approximately 500 guest rooms, expo building, sizeable sports facilities with indoor and outdoor pools, and a an assortment of other main and auxiliary areas and facilities, as well as expansive landscaped areas.
3. contract titled "Engineering, procurement of materials and construction of the interconnecting pipeline between Greece and Bulgaria (IGB), worth €145 million, with ICGB. It is a complex project of top importance, as the IGB pipeline will connect the existing natural gas national grid in Komotini in northern Greece and the Greek section of the Trans Adriatic Pipeline (TAP) with the existing natural gas network near the Bulgarian city of Stara Zagora. The project has an 18-month term.
4. engineering & construction of a new power station in Bismayah, Iraq with an output of 1,650MW, worth €533 million, constituting the largest energy project ever to be won by a Greek company in international markets. The project, which carries a 32-month deadline, was awarded by Mass Global Holdings, who are in the process of taking delivery by the Company of the engineering & construction of a similar 1,500MW in the same suburb of Baghdad.
5. construction of the Ston Bypass (DC414) motorway, more specifically the Sparagovci/Zaradeze-Prapratno and Prapratno-Doli sections, with a total budget of €68.8 million and a 28-month term. The project is located on the west coast of Croatia and includes the construction of an 18km-long national motorway section. The project is assigned great importance by Croatia, offering access to the Pljesac bridge which is under construction, connecting the Dubrovnik area with the rest of Croatia, with no need to cross through Bosnia-Herzegovina.

Renewal of Market Making Agreement on Company shares

The Company renewed on 14.12.2019 for a further annual period its agreement with Eurobank Equities to act as market maker on Company shares, to boost their market liquidity.

B. Main Risks and Uncertainties for 2020

1. Economic & Political Developments

The Greek economy maintained its growth rate in 2019 at 1.9% for the second year running, outperforming the broader European economy, in line with general expectations by economists and official projections of the government, the Bank of Greece and the European Commission. In 2019 the Greek economy recorded a series of positive developments, such as an improvement in liquidity of the local banking system due to increased

deposits and lower stock of non-performing loans, the full abolishment of capital controls, the considerable de-escalation of returns on Greek government bonds, and an upgrade in the country's rating by international agencies.

The government elected in July 2019 adheres to its platform of free economy and strong growth rates through cuts in taxation and social security contributions, aiming to speed up structural reforms capable of attracting substantial foreign investments and mobilizing private local capital to finance large projects. The momentum built in the second half of 2019 mainly due to exports and private consumption is trimmed by the global economic recession brought about by the covid-19 pandemic and increased inflows of illegal migrants and refugees to Greece.

2. Risks and Uncertainties

Group activities are subject to various risks and uncertainties pertaining to the nature of its business activities, prevailing geopolitical, credit and currency conditions, relations with clients, suppliers and subcontractors. To a large extent, the risk arising from these relations and transactions is predictable or may be dealt with the selection of the appropriate management policy due to the accumulated expertise of the Group's senior staff and official procedures. It is always desirable to limit the overall level of risk to tolerable and manageable levels for Group operations. Nevertheless, no system and risk management policy can offer absolute security against all risks, as the ever-changing international political and economic environment may overturn any situation which was taken for granted and considered manageable in advance.

The main risks and uncertainties, their management policies and their impact on Group activities, are as follows:

a. Credit Risk

Economic growth was halted in the first half of 2020 due to the Covid-19 Pandemic. According to OECD estimates, the rate of the global economy recession may reach 7.6%, also affecting the Greek economy. The restrictive measures taken by the governments of Greece and other countries to curb the spread of the Covid-19 virus affected economic activity, therefore 2020 is expected to be an exceptional year for the Greek economy, affecting Group activities. Based on available information, the Group in the first half of 2020 has been affected in terms of AVAX's ability to carry out existing projects (due to additional hygiene and safety rules on staff, disruptions in the supply chain).

In Concessions, restrictions on travel led to a decrease in toll revenues, eg from Attiki Odos (where the cumulative drop in traffic since the start of the year amounts to 25%).

In the Construction sector, there are some delays in ongoing projects, while at the same time there are delays in the tender procedures for new projects.

Projects in international markets recorded a slowdown because border in countries where the Group operates led to: a) temporary pause in works and partial repatriation of staff as in the case of the project in Iraq, b) delays in operations in Croatia, Bulgaria and Jordan, where part of the staff was repatriated, while security personnel

and engineers remained in charge of overseeing the work of local subcontractors, c) construction site closure in Cyprus for two months, mainly for the Casino project, Limassol Marina other smaller projects, d) delays in submitting bids for projects in international markets (eg Cyprus).

In the energy sector (electricity trade), although the effects of the pandemic on turnover cannot yet be quantified, a drop in turnover should be expected due to the closure of commercial use areas. In the wholesale sector (import-export), revenue declined due to market volatility and the significant effects of Covid-19 in Italy, where the largest volume of transactions takes place. Finally, there is an increase in delays and prolonged time for payments by clients due to reduced income as a result of the measures to combat the Pandemic.

Temporarily reduced revenues result in a reduction in the relative gross profit margin, which is burdened by worker payrolls and engineer wages at construction sites, as the Company continues to pay its liabilities during the period of restrictive measures, having not opted for layoffs in personnel.

The real estate sector was also adversely affected by sales which were not concluded due to restrictions on travel as well as the government-imposed 40% cut in leases for four months (April-July 2020), with an estimated net revenue loss of €500,000.

With a sense of responsibility, AVAX Group monitors developments to respond appropriately at all levels, ensuring the health of its employees and smoothness of its business function, primarily concerning cash flows and contractual obligations for ongoing projects.

To ensure the health of the employees of the Group, remote working was adopted and no suspension of employment contracts was carried out, except at a very limited scale.

In this context, Group management evaluates the relevant risks to minimize the effects of the Pandemic on operational activities and performance of the Group. At the same time, based on existing information, a management plan has been prepared for current and future liquidity to continue meetings Group obligations. Group management has also developed alternative solutions and scenarios, alongside existing ones, such as receiving new funding and restructuring the use of existing assets.

It is objectively impossible to fully assess at this stage the economic impact of COVID-19 on the global economy and on individual sectors and activities, because the pandemic is still unfolding. In any case, this health issue does not create uncertainty about the continuation of activity by the Group and the company, and for this reason the financial statements have been drawn up on the basis of ongoing activity (going concern).

Furthermore, the lifting of restrictive measures as activities gradually return to pre-Covid levels, along with the announcement by the Greek Government of an increase in public investments amongst other measures to rebound from the effects of the Covid-19 pandemic, will present opportunities to the Group and specifically in the field of infrastructure where it operates.

b. Credit Risk

The Group's Strategic Planning & Risk Management Committee has adopted a credit policy according to which the credit score of new clients is assessed individually before being officially offered the standard terms and conditions of payment and delivery. Regarding public works, until the economic environment improves, the Group follows a policy of participating only in tenders where project financing is secured with European Union funds.

At any point in time, the Group is involved in a large number of projects in Greece and abroad, with select clients with a proven record of reliability and credit worthiness. In the local market, the Greek State has traditionally been the largest client, as the private sector historically is a small player in building facilities and infrastructure projects where the Group specializes in. Participation in self-financed projects in the form of concessions and PPP has somewhat limited the participation of the Greek State in total Group revenues. In international markets, the Group is mostly involved in private sector projects. Under this light of clientele diversification, the Group presents a medium level of credit risk concentration.

As a result of the international practice in the construction sector, Group transactions are required to be secured to a large extent by the intervention of the banking sector and international credit security firms in issuing guarantees in all stages of a signed project contract, from participating in the bidding, to receiving an advance payment, the execution of the project in discrete phases till its final delivery.

To calculate the provision for impairment of receivables from clients and other debtors, the Group assesses the risk level of each client according to the aging breakdown of receivables in arrears and their broader credit-worthiness, while also applying a general coefficient for doubtful receivables on the total of its receivables which depends on prevailing business conditions.

To provide a realistic view of the level of doubtful receivables in its financial accounts and keep any adverse impact in upcoming financial periods in check, the Group has in recent years been charging increased provisions for impairment of its receivables from clients and debtors, as may be seen in the following table.

amounts in € '000	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Clients & Other Receivables from Debtors (A)	326,112	343,554	288,048	330,119
Provision for Doubtful Clients & Debtors (B)	97,847	77,858	94,138	73,931
Provision Rate (B / A)	30.0%	22.7%	32.7%	22.4%

Note: 2018 income statement figures have been restated for comparability purposes due to discontinuation of operations in 2019, while comparable balance sheet data for 2018 are not restated, in line with IFRS 5.

c. Input Price Risk

The Group is exposed to volatility in input prices for raw materials and other supplies, which in most cases are internationally-priced commodities, such as cement, metal rebars and fuel. The Group is centrally purchasing supplies for all its subsidiaries to secure economies of scale. In several cases it pre-orders large quantities of supplies to lock in their purchase price and escape future price shifts.

d. Liquidity Risk

Liquidity risk refers to the likelihood of current assets, ie those that may be disposed off on a short-term span, being insufficient to cover short-term liabilities when they become due. The following table shows the Group had positive net current assets at the end of 2019, though lower compared to a year earlier.

<i>amounts in € '000</i>	GROUP		COMPANY	
	2019	2018	2019	2018
Current Assets, excluding cash & blocked short-term deposits (A)	423,932	462,435	372,446	430,384
Short-term Liabilities, excluding bank debt (B)	407,356	365,745	327,864	300,114
Net Current Assets (A – B)	16,576	96,690	44,582	130,270

Note: 2018 income statement figures have been restated for comparability purposes due to discontinuation of operations in 2019, while comparable balance sheet data for 2018 are not restated, in line with IFRS 5.

The Group follows a policy of securing adequate cash to meet upcoming liabilities at any point in time. To this extent, the Group seeks to maintain cash in physical form or in agreed credit lines sufficing for expected payments over the period of a month. The Finance Department prepares a detailed monthly and 12-month cash plan, as well as revising on a quarterly basis the 5-year budget and cash flow statement.

The basic criterion in evaluating the course of cash liquidity is the aging analysis or maturity of the Group's financial liabilities, starting from balance sheet date until those liabilities are due.

The following tables provide an analysis of the aging of financial liabilities for the Company and the Group as of 31.12.2019 and the comparable date in 2018.

Aging Analysis of Loans

<i>amounts in € '000</i>				
GROUP	< 1 year	1 - 5 yrs	> 5 yrs	Total
31.12.2019				
Bond Loans	0	399,863	54,367	454,230
Loans from Jessica / EBRD (project financing) / Other Long-term loans	0	16,913	3,474	20,387
Long-term Loans – due in next 12months	34,405	0	0	34,405

Leasing – Financial & IAS 16)	5,291	18,374	22,430	46,096
Short term Loans	35,972	0	0	35,972
Total	75,668	435,150	80,271	591,089
31.12.2018				
Bond Loans	0	388,435	41,522	429,957
Loans from Jessica / EBRD (project financing) / Other Long-term loans	0	13,040	30,491	43,531
Long-term Loans – due in next 12months	6,080	0	0	6,080
Leasing – Financial & IAS 16)	3,449	2,179	0	5,628
Short term Loans	110,192	0	0	110,191
Total	119,721	403,654	72,013	595,388

<i>amounts in € '000</i>				
COMPANY	< 1 year	1 - 5 yrs	> 5 yrs	Total
31.12.2019				
Bond Loans	0	399,964	31,628	431,592
Loans from Jessica / EBRD (project financing) / Other Long-term loans	0	7,865	0	7,865
Long-term Loans – due in next 12months	29,340	0	0	29,340
Leasing – Financial & IAS 16)	954	2,130	0	3,084
Short term Loans	23,804	0	0	23,804
Total	54,098	409,959	31,628	495,685
31.12.2018				
Bond Loans	0	383,666	32,276	415,942
Loans from Jessica / EBRD (project financing) / Other Long-term loans	0	0	0	0
Long-term Loans – due in next 12months	6,080	0	0	6,080
Leasing – Financial & IAS 16)	480	122	0	602
Short term Loans	98,417	0	0	98,417
Total	104,977	383,788	32,276	521,041

Note: 2018 income statement figures have been restated for comparability purposes due to discontinuation of operations in 2019, while comparable balance sheet data for 2018 are not restated, in line with IFRS 5.

Aging Analysis of Suppliers & Other Short-term Liabilities

<i>amounts in € '000</i>	< 1 year	1 - 5 yrs	> 5 yrs	Total
GROUP				
31.12.2017	255,702	32,743	94,211	382,656

31.12.2018	242,530	37,991	63,504	344,025
	COMPANY			
31.12.2019	201,956	29,308	80,851	312,116
31.12.2018	204,928	33,414	47,005	285,347

Note: 2018 income statement figures have been restated for comparability purposes due to discontinuation of operations in 2019, while comparable balance sheet data for 2018 are not restated, in line with IFRS 5.

e. Cash Flow Risk

The Group occasionally makes use of complex financial products in association with the banking sector to hedge the cash flow primarily to specific investments in self-financed projects. The part of the cash flow hedge which was absolutely effective is credited directly to shareholder funds through the Table of Changes in Own Equity of concessionaires, in line with the provisions of the International Accounting Standards. The ineffective part of the gain or loss is charged directly to the income statement of the companies. Therefore, the Group books its share in its consolidated financial accounts according to the respective entries in associated companies, in line with International Accounting Standard 28.

f. Forex Risk

The Group receives a large part of its revenues from works in international markets, with a significant portion of those revenues coming from countries outside the eurozone. In cases of projects outside the eurozone, the Group makes an effort to match its receivables in foreign currency with payables in the same currency, effectively hedging part of its foreign exchange risk. The Group also carries out, partially at minimum, financial hedging of its receivables and payables in foreign currency through agreements with banking institutions.

Sensitivity analysis of Group financial position to potential shifts in foreign currency parities shows that the impact on financial results and shareholder funds of a $\pm 5\%$ variation in the exchange rates which the Group is exposed to amounts to $\pm \text{€}2.84$ million at the end of 2019, versus $\pm \text{€}0.83$ million in the previous year. It should be noted that the effect on Group results and shareholder funds from exchange rate swings in 2019 was solely attributed to the US dollar, given the fixed exchange rate of the Qatari riyal and the Jordanian dinar with the US dollar.

g. Insurance Risk

The Company and its subsidiaries are covered by reputable insurance companies against basic risk arising from their business activity, relating to breakdowns and damages in their technical equipment, personnel accidents, and force majeure events. Insurance coverage is bound to usual terms for each contract and is seen adequate overall. Basic insurance provides full coverage of the undepreciated accounting value of fixed assets against catastrophic and other risks, with an emphasis on technical equipment in Greece and abroad as well as construction projects. Insurance contracts for projects also cover civil responsibility of the Company versus third parties.

h. Geopolitical Risk

Geopolitical risk is present throughout the Eastern Mediterranean region, the Middle East and Northern Africa Group due to conflicts and unrest linked to the overturning of old political regimes, the rise of new fanatic religious groups, and the conflict for control of natural resources.

The international activity and expansion of the Group outside Europe has focused on countries with a reduced geopolitical risk, as AVAX Group follows an independent international path subsequent to the liquidation of the Joannou & Paraskevaidis Group, with which we cooperated in these local markets.

The Group has halted works towards the construction of the 590MW thermal power plant at Deir Aamar (Phase II) near the city of Tripoli in Lebanon. It has filed a Petition for Arbitration to the International Centre for Settlement of Investment Disputes (ICSID), which was halted till 31.05.2020 as part of an effort to resolve the dispute off-courts. While this effort towards a friendly resolution of the dispute continues, the Company decided to re-start the halted arbitration before ICSID.

(see Notes to the 2019 Financial Accounts for more details).

h. Financial Risk

The Group finances its fixed assets with long-term bond loans and its operations with working capital, while also using performance bonds issued by banking institutions to participate in project tenders and guarantee their proper execution to clients. The terms and pricing of those financial products, ie interest rates and bond fees, are determined by international and local liquidity conditions beyond the control of the Group, despite the good relationship maintained with the local banking system. The economic crisis which started at the end of the 2000 decade, squeezed liquidity conditions in the banking sector, and in turn, the construction sector.

Total consolidated debt for the Group amounted to €591.1 million on 31.12.2019 versus €595.4 million a year earlier, with its long-term segment accounting for 87.2% of the total in 2019 as opposed to 79.9% in 2018. At parent company level, total debt amounted to €495.7 million at the end of 2019 versus €521.0 million in the previous year.

According to a sensitivity analysis of the Group's debt to potential changes in the Euribor rate, the effect of a ± 100 basis point interest rate variation on Group financial results and shareholder funds at the end of 2019 amounts to $\pm \text{€}4.51$ million, versus $\pm \text{€}5.30$ million in the previous year. At parent company level, the respective effect at the end of 2019 amounted to $\pm \text{€}3.80$ million versus $\pm \text{€}4.64$ million a year earlier.

3. Dividend Policy

Due to the loss realized in fiscal 2019, Company management is required to propose to shareholders at the Annual General Meeting for 2019, which is scheduled for 01.09.2020, that no dividend is distributed for the year.

4. Own Shares

As of the end of 2019, neither the parent company nor its subsidiaries hold any own shares (sovereign stock). The general shareholders meetings of parent company AVAX SA and its subsidiaries have never discussed or voted for a proposal to purchase own shares, and have never carried out any transaction in own shares.

C. Important Transactions Between the Company and Related Parties

The most important transactions of the Company over the 01.01.2019-31.12.2019 period with related parties as per IAS 24, pertain to transactions with subsidiaries, as follows:

Group (amounts in € '000)	Income	Expenses	Receivables	Payables
AGIOS NICHOLAOS CAR PARK SA	20	-	1	-
OLYMPIA MOTORWAY OPERATION SA	1,760	-	47	-
OLYMPIA MOTORWAY CONCESSION SA	1,497	-	123	989
RIO BRIDGE OPERATION SA	81	1	23	-
RIO BRIDGE SA	29	-	2	-
ATHENS RING ROAD SA	100	236	13,721	8,145
ATTIKA DIODIA SA	-	-	-	-
AEGEAN MOTORWAY SA	3,546	2	0	-
SALONICA PARK SA	27	-	19	-
POLISPARK SA	1	-	25	-
ELIX SA	-	-	6	-
ATHENS CAR PARKS SA	39	-	1	-
CANOE-KAYAK PARK SA	2	-	0	-
METROPOLITAN ATHENS PARK SA	-	-	2	-
BIOENERGY SA	2	-	103	-
BONATTI J&P-AVAX Srl	6,132	-	1,052	5
ILIA WASTE MANAGEMENT SPV	501	-	113	-
PYRAMIS SA	-	3,435	17	1,035
LIMASSOL MARINA LTD	2,785	-	12,649	-
J&P-AVAX QATAR LLC	-	-	1	-
J&P (UK) LTD LONDON	-	-	-	31
JCH SERVICES LTD	-	-	-	75

JCH LTD	-	-	-	723
5N SA	3	-	153	-
SC ORIOL REAL ESTATE SRL	-	-	947	-
SMYRNI CAR PARKS SA	20	-	-	-
ENERSYSTEM FZE	-	5,690	-	-
CYCLADES RES ENERGY CENTRE SA	2	-	2	0
J/V J&P-AVAX -J&PARASKEVAIDES OV. LTD (JORDAN)	480	-	243	937
PROJECT JOINT VENTURES	5,942	-	20,711	4,204
Department Heads and Executive Directors	336	4,186	-	696
	23,305	13,550	49,958	16,841

Company (amounts in € '000)	Income	Expenses	Receivables	Payables
ETETH SA	3,697	82	7,210	23
TASK AVAX SINGLE-MEMBER SA	29	1,486	1,073	3,394
AVAX IKTEO SA	-	2	4	418
GLAVIAM	4	-	-	-
AVAX DEVELOPMENT SINGLE-MEMBER SA	50	-	1,148	3
ATHENA CONCESSIONS SA	1	-	15	41
ERGONET SA	25	-	14	7
MONDO TRAVEL SA (UNDER LIQUIDATION)	15	338	37	290
JPA ATTICA SCHOOLS	1,448	-	-	-
ATHENS MARINA SA	543	-	26	-
BONATTI J&P-AVAX Srl	3,321	-	613	-
AVAX CONCESSIONS	-	-	74,175	20
VOLTERRA SA	155	493	313	1,434
VOLTERRA K-R SINGLE-MEMBER SA	-	-	2	122
VOLTERRA LYKOVOUNI SINGLE-MEMBER SA	2,240	-	639	646
ILIOFANEIA SA	0	-	0	-
PSM SUPPLIERS LTD	2,255	-	2,099	1,192

AVAX INTERNATIONAL LTD	3,345	67,455	8,534	9,629
AGIOS NICHOLAOS CAR PARK SA	-	-	1	-
OLYMPIA MOTORWAY OPERATION SA	1,667	-	31	-
OLYMPIA MOTORWAY CONCESSION SA	1,484	-	120	989
RIO BRIDGE OPERATION SA	189	-	23	-
RIO BRIDGE SA	21	-	-	-
ATHENS RING ROAD SA	24,280	210	9,678	8,112
ATTIKA DIODIA SA	496	-	-	-
AEGEAN MOTORWAY SA	3,546	2	0	-
SALONICA PARK SA	12	-	14	-
POLISPARK SA	1	-	25	-
ELIX SA	-	-	6	-
ATHENS CAR PARKS SA	-	-	1	-
CANOE-KAYAK PARK SA	2	-	0	-
METROPOLITAN ATHENS PARK SA	-	-	2	-
BIOENERGY SA	146	-	102	-
ILIA WASTE MANAGEMENT SPV	501	-	113	-
PYRAMIS SA	-	3,435	17	1,035
LIMASOL MARINA SA	5,409	-	12,627	-
J&P-AVAX QATAR LLC	-	-	1	-
J&P (UK) LTD LONDON	-	-	-	31
J/V J&P-AVAX -J&PARASKEVAIDES OV. LTD (JORDAN)	480	-	243	937
PROJECT JOINT VENTURES	5,911	-	20,553	3,521
Department Heads and Executive Directors	-	900	-	189
	61,275	74,403	139,455	32,032

D. Explanatory Report of the Board of Directors

[in accordance with article 4 of Law 3556/2007, and its amendments]

This explanatory report of the Board of Directors contains the information provided for by paragraph 7 of article 4 of Law 3556/2007, and will be submitted to the Annual General Meeting of the Company's Shareholders in accordance with the provisions of paragraph 8 of article 4 of Law 3556/2007 and article 188 of Law 4548/2018.

Company share capital structure

The Company's share capital on 31.12.2019 amounted to €23,296,455 and was split into 77,654,850 common registered shares of a par value of € 0.30 each. The Company's shares are common registered with voting rights, listed on the Athens Stock Exchange in electronic, paperless format.

It should be noted that following the completion of a share capital increase worth €19,999,999.80 offering rights to all Company shareholders in early 2020, the paid-up nominal share capital of the Company at the date of issue of this Report amounted to €43,296,454.80 and was split into 144.321.516 common registered shares of a par value of € 0.30 each, and an equal quantity of voting rights.

Restrictions on the transfer of the Company's shares

The transfer of the Company's shares is governed by Greek Law and the Company Charter does not place any restrictions.

However, it should be noted that the independent non-executive members of the Company's Board of Directors may not hold more than 0.5% of the paid-up share capital, in accordance with article 4 of Law 3016/2002 and its amendments.

Furthermore, in accordance with Article 19 of the European Parliament and Council Regulation 596/2014, in conjunction with the Commission's Authorized Regulation 2016/522 and the European Commission's Implementing Regulation 2016/523, the managerial staff and the persons closely related to these persons, are required to disclose transactions that are directly or indirectly conducted on their behalf and are related to the Company's shares or debt securities or derivatives or other financial instruments that are linked to them, amounting to more than €5,000 (on a gross basis, without netting off) each year.

Significant direct or indirect participations according to articles 9-11 of Law 3556/2007

According to the Company share register on 26.06.2020, the following shareholders control in excess of 5% of the Company share capital:

Shareholder Name	Participation
Joannou & Paraskevaides (Investments) Ltd	23.77%
JCGH Ltd	19.82%
Constantine Mitzalis	16.31%
Savetrans Holdings Ltd	7.83%

Holders of any type of a share granting special rights of control

No shares of the Company provide special rights of control

Restrictions on voting rights

The Company Charter does not provide for any restrictions on voting rights

Agreements between Company shareholders

The Company is not aware of any agreements between its shareholders which might result in restrictions on the transfer of its shares or the exercise of voting rights

Rules of appointment and replacement of Board members and amendment of Charter

The rules provided for by the Company Charter regarding the appointment and replacement of its Board members as well as the amendment of its Articles do not differ from the provisions of Law 4548/2018

Authority of the Board of Directors or specific Board members to issue new shares or purchase own shares

According to the provisions of Law 4548/2018, the Board of Directors of companies listed on the Athens Stock Exchange may be authorised by the General Meeting of their shareholders to increase company capital through the issue of new shares and to acquire up to 10% of their total number of shares through the Athens Stock Exchange for a specific time period. The Company Charter does not make any provisions for this matter that differ from pertinent legislation. There are no outstanding decisions by the General Meeting of Shareholders of the Company for purchasing own shares.

Important agreements entered by the Company, which will come into effect, be amended or expire upon any changes in the Company's control following a public offer and the results of this agreement

There is no such agreement outstanding

Agreements that the Company has entered with its Board members or its personnel, providing for compensation in case of resignation or release from duties without substantiated reason or in case of termination of their term or employment due to a public offer

There are no such agreements outstanding

E. Labour and Environmental Issues

Group activities are diverse and its operations span several countries outside Greece, employing staff with a wide range of skills, academic background, technical and scientific qualifications. Continuous training is offered to staff of all hierarchical levels, either internally by Group personnel or external trainers, to improve performance and job satisfaction. Personnel are also offered a series of additional benefits, such as a private healthcare plan, on top of established labour rights.

The Group's main activity, construction, is closely linked to the natural environment, both in an urban setting and in remote geographic regions. The Company applies an environmental management system according to the ISO 14001 international standard and is actively supporting the improvement of environmental performance at worksite level, based on the procedures and the policies adopted.

In 2018, the Company obtained an ISO 50001 certificate for the implementation of an Energy Management System at its headquarters and at construction sites and submitted an energy report to the Ministry of Environment and Energy in accordance with the Legislation: Directive 2012/27 / EU, Law 4342/2015, Article 48

of Law No. 4409/2016 (Government Gazette A '136), Decision No 175275 / 22.05.2018 of the Minister of the Environment and Energy (Government Gazette B 1927 / 30.05.2018) 97536/326 / 28.12.2018 Decision of the Minister and the Deputy Minister of the Environment and Energy (Government Gazette B 6136 / 31.12.2018).

F. Financial and Non-Financial Basic Performance Indicators

1. Basic Group Financial Figures

The basic consolidated financial figures of the Group in fiscal 2019 and the preceding four-year period are as follows:

<i>amounts in € '000</i>	2015	2016	2017	2018	2019
Turnover	456,198	541,189	673,077	538,386	575,927
<i>y-o-y change</i>	<i>(11.9%)</i>	<i>18.6%</i>	<i>24.4%</i>	<i>(20.0%)</i>	<i>7.0%</i>
Gross Results	68,271	30,502	36,783	31,240	42,588
<i>y-o-y change</i>	<i>24.7%</i>	<i>(55.3%)</i>	<i>20.6%</i>	<i>(15.1%)</i>	<i>36.3%</i>
Profit / (Loss) pre tax	905	(58,299)	(2,360)	(8,345)	(11,237)
<i>y-o-y change</i>	<i>102.4%</i>	<i>(6540%)</i>	<i>96.0%</i>	<i>(253.7%)</i>	<i>34.7%</i>
Net Profit / (Loss) after tax	(37,636)	(43,170)	(10,552)	(26,302)	(43,126)
<i>y-o-y change</i>	<i>(58.1%)</i>	<i>(14.7%)</i>	<i>75.6%</i>	<i>(149.3%)</i>	<i>64.0%</i>

Note: 2018 income statement figures have been restated for comparability purposes due to discontinuation of operations in 2019, while comparable balance sheet data for 2018 are not restated, in line with IFRS 5.

The performance of the Group on a consolidated basis in fiscal 2018 and the comparative year is defined according to the following ratios:

	2018	2019	Explanation
Financial Structure Indicators			
Current Assets / Total Assets	47.3%	35.4%	Allocation of assets
Fixed Assets / Total Assets	52.7%	38.2%	
Shareholder Funds / Total Short- and Long-term Liabilities	8.5%	5.4%	Capital Leverage
Total Short- and Long-term Liabilities / Total Liabilities	92.1%	94.9%	Allocation of Liabilities
Shareholder Funds / Total Liabilities	7.9%	5.1%	
Shareholder Funds / Fixed Assets	14.9%	13.3%	Funding of fixed assets by shareholder funds
Current Assets / Short-term Liabilities	108.8%	112.6%	Liquidity ratio
Net Current Assets / Current Assets	8.1%	11.2%	Cover of current assets by net current assets
Financial Performance Indicators			

Pre-tax results / Turnover	(1.6%)	(2.0%)	Pre tax profit margin
Pre-tax results / Shareholder Funds	(9.5%)	(14.4%)	Return on Equity
Gross Result / Turnover	5.8%	7.4%	Gross profit margin

Note: 2018 income statement figures have been restated for comparability purposes due to discontinuation of operations in 2019, while comparable balance sheet data for 2018 are not restated, in line with IFRS 5.

2. Financial Results 2019

Group results in 2019 are marked by the discontinuation of activities in Qatar as well as the burdening by extraordinary, non operating charges for the write-off of doubtful receivables and other provisions totaling €28.9 million, as opposed to year-earlier write-offs amounting to €16.9 million.

Accounting for those extraordinary charges for 2019, as well as the discontinuation of operations, the total result for the Group in the year was a loss, slightly larger than in the previous year.

Following the discontinuation of activities totaling €57.2 million in 2019, consolidated turnover from continuing activities amounted to €575.9 million in 2019 versus €538.4 million in 2018, which also excludes discontinued operations totaling €44.1 million for comparability purposes.

Gross profit from continuing operations at consolidated level grew to €42.6 million in 2019 versus €31.2 million in 2018, with the respective gross profit margin widening to 7.4% from 5.8% in 2018. The improvement in gross profitability is attributed to a better mix for Group revenues as well as the discontinuation of activities which produced large gross profitability.

The pre-tax result for the Group from continuing operations in 2019 was a €11.2 million loss as opposed to a €8.3 million loss in 2018, burdened with the afore-mentioned impairments of assets totaling €28.9 million in 2019 versus €16.9 million in 2018. The net result after tax from continuing operations was a €17.6 million loss for 2019, versus a €24.5 million loss in 2018.

Earnings before interest, tax, depreciation and amortization (EBITDA) from the Group's continuing operations turned in a €58.1 million profit in 2019, up from €49.4 million in the previous year as the discontinued operations were loss-making.

Net financial expenses fell to €26.3 million in 2019 from €32.8 million in 2018, despite the Group's overall debt level remaining essentially unchanged, reaching €595 million at the end of 2018 to €591 million at the end of 2019. The Group's net debt, however, recorded a substantial drop, from €529.7 million at the end of 2018 to €451.0 million at the end of 2019 due to the significant increase in cash and blocked deposits during 2019.

Management places emphasis on careful cash flow management, however investments are constantly made mostly in concessions while new projects have considerable working capital needs at their start phase. A

broader trend for harnessing Group debt is already evident, as dividends have started to flow in from concession participations, most notably the Athens Ring Road.

According to the consolidated and non-consolidated accounts for 2019, with the exception of a few terms for which bondholders have granted waivers, the Company meets the clauses on financial ratios on liquidity, capital adequacy and profitability included in the contracts signed at end-2014 with Greek banks for the issue of syndicated bond loans worth €238 million and €187 million, which were amended in April 2018 as regards the repayment timeframe and interest rate spreads.

The Group booked non-current assets held for sale worth €33.8 million on 31.12.2019 concerning two buildings housing its headquarters. The sale was concluded on 29.05.2020. It also booked assets from discontinued operations held for sale worth €371 million, which account for the assets of its subsidiary AVAX ME and the activities of the Company's Qatari branch. Those assets relate to the Education City Stadium and are recorded as discontinued operation. For the same purpose, the accounts also include liabilities amounting to €400.7 million relating to the assets from discontinued operations held for sale.

Movements in the main items of current assets, such as receivables from clients and construction contracts, are in line with the course of execution of projects. It should be noted that short-term and long-term blocked deposits relate to the parent Company's branch in Iraq as well as Volterra, the respective amounts being €54.2 million and €14.9 million.

Non-financial and other short term liabilities to suppliers increased during 2019, reaching €382.7 million at the end of the year from €344.0 million a year earlier, mainly due to increases in cash advances from clients.

As of the end of 2019, Group long-term debt amounted to €515.4 million versus €475.7 million a year earlier, constituting the prime funding source for long-term investments in fixed assets, such as Volterra's wind parks, and participations in concessions. Group short-term debt moved in the opposite direction, dropping from 119.7 million at the end of 2018 to €75.7 million at end-2019.

The value of the Group's participations eased slightly during 2019, reaching €252.6 million at the end of the year, versus €262.2 million in 2018. For disclosure purposes, it is noted that valuation of concessions in non-consolidated Company accounts is done at their fair value, as reported by Independent Appraisers. These investments are consolidated using the equity method in Group accounts, except for those participations under 20% (Moreas Tollroad and Olympia Tollroad) which are booked at fair value. As a result, fair value totaling €226 million is not reflected in consolidated accounts, referring to the difference between fair value and book value of those concessions consolidated using the equity method.

The balance sheet item titled "Other Long-Term Provisions & Liabilities" at consolidated level remained almost unchanged, reaching €29.6 million at the end of 2019 versus €29.9 million in the previous year.

The Group's financial results for 2019 are broken down by business segment as follows:

<i>amounts in euro</i>	Construction	Concessions	Energy	Other Activities	Total	<i>Discontinued Operations</i>
Net Sales	441,826,827	4,892,291	115,182,727	14,026,151	575,927,296	57,243,861
Gross Profit	38,038,851	(455,489)	2,079,146	2,925,905	42,588,413	(3,211,007)
Operating Profit	(6,691,102)	25,468,046	(3,298,135)	114,251	15,593,060	(25,501,205)
Financial Results					(26,829,802)	
Pre-Tax Profit / (Loss)					(11,236,742)	(25,501,205)
Tax					(6,388,083)	
Net Profit / (Loss)					(17,624,825)	(25,501,205)
Depreciation	12,442,297	1,834,358	1,344,842	649,336	16,270,833	
Earnings Before Tax, investments results, depreciation and provisions (EBITDA)	31,708,664	27,302,404	(1,691,741)	763,587	58,082,913	(23,101,205)

The Group's financial results for 2019 are broken down geographically as follows:

<i>amounts in euro</i>	Greece	International Markets	Total	<i>Discontinued Operations</i>
Net Sales	290,003,016	285,924,281	575,927,296	57,243,861
Gross Profit	(3,551,641)	46,140,054	42,588,413	(3,211,007)
Operating Profit	21,141,904	(5,548,844)	15,593,060	(25,501,205)
Financial Results	(20,952,292)	(5,877,510)	(26,829,802)	
Pre-Tax Profit / (Loss)	189,612	(11,426,354)	(11,236,742)	(25,501,205)
Tax	(5,687,687)	(700,396)	(6,388,083)	
Net Profit / (Loss)	(5,498,975)	(12,126,750)	(17,624,825)	(25,501,205)
Depreciation	10,855,024	5,415,809	16,270,833	
Earnings Before Tax, investments results, depreciation and provisions (EBITDA)	47,843,023	10,239,891	58,082,914	(23,101,205)

At parent company level, turnover remained practically unchanged in 2019 relative to the previous year, following the adjustments stemming from the discontinuation of activities in Qatar, amounting to €57.2 million. Turnover reached €432.1 million in 2019 versus €433.0 million in 2018. Gross profit rose to €37.0 million in 2019 from €24.6 million a year earlier, with the cost of sales contained to reach €395.1 million in 2019 relative to €408.4 million in 2018. The improvement in gross profitability of the parent Company in relation to its almost unchanged turnover is due to some extent to that fact that discontinued operations were loss-making, but mostly linked to a different product mix contributing to turnover in 2019, bringing the parent company's gross profit margin to 8.6% in 2019 from 5.3% in 2018.

The item for income from participations for the parent Company improved slightly in 2019 to €35.2 million from €33.0 million in 2018, due to a recovery in revenues from concessions, in line with the recovery in the Greek economy.

Earnings before interest, tax and amortization for the parent company recorded a €60.3 million profit in 2019 versus €53.3 million a year earlier.

3. Activity per business segment

Construction

The construction business segment registered slightly increased activity in 2019 relative to 2018, as works towards large-scale projects in Greece and abroad proceed at fast clip. Contribution of international markets to the Group's revenue mix from construction recorded a sharp rise relative to 2018, reaching 65% versus 37%.

Energy (Power Plants & LNG)

The Group's main energy projects in progress are the design & construction of a 1,550MW power plant in Iraq and the design & construction of an exhaust gas desulphurization system at the 375MWe Lignite-fired Unit V of the Aghios Dimitrios power plant in Northern Greece. The Group hopes that the experience of the projects executed, as well as those recently completed, such as the TAP gas pipeline in Northern Greece, the LNG terminal in Malta and the 3rd LNG tank in Revythousa, will help its bidding success for other similar projects, mainly in international markets where the demand for design & construction by specialized manufacturers is very high.

RES & Energy Trading

In the field of Power generation, Volterra has a portfolio of Renewable Energy Projects (RES) of approximately 338 MW (11 projects), at various stages of development (in operation, ready to be built or under construction, ready to participate in competitive procedures, and in development). All projects are developed internally on a green-field basis by the company and in collaboration with external consultants, while most of them are Wind Farms.

In the first half of 2019, as part of a plan for joint development / construction of large scale projects, the company concluded a deal with PPC Group (via its PPC Renewables subsidiary) to jointly develop and operate wind parks in the Etoloakarnania and Viotia regions, with a total capacity of 69.7MW, through the acquisition of shares (45% PPC, 55% Volterra) of Volterra's two SPVs owning those projects. The deal came into effect in July 2019. Following full licensing (Installation License, Connection Agreement, Power Sale Agreement) of the 54MW wind park in Viotia, Volterra closed the financing and started construction in the 3rd quarter of 2019, as per the time schedule. The project is constructed jointly with PPC Renewables and will enter test phase in the 4th quarter of 2020.

The 16MW project of subsidiary Volterra K-R, was operational throughout 2019 producing 40,000MWh of green energy, along with an equal quantity of “green certificates” which may be used in 2020 by residential or business clients.

As regards the development of the remaining project portfolio, the company successfully participated in the competitive processes organized by Greece’s energy authority for the purpose of reaching a Power Purchase Agreement, with a 12MW wind park and 1 2.7MW solar park in July 2019, and a 24MW wind park in December 2019. The solar park is expected to be connected to grid in 2020 while the two wind parks will complete their licensing and financing, aiming to commence construction in 2021.

Real Estate

Group real estate development operations are pursued via its subsidiary AVAX Development SA. Due to the crisis in the real estate market in recent years, the company has not proceeded to develop any new property, instead it focuses on pushing forward with licensing issues for some of its property in Greece and abroad, while also occasionally selling some of the property developed in earlier years.

No significant changes are expected in Greece’s economic conditions in the near-term, therefore the local real estate market and consequently AVAX Development are not seen recovering to produce significant improvement in the financial results in the near future.

Concessions

Group accounts include low amounts of income from its participations in concessions because it does not fully consolidate them, with the exception of Athens Marina and the Athens Schools PPP project. Consolidated 2019 results include income from associates corresponding to Group share in the profit of concession participations, such as the Athens Ring Road, the Rio-Antirrio Bridge, the Aegean Motorway, etc.

Despite normal fluctuations in the income and dividends of those concessions in line with the country’s economic conditions, the course of those concessions is in line with long-term projections due to their key position in local transportation and vehicle traffic. Therefore no problems are expected in receiving dividends from those concessions. Prospects for Limassol Marina in Cyprus are superior.

Facility Management

The Group is active in facility management with success through its subsidiary Task J&P-AVAX SA, which boasts a good clientele base in the private and the public sector. The company is constantly profitable and offers a wide range of services for managing and maintaining business installations, corporate offices and buildings.

The outlook is positive because the targeting of the client base reduces doubtful receivables and is based on long-term contracts and relations with clients.

G. Alternative Performance Measures

This Financial Report features some «Alternative Performance Measures», based on the ESMA Guidelines on Alternative Performance Measures dated 05.10.2015), besides the International Financial Reporting Standards which derive from the Group's financial statements. APMs are not a substitute for other financial figures and financial indicators of the Group which are calculated according to IFRS, rather they serve the purpose to allow the investment public to get a better understanding of the Group's financial performance.

APMs aim to enhance transparency and promote the usefulness and fair and complete information of the investing public, by providing substantial additional information, excluding elements that may differ from operating results or cash flows.

The APMs used in the Group's Annual Financial Reports are as follows:

1. Earnings before interest, tax, depreciation and amortization (EBITDA)

amounts in € '000	GROUP		COMPANY	
	2019	2018	2019	2018
Pre-tax Earnings (A)	(11,237)	(8,345)	4,167	(2,395)
Financial Results (B)	(26,830)	(32,794)	(21,562)	(30,252)
Investment Results / Adjustments for non-cash items (C)	(26,219)	(14,326)	(24,276)	(17,426)
Depreciation (D)	16,271	10,609	10,327	8,003
EBITDA (A - B - C + D)	58,083	49,384	60,332	53,287

Note: 2018 income statement figures have been restated for comparability purposes due to discontinuation of operations in 2019, while comparable balance sheet data for 2018 are not restated, in line with IFRS 5.

Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) are defined and calculated according to Circular #34 of the Capital Markets Commission, as follows: Earnings before tax, financial and investment results and total depreciation (EBITDA) = Profit / (Loss) pre tax earnings +/- financial and investment results + Total Depreciation (of tangible and intangible assets). EBITDA is widely used by financial analysts and banks to evaluate the capacity of corporations to service their debt out of generated cash flow.

2. Capital Leverage Indicator

amounts in € '000	GROUP		COMPANY	
	2019	2018	2019	2018
Total Debt (A)	591,090	595,388	495,685	521,040
Shareholder Funds (B)	78,259	87,827	320,267	249,322
Funds deposited towards Rights Issue (C) *	16,350	13,000	16,350	13,000
Capital Leverage [A / (B + C)]	6,25	5,91	1,47	1,99

* funds deposited by major shareholders towards the €20 million capital increase completed in February 2020

Note: 2018 income statement figures have been restated for comparability purposes due to discontinuation of operations in 2019, while comparable balance sheet data for 2018 are not restated, in line with IFRS 5.

The capital leverage indicator is calculated as the ratio of the total of Short-term and Long-term loans at year-end to Total Shareholder Funds at year-end, taking into account the funds deposited by a main shareholder towards the share capital increase approved by the general meeting of Company shareholders. This indicator examines the relationship between loans and own equity to assess whether the business is adequately capitalized or exhibits excessive exposure to bank loans and borrowed capital.

3. Net Debt

amounts in € '000	GROUP		COMPANY	
	2019	2018	2019	2018
Bond Loans	(454,230)	(429,957)	(431,592)	(415,942)
Loans from Jessica / EBRD (project financing) / Other Long term loans	(20,387)	(43,531)	(7,865)	0
Long-term Loans – due in next 12months	(34,405)	(6,080)	(29,340)	(6,080)
Leasing	(46,095)	(5,628)	(3,083)	(602)
Short-term Loans	(35,972)	(110,192)	(23,804)	(98,417)
Total Debt (A)	(591,090)	(595,388)	(495,685)	(521,041)
Cash & Blocked Deposits from continuing operations (B)	140,084	65,676	115,235	57,026
Net Debt (A + B) from continuing operations	(451,006)	(529,712)	(380,449)	(464,015)

Note: 2018 income statement figures have been restated for comparability purposes due to discontinuation of operations in 2019, while comparable balance sheet data for 2018 are not restated, in line with IFRS 5.

Net Debt is calculated by subtracting Cash & Blocked Deposits from the total of Short-term and Long-term Loans. As a performance indicator, net debt gives an immediate view of the capacity of a business to repay all or part of its debt making use of its cash and equivalent.

4. Free Cash Flow

amounts in € '000	GROUP		COMPANY	
	2019	2018	2019	2018
Pre-Tax Earnings	(11,237)	(10,188)	4,167	(2,395)
Depreciation	16,271	10,609	10,327	8,003
Other Cash Flow Items	22,252	14,031	(12,179)	10,058
Change in Working Capital	63,979	(33,937)	61,444	(33,958)
Operating Cash Flow from continuing operations (A)	91,265	(19,485)	63,759	(18,292)

Net Investment Cash Flow from continuing operations (B)	20,459	9,374	26,117	8,526
Free Cash Flow from continuing operations (A + B)	111,725	(10,110)	89,876	(9,766)

Note: 2018 income statement figures have been restated for comparability purposes due to discontinuation of operations in 2019, while comparable balance sheet data for 2018 are not restated, in line with IFRS 5.

Free Cash Flow is measured by deducting Net Investments from Operating Cash Flow, to provide an indication of the cash generated by a business due to its operation after paying for investments in assets. Positive free cash flow allows for financing of new activities to expand the business and relax debt, while a free cash outflow must be matched by new equity injected by shareholders or borrowing from the banking system.

H. Expectations & Prospects for 2020

Coming out of a decade of deep economic recession, our country has barely managed to capitalize on the positive circumstances and dynamics that developed in the economy in 2019, with the election of a government that officially aims to boost growth by increasing foreign investment, combined with rolling back the state and cutting taxes. The improvement of the country's external image was marked by debt ratings upgrade by international rating agencies and the significant reduction of yields on government securities, culminating in the decision taken by the ECB Board on 18.03.2020 to include Greek government bonds in the new bond buying amounting to €750 billion which will last at least until the end of 2020.

Early on this year, our country has faced serious external challenges, which have significant fiscal and social implications, such as the spread of coronavirus that causes Covid-19 disease and the exacerbation of the refugee-immigration problem. Reversing the short-term growth prospects and the path to normalcy, the initial scenario for a growth rate of the Greek economy of more than 2.5% in 2020 was quickly overcome by developments and became unrealistic and unattainable. The expected decline in tourism, the pause in productive activities and the upsetting of the investment planning of private enterprises will inevitably lead to a negative sign of economic growth.

The shrinking of the Greek economy this year cannot be quantified yet, especially as the pandemic unfolds, spreading at varying rates and being tackled inconsistently in different countries around the world. In any case, a significant impact on economic activity is expected at least in the second and third quarters of 2020, with hopes of a partial reversal of the trend in the last quarter of the year and a strong recovery in 2021.

Regarding AVAX Group, 2020 is expected to exhibit a significant difference in activity between foreign markets and the domestic market, but also between the quarters of the year. In particular, activity in the Group's international markets continues until the date of this Report without any particular problems from the measures taken by various countries to deal with the coronavirus pandemic, beyond expected delays eg in cross-border transport of equipment and materials. On the contrary, in Greece there has been a substantial pause of work on construction sites on a national level due to the general ban on traffic and construction during the months of

March and April, and only from May did the gradual resumption of general economic activity begin. At the same time, revenues from road concessions in which the Group participates have recorded a significant reduction due to the measures prohibiting the movement of citizens in the context of dealing with covid-19.

In this light, and despite a significant project backlog, the level of activity in 2020 is estimated by the Group's management to be lower than originally expected, but any loss of turnover in 2020 will be recuperated in 2021. Essentially there will be no loss of activity, but a shift to the next year. It is noted that at the end of 2019, the Group's work-in-hand according to the International Accounting Standards, ie the part of the signed construction projects that have not been reflected in the financial statements in terms of revenue and expenditure exceeded some €1.3 billion. That amount excludes contracts outside the construction sector, such as real estate and other services.

Starting around the end of this year, and especially from 2021 onwards, construction activity is expected to rise significantly. The government has openly stated its will for immediate and priority implementation of a large package of construction projects, estimated at 13 billion euros, to boost the dynamics of restarting the economy. This includes the revision of legislation on the production and auction of public works, but also the speeding up of all public works, additional concession projects and PPP projects that are in a mature phase and are ready for auction. Also, the procedure provided by concession contracts for compensation by the State due to loss of revenue from the adoption of administrative measures prohibiting the movement of citizens has begun.

I. Important Developments & Events past the Balance Sheet Date (31.12.2019) and up to the date of approval of this Report

Share Capital Increase amounting to €20 million

The Repeat Extraordinary General Meeting of Company shareholders held on 26.09.2019 decided a share capital increase amounting to €20 million through a rights issue for all shareholders, at an issue price of €0.30 per share for a total of 66,666,666 new ordinary shares at a ratio of approximately 0.885849971 new shares for each existing share. The Capital Markets Commission approved on 20.01.2020 the relevant Information Memorandum and the exercise of preemptive rights took place between 27.01.2020 and 10.02.2020. By decision of the Board of Directors of the Company, unallocated shares were distributed to main shareholders, resulting in a 100% coverage ratio of the share capital increase.

Following the audited certification of the payment of funds on 12.02.2020, the nominal share capital of the Company now amounts to €43,296,455, divided into 144,321,516 common registered shares with a nominal value of €0.30 each, while the total paid-up share capital amounts to €189,948,126 (nominal capital €43,296,455 + share premium capital reserve €146,651,671).

It is noted that some shareholders had prepaid amounts against the capital increase, amounting to €16,349,601 on 31.12.2019, which were classified as short-term liabilities on this date. When calculating the indices on the financial statements of 31.12.2019, we take into account for the calculation of the paid-up share capital the

above amount that was deposited on 31.12.2019, and thus amounts to €186.297.727 (nominal capital €39.646.056 + share premium capital reserve €146,651,671).

According to the following table, total shareholder funds in the Group's consolidated balance sheet exceeds 50% of paid-up share capital:

A	Nominal Share capital	23,296,455.0
	Share Premium Capital Reserve	<u>146,651,671.0</u>
	Total	169,948,126.0
	Plus: funds deposited until 31.12.2019 towards the rights issue, which was concluded on 10.02.2020	<u>16,349,601.0</u>
	Total Paid Up Capital	<u>186,297,727.0</u>
	50%	<u>93,148,863.5</u>
B	Total Shareholder Funds, Consolidated Accounts 31.12.2019	78,259,042.0
	Plus: deposits towards capital increase	<u>78,349,601.0</u>
		94,608,643.0

External auditors will issue the Compliance Certificate immediately following the publication of the 31.12.2019 Financial Report, making reference to this matter but having already secured their unqualified opinion.

Significant changes in voting rights following the completion of the share capital increase

Upon completion of the Company's €20 million share capital increase in February 2020, the following changes in voting rights have taken place:

1. The percentage of voting rights of Joannou & Paraskevaides (Investments) Limited fell from 44.18% to 23.77% as it did not exercise its rights, reducing its stake to 34,310,000 common registered voting shares of the Company
2. The percentage of voting rights of JCGH Limited, which as per Law 3556/2007 is controlled by "Stejo Limited", which in turn is controlled by "CSME Holdings Limited", also in turn controlled by «CDSJ Holdings Limited» which is controlled by Mr Christos Joannou, Chairman of the Company's Board of Directors, increased from 3.40% to 19.82% as JCGH Limited fully exercised its rights and was allocated part of the unexercised rights, increasing its stake to 28,600,000 common registered voting shares of the Company
3. The percentage of voting rights of Mr Konstantine Mitzalis, Managing Director of the Company, increased from 13.93% to 16.31% as he fully exercised his rights and was allocated part of the unexercised rights, increasing his stake to 23,537,570 common registered voting shares of the Company, while no change was recorded in the 0.84% shareholding of the Joint Investor Account he participates in, which currently holds 1,219,175 common registered voting shares of the Company
4. The percentage of voting rights of Savetrans Holdings Limited, which is fully controlled by Mr Konstantine Kouvaras, Alternate Chairman of the Company's Board of Directors, as per Law 3556/2007, increased from

5.97% to 7.83% as it fully exercised its rights and was allocated part of the unexercised rights, increasing its stake to 11,298,955 common registered voting shares of the Company.

Developments around a long legal dispute with a foreign company

Regarding the arbitration case for a project in Greece, a decision was issued on 30.03.2020 of the Arbitration Court (international) against the Company, and concerns the amount of €5.5 million, plus interest of €8.8 million, plus arbitration costs and legal expenses amounting to €4.5 million. The outcome of the case is considered uncertain at this stage, as it is pending before the international Arbitration Court, a lawsuit for annulment of a previous partial Decision on which the Final Judgment of the international Arbitration Court was based.

Also on 07.05.2020, an application for annulment of the Final Decision was submitted before the Court of Appeal (Abroad). On 02.04.2020, the defendant demanded the forfeiture of two letters of guarantee amounting to €2.9 million, which he had in his possession and the Company requested the exercise of precautionary measures (Athens Court of First Instance). The case will be heard on 30.06.2020. Despite the fact that there are well-founded arguments that could potentially prevent the guarantees from falling, the Company proceeded to recognize a provision in the financial statements of 2019 for the value of the guarantees, ie € 2.9 million, because these guarantees are instantly callable.

Transfer of subsidiaries operating in Qatar

Around mid-2019, through newly set-up AVAX Middle East Ltd (“AVAX ME”) in Cyprus, AVAX Group acquired three companies from J&P (Overseas) Ltd, undergoing liquidation, which were active in mechanical, electrical and plumbing (MEP) works in Qatar, the United Arab Emirates and the broader Persian Gulf region. All three companies were fully consolidated by AVAX ME due to effective management control, arising from a contractual agreement with other shareholders. The rationale behind the acquisition was the vibrance of the construction sector in the area, with a steady flow of auctions for large-scale MEP projects, as well as the acquisition of know-how, expertise and project backlog. Upon the acquisition, AVAX ME's consolidated accounts showed work-in-hand amounting to €361 million, total debt of €82 million and cash reserves amounting to €31 million. At the same time, AVAX Group became a majority partner in the Qatar Foundation Stadium Construction Joint Venture, up from 24%. The stadium was functionally complete in 2019, constituting a \$650million construction project of great importance to the country and the upcoming 2022 FIFA World Cup.

Nevertheless, the liquidation of J&P (Overseas) Ltd changed the way some clients did business with the AVAX Group. Coupled with the increased geopolitical and business risk of these subcontracts, the low leverage of a small subcontractor such as ConspeL against clients and contractors with strong political and business power, as well as the delays in the process of acquiring J&P's subsidiaries by the Company, gave rise to increased uncertainty regarding the financial performance of the Group in the area. It is noted that the ability of the company ConspeL to add new projects in the area also depended on its ability to access local banks to ensure the necessary financial limits for working capital and the issuance of letters of guarantee & LCs for the execution of projects.

The ultimate result was delays and payments from two projects totaling about \$140 million. More specifically, in the “Msheireb Downtown Doha” project, ConspeL Qatar WLL was contemplating legal action to collect a \$30

million receivable amount, while in the “Doha Oasis” project the company was in was in negotiations with the customer and the main contractor (whose ConspeL Qatar WLL is a subcontractor) to settle the claim amounting to approximately \$ 110 million. As mentioned in the Information Memorandum approved by the Hellenic Capital Market Commission on 20.01.2020 for the Company’s share capital increase, this inability to collect temporarily stressed the liquidity of ConspeL Qatar WLL, which was contemplating its options since the end of 2019.

Those options included negotiations with local partner Fahad Trading W.L.L. (which owned 51%), for the full acquisition of these companies.

Eventually, due to the continuous deterioration of cash liquidity, the Company proceeded with this solution, ie decided to sell these companies to the local partner, who after drafting the contract of sale, proceeded to take over the administration and management of these companies and their projects, including the “Qatar Foundation Stadium” project, in which these companies participate by 76% while AVAX controls 24% through its Qatari branch.

Therefore, the Financial Statements of 31.12.2019, according to IFRS 5, classified the operations of the subsidiaries of AVAX ME, namely ConspeL Qatar WLL and J&P Qatar WLL as “Discontinued Operations” in the consolidated Financial Statements of AVAX ME on 31.12.2019, and consequently in the consolidated Financial Statements of the Company, taking into account the draft sale contract which has been drafted (but has not yet been signed) with the local partner Fahad Trading WLL , which owns 51% of “ConspeL Qatar WLL” and “J&P Qatar W.L.L.”, concerning the sale of the 49% stake currently held by AVAX SA in those companies to Fahad Trading WLL or a third party of their choice.

According to IFRS 5, the assets of the discontinued operations include Goodwill amounting to €117.8 million. More specifically, according to the draft sale contract (payment of compensation totaling €29.4 million), the total fair value of the assets held for sale of the discontinued operation was determined, and a €22.9 million impairment was recognized. Upon completion of the transaction, the financial outcome for AVAX ME will be finalized according to the final agreement.

IFRS 5 provides a 12-month period to complete the sale.

AVAX Group, applying IFRS 5 "Non-current assets held for sale and Discontinued Operations", reports the assets and liabilities of AVAX ME’s subsidiaries (ConspeL Qatar WLL and J&P Qatar WLL), and the Qatari branch as distinct units, while also reporting the financial result of discontinued operations separately in its consolidated financial accounts.

Construction Activity Restriction due to covid-19 pandemic

In early March 2020, the Greek state took a series of restrictive measures both for professional activities and citizens’ travel, to inhibit the pandemic spread of coronavirus covid-19 and ensure the country’s public health. The consequences of these measures, which have been gradually started to be lifted since early May 2020, are expected to be significant and long-term on our country's economy, as they have effectively suspended the most important economic activities, such as tourism and construction. The extent of the economic downturn at national economy level, and especially for AVAX Group, cannot yet be accurately calculated as the pandemic is in progress, with an increased probability of a new wave of virus transmission due to tourism and the reactivation of many sectors of the economy. In any case, a significant loss of turnover of a few tens of millions of euros should be expected for the Group this year, due to the suspension not only of the implementation of projects,

but also the upset of the planning for auction of new projects. Losses in total activity in 2020 are expected to be recuperated in 2021 due to the transfer of works to a later date.

[see section “B. Main Risks & Uncertainties for 2020” → 2. Risks and Uncertainties → a. Covid-19 corona pandemic »for more details]

Termination of contract in a port project in Iraq

The Basrah Gas consortium, which includes South Gas Company of Iraq, Shell Gas Iraq BV and Mitsubishi, with which the Company had signed a contract worth about € 69 million for marine works and upgrading of the port's technical equipment at Umm Qasr in Iraq, informed the Company in March 2020 of the termination of the project. The Company had carried out cumulative works of €27.3 million with a reference date of 31.12.2019. The Company has already brought the case before the international arbitration body DIFC-LCIA to resolve the dispute with Basrah Gas.

Annual extension of the contract for the Psytalia Isle Wastewater Treatment Plant

In March 2020, the Athens Water Utility (EYDAP) granted an annual extension of the contract for the operation and maintenance of the Psytalia Isle Wastewater Treatment Plant. The previous contract, awarded to a consortium in which the Company participates by 30%, expired on 30.03.2020. A new tender was carried out for a 5-year period and the decision on its final result is pending. It is pointed out that the consortium in which our Company is a member participates in the tender of EYDAP for the operation and maintenance of Psytalia Isle Wastewater Treatment Plant for the next 5 years.

Completion of an agreement for the sale of two offices of AVAX SA in Maroussi

The Company signed on 29.05.2020 an agreement for the sale of two separate buildings in Maroussi, at 16 and 29 Maroussi-Chalandri Street, with a total area of 25,597 sq.m. which house the Company's central services and administration offices, for a total price of €34,000,000. Buyer of the properties is Trastor AEEAP while the Company will remain their user under a long-term lease agreement. The transaction was made in the context of the strategy of divestment from non-core operating activities, is expected to improve the structure of the Company's balance sheet and is not expected to have a significant impact on the financial results of 2020.

J. Non-Financial Overview

a. Business Model

The Group's current structure stems from the merger of construction firms AVAX SA J&P HELLAS SA and ETETH SA, along with their subsidiaries, in the early 2000s and the addition of ATHENA SA in 2007. Shares of the Group are traded on the Athens Stock Exchange because former AVAX SA was listed as early as 1994. The AVAX Group of companies is mostly active in the areas of construction and concession operation, while also being involved in some complementary activities such as real estate development, RES and energy trading, motoring check of vehicles and facility management through subsidiaries. AVAX Group has a significant presence in the largest projects of Greece as well as in international markets, with an emphasis on Cyprus, the Middle East and the Persian Gulf.

Financial and technical assessment of construction projects and investments in concessions, towards submitting bids in the tender process, is a fundamental activity of the Company. Personnel at Group headquarters is also involved in the legal evaluation of contracts, the insurance coverage of projects, technical equipment and staff, along with the accounting and cash flow monitoring of projects. When it comes to construction works though, the physical presence of technical and financial personnel at work sites is necessary, either on permanent or periodical basis.

b. Applied Company Policies

The Board of Directors bears full responsibility for setting the targets and policies for risk management at Group level, and has authorized the Strategic Planning & Risk Management Committee to design and apply the procedures securing the achievement of those targets and policies, yet retaining ultimate responsibility for those issues. The Board of Directors receives monthly and quarterly reports, through which it monitors the efficiency of the procedures in place as well as the suitability and management of set targets and policies. The Group's internal auditors also audit the policies and procedures for risk management, and submit their findings to the Audit Committee.

The Company operates an independent Department of Quality, Safety, Environment and Sustainable Development, which supports the implementation and management of systems according to International Standards.

The systems applied by the company are the following:

- Quality Management (ISO 9001:2015)
- Occupational Safety and Health (OHSAS 18001:2007)
- Environmental Management (ISO 14001:2015)
- Energy Management (ISO 50001:2011)
- Anti-Bribery Management (ISO 37001:2016)

Environment

The Environmental Policy of the Company comprises a set of principles, defined as commitments, through which top management describes the long-term direction of the Company with respect to the support and enhancement of environmental performance. The Company has developed and applies an Environmental Management System according to international standard ISO 14001.

Energy Management

As part of the applied Environmental Management System, the Company has designed and applies various Programmes and Procedures in a bid to reduce energy consumption in worksites and central installations and offices. The Company has developed and implemented an Energy Management System, in accordance with the international ISO 50001 standard, aiming to reduce energy consumption and implement energy saving measures.

Waste Management

The Company abides by local, national, EU and international legislation (depending on the country) in all its projects. As part of the applied Environmental Management System, the Company has designed and applies various Programmes and Procedures for Waste Management. In its effort to practice best environmental management, the Company has reached agreements with licensed firms and institutions for waste management and recycling.

Social Policy

The Company is very active in the area of social responsibility, realising the interaction with the local communities it is active in. AVAX's contribution takes the form of financial support of cultural and sports activities of various local communities and institutions, along with a number of events focusing on humans as individuals. The Company views social responsibility as a broader notion, where the target is not only to support specific groups of people, rather it is to improve the quality of life and safety of its personnel, residents neighbouring its work sites and users of its projects.

Labour Policy

At the end of 2019, the Group and the Company employed 2,181 and 1,626 personnel, respectively, versus 1,980 and 1,484 a year earlier.

Health & Safety of Personnel

The Company's policy on safety is to provide and maintain safe working conditions in all its activities on its construction sites and facilities. The Security Management System that the Company is constantly developing and developing is the "tool" for the success of its Policy. In order to support the implementation and operation of the Safety Management System, AVAX SA has established an independent Department for Quality, Safety, Environment and Sustainable Development, which:

1. Develops and monitors the implementation of the Safety Management System in the Company's projects and facilities
2. Manages and organizes projects with the appropriate specialized personnel in safety and health matters (safety technicians, doctors, nurses etc.)
3. Updates projects for changes in legislation and supports its implementation throughout the project
4. Regularly inspect the implementation of the Safety Management System
5. Evaluates the results of performance measurements of the System
6. Manages and brings together know-how to apply good health and safety practices to all projects
7. Training personnel in Safety & Health issues according to best practices and knowledge acquired through long expertise, aiming to form a corporate Safety culture

Besides its legal requirements for collaboration with certified worksite doctors, the Company has also hired a consultant doctor, who visits the headquarters according to a schedule and uses a dedicated office space to provide medical consultation to all personnel.

Employee Benefits

The Group has put in place a policy of specific benefits for its employees, including:

- ❖ zero-interest loans and salary advances to meet extraordinary needs
- ❖ private medical and hospital cover for employees and family members
- ❖ blood bank through a voluntary donation scheme, for employees and family members
- ❖ gym at the central building of its headquarters in Marousi
- ❖ agreement with a psychologist to meet certain needs of employees

Training & Development of Employees

The Company invests in its human resources and applies a Training Procedure to all hierarchical levels. The purpose of the procedure is to define the conditions for the most efficient training of staff, making use of approved subsidies, with a view to increase performance and satisfaction derived from work. Training is done both in-house and by external institutions.

The procedure is applied across all personnel when need arises, for example:

1. in cases of newly-hired employees, when specialized knowledge is required
2. when there is need for skills improvement for an existing work position
3. when taking up new responsibilities (promotion)
4. in the event of changes in legislation / introduction of new technologies / procedures
5. when there is need for specialty skills

Respect of Human Rights

The Company incorporates in its corporate values some of the 17 Sustainable Development Targets of the United Nations, and in particular those pertaining to the protection of human and labour rights, prosperity across age groups, equality of sexes, easing of inequalities both inside and among countries. The Code of Ethics and Conduct includes the afore-mentioned values and provides personnel with the appropriate guidelines to promote the Respect of Human Rights.

Protection of Personal Data

The Group has set as its top priority the protection of the personal data of associates and clients for all of its companies. For this reason, it has implemented a set of rules and procedures that ensure full compliance with the European and national legislative framework.

The Harmonisation Plan for the General Data Protection Regulation ("GDPR", ie Regulation 2016/679 of the European Parliament and European Council of April 27, 2016) implemented by the AVAX Group is based on existing and new procedures and includes systematic scrutiny of operations, services and products of its companies, with the sole aim of achieving the most direct and smooth compliance of the companies.

The main actions of the Group regarding compliance with the requirements of the General Data Protection Regulation include, but are not limited to:

- The appointment of a Data Protection Officer (DPO)
- The appointment of a Chief Information Security Officer (CISO)
- Upgrading the IT systems and infrastructure of the Group
- Creation of Personal Data Processing Records for the Group companies
- Recognition of high-risk personal data processing procedures
- Controlling Personal Data Protection and Security procedures from the "design and by definition" of all Group projects
- Raise awareness of staff and associates in order to understand the General Data Protection Regulation and implement it in their day-to-day tasks
- The re-training of all staff on personal data protection issues
- The processing of personal data by affiliates, which is only given after a signed Processing Agreement and requires the protection and security measures to be safeguarded

In all countries where the Group operates, companies are required to maintain a unified policy of protecting Personal Data.

c. Performance of Applied Policies by the Company

The successful application of Company policies and Management Systems yields multiple benefits, both short-term and long-term. The following benefits are the most important:

- ❖ Securing transparency across all Company activities, through the Code of Ethics & Conduct as well as the application of the Anti-Bribery System (ISO 37001:2016 certification)
- ❖ Systematic monitoring of legislation and documentation of compliance with regulations in all countries where the Company is active
- ❖ Improvement of safety conditions and hygienic environment in all sites and facilities
- ❖ Reduction of exposure of staff and third parties to hazardous conditions, while also reducing work accidents, if possible
- ❖ Protection of the environment and saving on natural resources
- ❖ Environmental awareness among all personnel
- ❖ Competitive advantage and securing the capacity of the Company to take up demanding, large-scale projects
- ❖ Definition of roles, responsibilities and authority of personnel and improvement of communication at all hierarchical levels
- ❖ Good relations between employer and employees, with a simultaneous improvement in trust and cooperation
- ❖ Gradual improvement in Company organization with indirect improvement and standardization of its operations and activities
- ❖ Improvement in Company goodwill and brand awareness in the market
- ❖ Improvement in Company productivity and viability, coupled with a reduction in foregone profit and/or operating cost
- ❖ Improvement in the capacity to recognize and assess risky situations and work conditions

- ❖ Improvement in crisis management procedures

The Company commits itself to continuous improvement through its policies and management systems. To achieve this task, it improves its systems by planning the method for dealing with threats and opportunities, incorporating and applying actions in management systems and evaluating their efficiency.

d. Risks

The main risks faced by the Company in applying the afore-mentioned policies and management systems are:

- ❖ pollution of the environment with solid and liquid waste and gas pollutants from construction works
- ❖ high risk of work accidents
- ❖ transparent transactions with suppliers and subcontractors

To deal with environment-related risks, the Company takes all measures for proper management of its waste (as mentioned earlier), engages in actions to limit direct and indirect implications caused by its construction activity, and adopts policies aimed at reducing its environmental footprint.

The Company has put in place a mechanism for recognizing professional risks, evaluating those risks and assessing residual risk for all its activities.

When planning security measures, each case involves the following parameters:

- ❖ local legislation for safety
- ❖ international standards for safety
- ❖ the Company's safety policy
- ❖ the requirements of the client
- ❖ requirements of supervisory bodies
- ❖ safety standards for supplied materials and equipment
- ❖ good practices and technological solutions, already applied in other projects
- ❖ the findings of checks and audits
- ❖ the findings of accident studies

Carrying out procurements through competitive offers is a critical factor in maintaining and improving Group competitiveness.

Request for quotations are performed under strict rules to guarantee free competition and a good working relationship between the Group and its suppliers. It is therefore important to have a set of clear and detailed technical specifications and commercial terms, as well as a list of reliable candidate suppliers in each case, which should continuously be updated and renewed depending on market developments.

Long-term agreements are compatible with the principles of free competition as long as they have been reached through a competitive procedure, are subject to mutual obligations and rights, and are checked periodically whether they remain competitive.

Technical specifications of a product or service must precisely correspond to what is stated in the contract.

Requests for quotations sent to candidate suppliers and subcontractors for preparing their quotations should be identical, provide the same time frame to respond and any supplementary information or explanations should be provided simultaneously to all candidate suppliers and subcontractors.

The Group requests quotations from candidate suppliers and subcontractors viewed to have the required experience and productive capacity to fulfill the procurement / work. No quotations are requested by candidate suppliers and subcontractors who fail to meet the required terms of cooperation.

e. Non-Financial Basic Performance Indicators

The following table presents the basic information regarding the Group's financial, human resource and environmental protection performance:

<i>amounts in € '000</i>	2017	2018	2019
Financial Information			
Turnover	673.077	538.386	575.927
Profit / (Loss) before tax	(2.360)	(8.345)	(11.237)
Net Profit / (Loss) after tax	(10.552)	(24.460)	(17.625)
Operating Expenses	(32.209)	(36.589)	(42.532)
Market Capitalisation, year-end	59.406	29.354	48.534
Total Assets	1.237.893	1.116.439	1.534.692
Dividend per share, in euros	0,00	0,00	0,00
Tax	(8.193)	(16.115)	(6.388)
Profit / (Loss) per share, in euros	(0,133)	(0,332)	(0,553)
Depreciation	10.437	10.609	16.271
Personnel			
Total Personnel	1.674	1.980	2.181
Women in managerial positions	3	2	3
Women in Board of Directors	2	2	1
Environmental Protection, in tones			
Recycling of batteries	0,09	0,07	0,056
Recycling of electric appliances	0,154	0,175	1,312

Vehicles reaching end-of-life	21,21	20,43	5,788
Lead battery recycling	3,375	1,03	1,635
Ferrous metals	8,20	306,58	-
Tires reaching end-of-life	3,29	1,58	4,260

Note: 2018 income statement figures have been restated for comparability purposes due to discontinuation of operations in 2019, while comparable balance sheet data for 2018 are not restated, in line with IFRS 5.

f. Branches

Due to the nature of the business and the geographic dispersion of group activities, it is appropriate to set up branches in foreign countries where the Company works on own projects. As of the end of 2019, the Group had branches in Albania, Bulgaria, Romania, Croatia, Poland, Cyprus, Malta, Lebanon, UAE, Iraq and Qatar.

g. Research & Development

Even though Group activities through its subsidiaries are diversified in areas beyond its traditional business of construction and concession management, research and development of new technologies is not part of its operations.

K. Corporate Governance Report

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Introduction

The term “Corporate Governance” describes the means by which companies are managed and controlled. It refers to a set of relations between the Company management, its Board of Directors, its shareholders and other interested parties. Corporate governance is the structure used to approach and set corporate targets, identify the main risks to its operations, define the means to achieving corporate targets, set up the risk management system and enable the monitoring of the management’s performance and effectiveness in dealing with all the afore-mentioned issues.

Effective corporate governance plays a meaningful and primary role in promoting competition among businesses and strengthening the internal structure of their operations. The increased transparency resulting from effective corporate governance helps improve overall economic activity in a corporation, to the benefit of its shareholders and other stakeholders.

This Corporate Governance Report is a special section of the Annual Report of the Board of Directors, in accordance with article 152 of Law 4548/2018.

The Company has adjusted its Corporate Charter to Greece’s key Corporate Law 4548/2018.

1. Code of Corporate Governance

The Company complies with the principles of corporate governance, as outlined in pertinent legislation (Law 3016/2002 on corporate governance, article 37 of Law 3693/2008, and article 152 of Law 4548/2018).

1.1 Disclosure of compliance of the Company with corporate governance practices described in its Code of Corporate Governance

This Statement concerns the entire set of principles and practices observed by the Company in accordance with Law 3873/2010 and article 152 of Law 4548/2018.

The Company complies with the corporate governance practices described in its Code of Corporate Governance, accessible at its website www.avax.gr

Corporate Governance refers to a set of relations between the Company management, its Board of Directors, its shareholders and other interested parties. Corporate governance is the structure used to approach and set corporate targets, identify the main risks to its operations, define the means to achieving corporate targets, set up the risk management system and enable the monitoring of the management’s performance and effectiveness in dealing with all the afore-mentioned issues.

The legal framework of AVAX's Code of Corporate Governance is the following:

1. Law 3016/2002 and Law 4548/2018 which require:
 - o the participation of non-executive as well as independent non-executive members to the Boards of Directors of Greek listed companies
 - o the set up and operation of an internal auditing unit
 - o the adoption of a corporate code of conduct
2. Law 3693/2008 which enforced the setup of audit committees and corporate disclosure of sensitive information regarding the ownership status and governance of companies
3. Law 3884/2010 and Law 4548/2018 on shareholder rights and additional corporate disclosure to shareholders as part of the preparation of a General Meeting of shareholders.
4. Law 3873/2010 which put in effect the European directive #2006/46/EC, acting as a reminder for the need to adopt a Code of Corporate Governance and becoming the main pillar of that Code.
5. Law 4548/2018 which updated the obligations of listed companies and the functioning of various administrative committees.

Through its Code of Corporate Governance, the Company meets all relevant legal obligations and develops a corporate culture which rests upon the principles of business ethics as well as the protection of the interests of shareholders and all interested parties.

1.2 Derogations from the Code of Corporate Governance and justification for those derogations. Special clauses of the Code not applied by the Company and justification for not applying them

In accordance with article 152 of Law 4548/2018 currently in effect, a very important aspect of the Code of Corporate Governance is the adoption of the standard for justification of non-compliance of the Company with specific areas of its Code. Pertinent legislation and the Company-adopted Code of Corporate Governance follow the approach of "compliance or justification" and requires either the compliance with the Code in its entirety or the detailed analysis of areas of the Code where the Company derogates from, along with the justification for this derogation.

In relation to the practices and principles of the Code of Corporate Governance of the Company, currently there are derogations (including cases of non-application). Those derogations and their respective justifications are as follows:

- The Board of Directors has not set up a Remuneration Committee, comprising non-executive and independent non-executive members. The Remuneration Committee should include a minimum of three (3) members and its chairman must be an independent non-executive member of the Board of Directors

This derogation is due to the fact that, given the Company's current structure and functioning, the existence of this committee has so far not been deemed necessary, as senior management takes care that remuneration is decided on the basis of objectivity, transparency and professionalism, with no conflict of interest. When deciding on remuneration matters for members of the Board of Directors, both executive and non-executive, Company management makes sure to create long-term corporate value and maintain the required balance to promote meritocracy, attracting qualified personnel for the effective function of the Company.

In deciding on the remuneration of members of the Board of Directors, especially those who are executive, the Board of Directors takes into account their duties and responsibilities, their performance versus the qualitative and quantitative targets set, the financial condition, results and prospects of the Company, the level of remuneration in peer companies for similar positions as well as the broader level of remuneration of employees in the Company and the Group.

This process of setting the remuneration for executive and non-executive members of the Board of Directors and the criteria used, suggest that there is no need for setting up a separate Remuneration Committee for as long as those duties and responsibilities are carried effectively by the Board of Directors.

- The remuneration of executive Board members is not approved by the Board of Directors following a proposal by the Remuneration Committee

Remuneration of Board members are proposed by the Board of Directors and approved by the General Meeting of Company shareholders.

This derogation is justified by the fact that Company policy on remuneration of executive Board members and other senior personnel, already recorded in financial accounts, is reasonable, consistent and guaranteed to be applied equally by the Board of Directors. Though adaptable to prevailing economic conditions, the current remuneration policy ensures that remuneration is in accordance with the services rendered and the general economic level of the country.

The report on remuneration of the members of the Board of Directors is not included in this Report on Corporate Governance on the basis of fair treatment and competition. The report on remuneration will start to be published in line with Corporate Governance regulations for fiscal year 2020, as per article 112 of Law 4548/2018.

- The Chairman of the Board of Directors is no non-executive

This derogation is justified on the priority given at this point in time on the need for daily contribution of the Chairman to corporate matters and Board operations, in an effort to achieve corporate goals and bring out benefits for all shareholders, clients, employees, and senior personnel.

1.3 Corporate governance practices applied by the Company in excess of legal requirements

The corporate governance practices applied by the Company are in line with pertinent legislation and outlined in its Code of Corporate Governance. The Company has segregated the duties of its Chairman from those of the Managing Director and applies an integrated system of internal auditing in accordance with international standards and the regulatory framework in effect.

It has also introduced a Code of Conduct to apply the standards of modern corporate governance and effective Internal Auditing.

The percentage of non-executive members of the Board of Directors exceeds the minimum 1/3 of total Board members required by legislation.

In line with Law 3016/2002, at least two non-executive Board members need also be “independent”. The Company Board includes three non-executive members, two of which are also Independent.

Company Board members are elected for a three-year term.

1.4 Application of Law 4548/2018 regarding Remuneration Policy and Remuneration Report

In compliance with Law 4548/2018, the Company is in the process of drafting an official Remuneration Policy for the members of its Board of Directors, the text of which will be approved by the shareholders either at the next Annual General Meeting of 2020 or at any another extraordinary general meeting within the year 2020.

Following the official approval of the Remuneration Policy by shareholders, the Company must annually draw up a Remuneration Report and put it up for discussion as an agenda item at the annual general meeting for the year. The Remuneration Report contains an overview of all types of remuneration of board members in accordance with the approved remuneration policy.

Especially for 2019, as the Company has not yet approved a remuneration policy, the remuneration of board members will be paid as they were during the previous corporate year. Remuneration Report will be drafted by the Company for the first time for the year 2020.

2. Board of Directors

2.1 Membership and functioning of the Board of Directors

Board members, as of 31.12.2019:

1	Christos Joannou	Chairman, Executive Member
2	Konstantine Kouvaras	Deputy Chairman & Executive Member
3	Konstantine Lysaridis	Vice Chairman & Executive Member

4	Konstantine Mitzalis	Managing Director
5	Aikaterini Pistiolis	Non-Executive Member
6	Christos Siatis	Independent, Non-Executive Member
7	Alexios Sotirakopoulos	Independent, Non-Executive Member
8	Michael Hatzipavlou	Independent, Non-Executive Member

- Members 1 to 4 are Executive
- Member 5 is Non-Executive
- Members 6 to 8 are Independent & Non-Executive
- Members 1 to 4 comprise the Corporate Planning and Risk Management Committee
- Members 5 to 7 participate in the Audit Committee

Out of a total of eight (8) Board members as of 31.12.2019, four (4) are executive, one (1) is non-executive, and three (3) are independent, non-executive.

The following are executive members:

- Chairman
- Deputy Chairman
- Vice Chairman
- Managing Director

The following are non-executive members:

- 1 member

The following are independent, non-executive members:

- 3 members

The authority of executive Board members is defined and described in relevant official minutes of a Board meeting.

Non-executive and independent Board members are assigned the task of supervising corporate activities. Those Board members are seasoned professionals from the business and academic community with both local and international work experience, selected on the basis of their education and social status. To that extent, those Board members are perfectly suited to have an unbiased and all-round understanding of business affairs and express objective views on those affairs.

Acting collectively, the Board of Directors manages and handles all corporate affairs. It decides on all issues concerning the Company and acts accordingly, except for those issues and actions where jurisdiction rests by Law or by the Company Charter with the General Assembly of Shareholders.

Collective action by the Board of Directors is required in the following cases:

- Collective actions required by Law to be taken by the Board of Directors
- The sale or offer of Company shares, the acquisition of other businesses or proposals for merger with other businesses
- The sale or acquisition by the Company of assets (either current or fixed) worth at least €1,000,000
- Signing contracts or entering obligations worth at least €3,000,000
- The provision of loans, credit or other financial facility, guarantee, compensation or other insurance to third parties, either legal entities or individuals, outside the ordinary course of the Company business worth at least €3,000,000, as well as the provision of trading credit valued at a minimum of €3,000,000 to clients outside the normal Company policy.
- Signing loans worth at least €3,000,000
- The acceptance of encumbrances on Company assets valued at a minimum of €3,000,000
- Changes in accounting policies already adopted by the Company
- Signing contracts or significantly amending signed contracts, or signing contracts with non-commercial terms worth at least €3,000,000

The Board of Directors issues an annual report outlining the Company's transactions with related parties. This report is submitted to the supervising authorities.

The Board of Directors reserves the right to take special decisions on delegating all or part of its authority and powers stated in the Company Charter and the Corporate Law, to grant specific members of the Board of Directors or other Company employees or third persons, acting either on their own or jointly, specific rights of representation of the Company.

All practices governing the role and jurisdiction of the Board of Directors are included in the Company Code of Corporate Governance.

2.2 Information on the members of the Board of Directors

The Board of Directors was elected on 27.03.2019 for a 3-year term, ie until 26.03.2022, and comprises the following members as of 31.12.2019:

1	Christos Joannou	Chairman, Executive Member
2	Konstantine Kouvaras	Deputy Chairman & Executive Member
3	Konstantine Lysaridis	Vice Chairman & Executive Member
4	Konstantine Mitzalis	Managing Director
5	Aikaterini Pistiolis	Non-Executive Member
6	Christos Siatis	Independent, Non-Executive Member

7	Alexios Sotirakopoulos	Independent, Non-Executive Member
8	Michael Hatzipavlou	Independent, Non-Executive Member

Brief CVs of Board members are available at the company website.

2.3 Audit Committee

1	Christos Siatis	Chairman (Independent, Non-Executive)
2	Aikaterini Pistioli	Member (Non-Executive)
3	Alexios Sotirakopoulos	Member (Independent, Non-Executive)

The General Shareholders Meeting held on 28.06.2018 appointed the members of the Audit Committee in accordance with article 44 of Law 4449/2017, which put Directive #56/16.04.2014 of the European Commission in effect. Its wide-ranging auditing authorities cover the supervising of the operation of the Company's Internal Auditing Department, which is hierarchically answerable upon it, and the monitoring of the effective operation of the internal auditing system.

It should be noted that the members of the Audit Committee have sufficient knowledge on the Company's line of business, while Chairman Mr Siatis has long experience in auditing and accounting. His curriculum vitae may be found on the Company website www.avax.gr

The Audit Committee's duties and authority, as well as its operation charter are analysed in the Code of Corporate Governance, which may accessed at the Company website www.avax.gr

During 2017, Law 3693/2008 was replaced by Law 4449/2017 "Compulsory audit of annual and consolidated financial statements, public supervision on audit work and other provisions". According to the latest law, the members of the Audit Committee are non-executive, while the supervisory role on the Audit Committee is transferred to the Capital Markets Commission. The Company immediately took all required steps to comply with the new law.

The Audit Committee meets at least four times per annum to monitor the internal auditing systems and the Company's risk management function, also holding extraordinary meetings whenever deemed necessary.

Meetings of the Audit Committee with the Company's Internal Auditor may be jointly attended by the appointed external chartered accountants/auditors.

2.4 Strategic Planning & Risk Management Committee

The Corporate Planning and Risk Management Committee comprises the following four (4) executive members of the Board of Directors of the Company.

1	Konstantine Kouvaras	Chairman
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2	Konstantine Mitzalis	Member
3	Konstantine Lysaridis	Member
4	Christos Joannou	Member

The Board of Directors is empowered to decide on changes in total membership and replacement of members of the Corporate Planning and Risk Management Committee.

Decisions by the Corporate Planning and Risk Management Committee are taken by absolute majority among its members.

The term of the Corporate Planning and Risk Management Committee coincides with the term of the Board of Directors. Therefore, the term of the afore-mentioned members of the Corporate Planning and Risk Management Committee is three-year and ends on 26.03.2022.

Responsibilities of the Corporate Planning and Risk Management Committee:

- Overall Company strategy and business plans
- Expansion into new business areas or countries where the Company has no presence
- Acquisitions and mergers
- Deciding the dividend policy
- Preparation and updating of the Company organisation chart and submission to the Board of Directors for approval
- Changes at senior director level (ie directors directly answerable to the Managing Director) following a proposal by the Managing Director
- Periodic assessment of Company operations and achievement of targets set through investment and business plans, and implementation of any necessary corrective decisions and actions
- Decision-making on all issues transferred to the Committee by the Board of Directors or the Managing Director or executive Board members
- Any authority transferred specifically through decisions of the Board of Directors
- Submission of proposals for setting the Company's objective targets and business risks towards action plans and performance checks
- Preparation and updating of the Company's Code of Conduct and its submission for approval by the Board of Directors
- Any changes in the regulation of operations of the Corporate Planning and Risk Management Committee are prepared and approved by decision of the Board of Directors

2.5 Project Bidding Committee

Since March 2019, the Company introduces a three-member Project Bidding Committee, in line with the provisions of its Corporate Charter, article 87 of Law 4548/2018 and best practice principles and corporate governance rules. The new committee works towards the effective operation of the Company's institutional

bodies and the application of all principles, technical and organizational measures and procedures adopted by the Company to comply with competition regulations.

The Board of Directors granted the Project Bidding Committee all powers of administration and representation of the Company in relation with tenders for public contracts, and overall with bidding for public and private works, as specified in the Board decision. The Project Bidding Committee comprises the following Group officials:

1. Konstantine Lysarides, Vice Chairman & Executive Director
2. Athena Demetriou-Eliades, Group Financial Officer, and
3. Zoe Lysarides, Bidding Department Director

3. General Meetings of Shareholders

3.1 Functioning of the General Meeting and its basic authorities

The General Meeting of Company shareholders is its supreme body and has the right to decide on any issue concerning the Company and any proposal put forward. More specifically, the General Meeting of shareholders has the exclusive right to decide on the following matters:

- a. Amendment of Corporate Charter, referring to the increase or decrease of its share capital (excluding those mentioned in article 6 of the Corporate Charter) and those imposed by legislation
- b. Election of Auditors
- c. Approval or amendment of the Company balance sheet and annual financial statements
- d. Appropriation of annual profit
- e. Merger, split, conversion, activation of the Company
- f. Conversion of Company shares
- g. Term extension or early break-up of the Company
- h. Liquidation of the Company and appointment of liquidation supervisors
- i. Election of members to the Board of Directors, excluding the case described by article 11 of the Corporate Charter
- j. approval of election of temporary members to the Board of Directors to replace other members who resigned, passed away or deprived of their member status in any other way

The decisions of the General Meeting of shareholders are binding for shareholders who abstain or disagree.

The General Meeting of shareholders is always invited by the Board of Directors and takes place at the Company headquarters or at a different venue within the same precinct or a neighbouring precinct at least once per financial year, until the tenth (10th) day of the ninth (9th) month following the end of each financial year.

The Board of Directors may invite shareholders to an extraordinary General Meeting when deemed necessary or when requested by shareholders representing a minimum of voting rights, as set by the law and the Corporate Charter.

The decisions of the General Meeting of shareholders are taken by absolute majority of votes represented to it.

An exceptional majority representing 2/3 of paid up capital is required in the following cases:

- a. change of Company nationality
- b. change of corporate address
- c. change of the corporate objective or business activity
- d. conversion of shares
- e. increase of shareholder responsibilities
- f. increase of share capital, excluding the cases described in article 6 of the Corporate Charter or those imposed by legislation or carried out to capitalise reserves, except for cases in accordance with Law 4548/2018
- g. issue of bond loans, according to article 59 and all following articles of Law 4548/2018
- h. change in the appropriation of earnings
- i. merger, break up, conversion or restart of the Company
- j. extension or reduction of the term of the Company
- k. liquidation of the Company
- l. granting or renewal of authority to the Board of Directors to carry out a share capital increase, according to article 6, para 1 of the Corporate Charter
- m. any other case where according to legislation a minimum of 2/3 of paid up share capital is required to be represented in the General Meeting

The Chairman of the Board of Directors, or his lawful substitute, is appointed temporary chairman of the General Meeting of shareholders, also appointing one of the shareholders or their representatives who are present at the meeting to act as the Secretary, until the assembly approves the list of the shareholders who have the right to participate and the permanent chairman is appointed.

3.2 Shareholder rights and means of exercising them

Right to participate and vote at the General Assembly of the Company is granted to all holders of common registered shares appearing on the Electronic Registry System of "Hellenic Exchanges SA". The status of the shareholder must exist at the beginning of the fifth day before the date of the initial meeting of the General Meeting (record date) as provided for in Article 124, paragraph 6 of Law 4548/2018. The Company acknowledges the right to participate and vote in the General Assembly only of shareholders as of the respective recording date. The above record date also applies in case of postponement or recurring session, provided that the repeat session takes place no more than thirty (30) days from record date. If this is not the case, or if a new invitation is published for a repeat general meeting, according to the provisions of article 130 of Law 4548/2018, shareholders eligible for participating in the general meeting are those on record at the beginning of the third day prior to the day of the postponed or repeat general meeting. Shareholder status may be proven by any legal means, however, based on information received by the Company from the Central Securities Depository which provides registry services or through the participants and registered intermediaries in the CSD in any other case.

The exercise of these rights does not require the impounding of the shares of the beneficiary or the observance

of any other similar procedure, which restricts trading of the shares between the record date and the General Meeting.

Minority Shareholders' Rights

1. At the request of shareholders, representing one twentieth (1/20) of the paid up capital, the Board of Directors is obliged to convene an extraordinary general meeting of shareholders, appointing a meeting date no more than 45 days from the date of delivery of the request to the Chairman of the Board of Directors. The application contains the agenda. If no General Meeting is convened by the Board of Directors within twenty (20) days from the service of the relevant application, the meeting shall be conducted by the applicant shareholders at the expense of the Company, by a decision of the Court, issued in the interim proceedings. The decision shall specify the place and time of the meeting, as well as the agenda. The decision cannot not challenged by legal remedies. The Board of Directors convenes the General Meeting in accordance with the general provisions or makes use of the procedure provided for in Article 135 of Law 4548/2018, unless the requesting shareholders have excluded this last possibility.
2. At the request of shareholders representing one twentieth (1/20) of the paid-up capital, the Board of Directors is obliged to append issues on the agenda of the General Meeting, which has already been convened, if the relevant application is received by the Board of Directors a minimum of 15 days prior to the General Meeting. An application for inclusion of additional items on the agenda is accompanied by a justification or a draft decision for approval by the General Meeting and the revised agenda is published in the same manner as the previous agenda thirteen (13) days prior to the General Meeting. At the same time, it is made available to shareholders on the Company's website together with the justification or the draft resolution submitted by the shareholders in accordance with the provisions of paragraph 4 of article 123 of Law 4548/2018. If these issues are not published, the requesting shareholders are entitled to request the postponement of the General Meeting in accordance with paragraph 5 of article 141 of Law 4548/2018 and to make the publication themselves, as per the second paragraph of this paragraph, at the expense of the Company.
3. Shareholders representing one twentieth (1/20) of the paid-up capital have the right to submit draft decisions on issues that are included in the original or any revised General Meeting agenda. The relevant application must reach the Board of Directors seven (7) days prior to the date of the General Meeting, the draft decisions being made available to the shareholders according to the provisions of paragraph 3 of article 123 of Law 4548/2018 six (6)) at least days prior to the date of the General Assembly.
4. The Board of Directors shall not be obliged to enter items on the agenda or to publish or to disclose them together with justifications and draft resolutions submitted by shareholders in accordance with paragraphs 2 and 3 above, respectively, if their content is obviously contrary to law or morality.
5. At the request of any shareholder, submitted to the Company at least five full days before the General Meeting, the Board of Directors is obliged to provide the General Meeting with the specific information requested on the Company's affairs, insofar as these are relevant with the items on the agenda. No obligation to provide information exists when the relevant information is already available on the Company's website, in particular in the form of questions and answers. Also, at the request of shareholders, representing one twentieth (1/20) of the paid up capital, the Board of Directors is obliged to announce to the General Meeting, if it is regular, the amounts that during the last two years were paid to each member of the Board of Directors or

directors of the Company, as well as any benefit to such persons from any cause or contract of the Company with them. In all the above cases, the Board of Directors may refuse to provide the information for substantive reasons, which is recorded in the minutes. Such a reason may be the representation of the requesting shareholders on the Board of Directors in accordance with Articles 79 or 80 of Law 4548/2018. In the cases of this paragraph, the Board of Directors may respond in unison to shareholders' requests with the same content.

6. At the request of shareholders, representing one tenth (1/10) of the paid up capital submitted to the Company within the time limit of the previous paragraph, the Board of Directors is obliged to provide the General Meeting with information on the course of corporate affairs and the assets of the Company. The Board of Directors may refuse to provide the information for substantive reasons, which shall be recorded in the minutes. Such a reason may be, in the circumstances, the representation of the requesting shareholders on the Board of Directors in accordance with Articles 79 or 80 of Law 4548/2018, provided that the relevant members of the Board of Directors have received the relevant information in a sufficient manner.

7. In the cases referred to in paragraphs 5 and 6 above, any dispute as to whether or not the reasoning for refusal by the Board of Directors to provide information, is resolved by the Court of Justice by a decision given in the interim proceedings. By the same judgment, the Court also obliges the Company to provide the information that it refused. The decision cannot be challenged by legal remedies.

8. At the request of shareholders representing one twentieth (1/20) of the paid-up capital, voting on a subject or items on the agenda shall be made by means of an open vote procedure.

9. Without prejudice to the provisions on the protection of personal data, and provided that the articles of association provide for it, each shareholder may request to be given a list of the Company's shareholders indicating the name, address and number of shares of each shareholder. The Company is not obliged to include in the table shareholders holding up to one percent (1%) of the capital.

10. In all the cases of Article 141 of Law 4548/2018, the requesting shareholders are required to prove their shareholder status and, except in the cases of the first subparagraph of paragraph 6, the number of shares they hold in the exercise of the relevant right. Such proof is also the deposit of their shares, according to the provisions of paragraph 2 of Article 124 of Law 4548/2018. Shareholder status may be proven by any legal means, however, based on information received by the Company from the Central Securities Depository which provides registry services or through the participants and registered intermediaries in the CSD in any other case.

Participation Procedure and Voting via Proxy

Each share entitles one vote to the General Meeting. All shareholders are entitled to participate and vote at the General Meeting. The shareholder who participates in the General Meeting votes either in person or through representatives. Each shareholder may appoint up to three (3) proxies. A representative acting for more than one shareholder may vote differently for each shareholder.

Legal entities participate in the General Assembly through their representatives.

Shareholders may appoint a representative for one or more General Meetings and for a certain time. The Delegate shall vote, in accordance with the Shareholder's instructions, if any, and is obliged to archive the voting instructions for at least one (1) year from the date of the General Assembly, or in case of postponement, of the

last Repeat Assembly in which he used the proxy. Failure of the proxy to comply with the instructions received does not affect the validity of the decisions of the General Assembly, even if the representative's vote was decisive for achieving majority.

If a shareholder owns shares of the Company that appear in more than one securities accounts, this limitation does not prevent the shareholder from designating different proxies for the shares appearing in each securities account in relation to the General Meeting. Proxies are freely revocable.

Under Article 128, paragraph 5 of Law 4548/2018, the proxy of a shareholder is required to disclose to the Company, prior to the commencement of the General Meeting, any specific event that may be useful to the shareholders for assessing the risk that the proxy may serve interests other than the interests of shareholder. For the purposes of this paragraph, a conflict of interest may arise, in particular where the proxy:

1. is a shareholder exercising control over the Company or another legal entity or entity controlled by that shareholder
2. a member of the Board of Directors of the Company or a senior director or a director to an entity controlling the Company or other entity which controls the Company
3. an employee or certified auditor of the Company or a shareholder controlling the Company or other entity which is in turn controlled by the controlling shareholder
4. a spouse or relative up to first degree of a person referred to in cases 1 to 3 above.

Pursuant to article 128 paragraph 4 of Law 4548/2018, the appointment and revocation or replacement of the representative or representative of the shareholder are made in writing or by electronic means and are submitted to the Company at least forty eight (48) hours before the appointed date of the General Meeting.

The Company's Corporate Charter provides for the participation of shareholders in the General Meeting by electronic means, without their physical presence at the venue, along with remote voting either by electronic means or by correspondence.

Available Documents & Information

The information of paragraph 3 and 4 of article 123 of Law 4548/2018, including the invitation to convene the General Assembly, the representative appointment form and the draft decision on all items on the agenda, as well as more detailed information on the exercise of the minority rights of paragraphs 2, 3, 6 and 7 of article 141 of Law 4548/2018, are available in electronic form on the Company's website www.avax.gr.

The full text of the draft decisions and any documents referred to in paragraph 4 of article 123 of Law 4548/2018 is available in hard copy at the offices of the Company's Shareholders & Corporate Announcements Department at: 16 Amarousiou-Halandriou Street, 15125, Marousi, Greece, tel +30 210 6375000.

All the aforementioned documents as well as the Invitation to a General Meeting of the Shareholders, the total

number of existing shares and voting rights and the forms for voting by proxy are available in electronic form on the Company's website www.avax.gr.

4. Main characteristics of the Company's Internal Auditing and Risk Management Systems in relation to the procedure for preparing financial accounts (parent company and consolidated)

4.1 Internal Auditing System

Internal auditing is performed by the Company's independent Internal Auditing Department according to its written operations regulation (Internal Auditing Charter). The main role of the Internal Auditing Department is the evaluation of risk management systems placed across all company operations in terms of adequacy, efficiency and performance for achieving the Company's strategic targets. The responsibilities of the internal auditing unit include monitoring of compliance with Internal Regulations and legislation for all company activities and areas of operations.

Changes during 2019

According to the Internal Auditing Charter, during 2019 the Audit Committee held meetings with the Company Head of Internal Auditing to discuss operating and organizational issues, providing all information requested and informing them over the control systems utilized, their performance and the course of those controls.

The Internal Auditing Department submitted to the Audit Committee its annual operations report, summarizing its main findings and recommendations / improvement actions for all Company departments audited.

The Audit Committee of the Board of Directors prepares an annual evaluation of the Internal Auditing System, according to relevant data and information of the Internal Auditing Department, as well as the findings and notes of External Auditors and Supervisory Bodies.

Following the report of the Audit Committee, the Board of Directors approved the internal auditing plan for 2020 and defined the operations and areas which internal auditing should be focused on.

Furthermore, during a meeting held on 22.06.2020 between the Audit Committee of the Company and its external auditors, also attended by the Group CFO, the Audit committee was briefed over the financial results of the Company and the Group for 2019. The main issues regarding the auditing of parent company and consolidated financial accounts for 2019 in relation to the report of the independent auditors to Company shareholders were also raised during the meeting.

4.2 Internal Auditing and Risk Management Systems of the Company and the Group in relation to the procedure for preparing financial accounts (parent company and consolidated)

The Company has as well-documented Policy and Procedure for the accounting representation of financial events and preparation of financial accounts. The Company's accounting system is supported by specialized

data information systems which have been adapted to its operational requirements. Procedures for control and accounting settlements have been defined to secure the validity and legality of accounting entries as well as the correctness of and validity of financial accounts. The Audit Committee of the Board of Directors supervises and evaluates, according to valid auditing standards, the process of preparing interim and annual financial accounts of the Company and examines the reports of external auditors for issues pertaining to derogation from current accounting practices.

Risk Management

The Board of Directors is in the process of implementing the Risk Management System, in compliance with its Corporate Governance. The risk management system is in operating in pilot mode and is expected to be fully operational in 2018. A series of seminars for training personnel regarding business risk management using models, such as COSO-ERM, will be held to this direction.

5. Other administrative or supervisory bodies or committees of the Company

The Company has no other administrative or supervisory bodies or committees at this time.

6. Additional Information

Overview of policy of diversity on administrative, managerial and supervisory bodies of the company (according to Law 4548/2018, article 152)

Members of administrative, managerial and supervisory bodies of the company satisfy all requirements and meet all standards for participating in those bodies. They are distinguished for their professional capacity, knowledge, skills and experience, and stand out for their ethics and character integrity as part of the effectiveness and flexibility of AVAX's broader organizational setup and operations.

Marousi, 29.06.2020

On behalf of the Board of Directors of AVAX SA

Konstantinos Mitzalis

Managing Director

Independent Auditor's Report

To the Shareholders of "AVAX 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 the Company "AVAX S.A." (the Company), which comprise the separate and consolidated statement of financial position as at December 31, 2019, and the separate and consolidated statements of comprehensive income, changes in equity and cash flow for the year then ended, as well as a summary of significant accounting policies and other explanatory notes. In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company "AVAX S.A." and its subsidiaries (the Group) as of December 31, 2019, and of their financial performance and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as endorsed by the European Union.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as incorporated in Greek Legislation. Our responsibilities, under those standards are described in the "Auditor's Responsibilities for the Audit of the separate and consolidated financial statements" section of our report. During our audit, we remained independent of the Company and the Group, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as incorporated in Greek legislation and the ethical requirements relevant to the audit of the separate and consolidated financial statements in Greece and we have fulfilled our responsibilities in accordance current legislation requirements and the requirements of the aforementioned IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw your attention to note 25b to the separate and consolidated financial statements, where detailed reference is made about Discontinued Operations and Disposal Group of Assets and Liabilities held for sale in Qatar. Our opinion is not qualified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and the consolidated financial statements of the current period. These matters and the related risks of material misstatement were addressed in the context of our audit of the separate and the 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 matter

How our audit addressed the Key audit matter

Revenue recognition from construction contracts

As it is presented in notes C.19, C.23, E.1 and E.20 of the financial statements, the turnover of the Group and the Company for the year ended 31.12.2019 amounts to € 575.927.296 and € 432.106.040 respectively and includes mainly revenue from the execution of construction contracts.

Revenue recognition from performing construction contracts, is based on Management's significant estimates and judgments regarding the cost budget of the construction projects for applying the percentage of completion method according to IFRS 15.

Revenue from construction contracts is recognized over time and as the performance obligations are being satisfied whereas their recognition requires estimates and judgements according to the followings:

- The recognition of the performance obligations and the time of their satisfaction,
- the allocation of the transaction price (contract value) over the performance obligations,
- The determination of the total cost from the contract date until the estimated date of its execution (cost budget of project completion),
- Potential revisions of the cost budget of project completion,
- The possibility the customer approves any claims and incentives.

Given the significance of the matter above and the level of the Management's judgements and estimations required we consider revenue recognition from construction contracts as a key audit matter.

Our audit approach was based on audit risk and includes, among other things, the following procedures:

- Understanding, recording and evaluation of the applied procedures by the Group and the Company for the revenue recognition from construction contracts and evaluating the effectiveness of their design.
- Evaluation of significant areas for a sample of construction contracts, under qualitative and quantitative criteria, in order to examine the correct accounting revenue recognition, according to the applied accounting principles and methods. For that selected sample we conducted the following procedures:
 - Recording and understanding of the main contract terms so as to recognize and confirm, per project, the performance obligations and the time of their satisfaction.
 - Comparison of the actual results per sampled contract with the approved budgets and the historical data so as to assess the level of reliability of the Management's judgements and estimations.
 - Confirmation, on a sample basis, of the completeness and accuracy of the cost and other expenses incurred for the satisfaction of the performance obligations and their linking with the corresponding projects/contracts according to the accounting data and the relevant support evidence.
 - Recalculation of the percentage of completion of the performance obligations based on the incurred cost, the project managers' relevant reports and the Company's relevant accounting data.
 - Examination of the supporting documentation in

order to evaluate the likelihood claims and incentives be realized.

- Evaluation of the adequacy and appropriateness of the disclosures included in Notes of the financial statements.

Impairment of investments in Subsidiaries

As described in Notes C.1, E.3a and E.13 of the financial statements, the book value of the investment in Subsidiaries amounts to € 83.210.101 whereas the loss from impairment for the year ended 31.12.2019 amounts to € 1.000.000. The Company's investments in Subsidiaries are stated at cost and are tested for impairment if any indications of impairment occur.

That area was considered as a key audit matter due to the significance of the value of the investments in Subsidiaries in the financial statements and due to the fact that the determination of the Subsidiaries' value involves subjectivity regarding the estimation of the Subsidiaries' projected cash flows, due to many factors, including estimations of future sales, estimations of cost of sales and the use of the proper discount rate.

Our audit approach was based on audit risk and includes, among other things, the following procedures:

- Assessment of the estimations of the Management regarding the potential impairment of investments in Subsidiaries.
- Discussion with the Management of the Company regarding the conducting of impairment tests of the investments in Subsidiaries.
- Evaluation of the appropriateness of the financial model, the discount rate and the reasonableness of the inputs and assumptions used for the determination of the recoverable value of the investments in Subsidiaries.
- Confirmation of the mathematical accuracy of the financial model.
- Evaluation of the adequacy and appropriateness of the disclosures included in Notes of the financial statements.

Recoverability of trade receivables

As described in Notes C.21, C.23 and E.21 of the financial statements, the Group and the Company's trade receivables amount to € 153.927.603 and € 132.757.860 respectively while the relevant accumulated impairment amounts to € 52.982.504 and € 52.276.101 respectively. The trade receivables of the Company and the Group include receivables from local customers and foreign customers. In case customers are unable to meet their contractual obligations the Company is exposed to high

Our audit approach was based on audit risk and includes, among other things, the following procedures:

- Assessment of the assertions and methodology used by the Management of the Company and the Group for the recoverability of trade receivables.
- Examination of the legal advisors' letters concerning the matters they dealt with throughout

level of credit risk.

The Management of the Group and the Company evaluates the recoverability of its trade receivables and estimates the necessary impairment provision for the expected credit loss.

Given the significant value of the trade receivables and the level of the Management's judgements and estimations required for the determination of their recoverable value we consider the evaluation of the impairment of the trade receivables of the Company and the Group as a key audit matter.

the year so as to identify any issues about any trade receivable balances that may not be recoverable in the future.

- Receipt of third party confirmation letters, for a representative sample of trade receivables and execution of procedures subsequent to the date of the financial statements for the assessment of the year-end balances' recoverability.
- Examination of the maturity of the year-end trade receivable balances and detection of any debtors facing financial difficulty.
- Discussion with the Management and evaluation of the relevant estimations according to the available information.
- Recalculation of the impairment of trade receivables taking into consideration specific criteria for debtors, such as the maturity of the balances, significant debtors and high risk debtors.
- Evaluation of the adequacy and appropriateness of the disclosures included in Notes of the financial statements.

Financial assets at fair value through other comprehensive income

As described in Notes C.6, C.21 and E.15 of the financial statements, the book value of the Financial assets at fair value through Other Comprehensive Income for the year ended 31.12.2019 in the separate and consolidated financial statements amounts to € 454.020.209 and € 114.589.952 respectively.

The Financial Assets at Fair Value through Other Comprehensive Income are recognized at fair value according to IFRS 9 "Financial Instruments". The determination of the fair value was based on the estimation of the discounted projected cash flows given that for those financial assets (participation in

Our audit approach was based on audit risk and includes, among other things, the following procedures:

- Review of the valuation reports of the Financial Assets at Fair Value through Other Comprehensive Income which were prepared by Management's external experts and assessment of the appropriateness of the methodology and the discount rate's determination model as well as the reasonableness of the assumptions and criteria of the relevant financial models.
- Evaluation of the accuracy and reliability of the inputs used and are included in the Company's valuation data and are referred in the relevant

Concession companies) there is no active market. The estimation of the projected cash flows involves subjectivity which depends on various factors including estimations over future revenue, the performance and market risks, cost estimations as well as the use of the appropriate discount rate.

Given the significance of the matter above and the level of the required judgements and estimations we consider it as a key audit matter.

valuation reports made by the Management's external experts, taking into account the relevant financial data from the Concession companies.

- Evaluation of the competence, objectivity and independence of the Management's external experts.
- Confirmation of the mathematical accuracy of the financial models.
- Discussion with Management regarding any significant change or facts concerning the aforementioned Financial Assets.
- Evaluation of the adequacy and appropriateness of the disclosures included in Notes of the financial statements.

Provisions and Contingent liabilities

As described in Notes C.8, C.23, E.29, and E.47 of the financial statements, pending court and arbitration cases exist regarding contractual-work disputes and other issues against the Group's companies.

Periodically, the Management of the Group examines the stage of each significant case and evaluates the potential financial risk based on its legal advisors' opinion. In case the potential loss from any claims and legal cases is considered probable and the relevant amount can be valued reliably, the Management of the Group recognizes provision for the estimated loss. Judgement of the Management is required to a great extent for the determination of the possibility and the degree of the reliable risk assessment.

When other information is available, the Management of the Group reexamines the contingent liabilities regarding pending claims and legal cases and may revise its relevant estimations if necessary. Such revisions of the contingent liabilities' estimations may have a significant impact

Our audit approach was based on audit risk and includes, among other things, the following procedures:

- Receipt of response letters from the legal advisors regarding pending court and other legal cases.
- Discussion directly with the legal advisors of the Group and the Management regarding the significant pending legal cases.
- Evaluation of the Management's estimations for the significant legal cases taking into account the background of the case.
- Evaluation of the adequacy and appropriateness of the disclosures included in Notes of the financial statements.

on the financial position and results of the Group.
Given the significance of the matter above and the level of the required judgements and estimations we consider provisions and contingent liabilities as key audit matter.

Other Information

Management is responsible for the other information. The other information is included in the Board of Directors' Report, as referred to the "Report on other Legal and Regulatory Requirements" section, in the Declaration of the Board of Directors Representatives, but does not include the financial statements and our auditor's report thereon.

Our opinion on the separate and consolidated financial statements does not cover the other information and we will 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 identified above 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, based on our audit, we conclude that there is a material misstatement therein, we are required to report that matter. We have nothing to report regarding the aforementioned matter.

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 the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as endorsed 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 and Group'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 and the Group or to cease operations, or there is no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the separate and consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and the 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 in Greek Legislation, will

always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to 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 as 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 the 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 and the 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 and 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 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 audit of the Company and the Group. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to 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 with 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 Board of Directors' Report and the Corporate Governance Statement which is included therein, according to the provisions of paragraph 5 of article 2 of L. 4336/2015 (part B), we note that:

- a) The Board of Directors' Report includes the Corporate Governance Statement that provides the information required by Article 152 of Law 4548/2018.
- b) In our opinion the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of articles 150-151 and 153-154 and of paragraph 1 (cases c' and d') of article 152 of Law 4548/2018 and its content is consistent with the accompanying separate and consolidated financial statements for the year ended 31.12.2019.
- c) Based on the knowledge we obtained during our audit about the company "AVAX S.A." and its environment, we have not identified any material misstatements in the Board of Directors' Report.

2. Additional Report to the Audit Committee

Our audit opinion on the separate and the consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Company, in accordance with article 11 of EU Regulation 537/2014.

3. Provision of Non-Audit Services

We have not provided to the Company and the Group any prohibited non-audit services referred to in article 5 of EU Regulation No 537/2014.

4. Auditor's Appointment

We were first appointed as statutory auditors by the decision of the Annual General Meeting of the shareholders of the Company on 24/06/2014. Our appointment has been, since then, annually renewed by the Annual General Meeting of the shareholders of the Company for a total uninterrupted period of 6 years.



BDO Certified Public Accountant S.A.
449 Mesogion Av,
Athens- Ag. Paraskevi, Greece
Reg. SOEL: 173

Ag. Paraskevi, June 30, 2020
Certified Public Accountant

Dimitrios V. Spyarakis
Reg. SOEL: 34191

AVAX S.A.
STATEMENTS OF FINANCIAL POSITION AS AT DECEMBER 31, 2019
(All amounts in Euros)

		Group		Company	
		31.12.2019	31.12.2018	31.12.2019	31.12.2018
ASSETS					
Non-current Assets					
Property, Plant and Equipments	10	150.399.806	120.187.673	41.202.984	69.935.945
Investment Property	11	12.702.859	13.141.916	3.343.136	3.454.136
Intangible Assets	12	6.828.489	11.522.725	242.455	198.434
Investments in other companies	13	252.612.497	262.243.724	84.522.586	81.035.562
Financial assets at fair value through other comprehensive income	15	114.589.952	115.900.143	454.020.209	503.929.976
Other Financial Assets	16	-	37.541.268	-	-
Restricted Cash Deposits	22a	20.000.000	-	20.000.000	-
Other non current assets	17	828.337	846.017	1.323.191	6.248.763
Other long term receivables	17	-	-	74.172.179	-
Deferred tax assets	18	28.292.325	26.943.826	27.133.304	24.479.877
Total Non-current Assets		586.254.265	588.327.293	705.960.043	689.282.694
Current Assets					
Inventories	19	19.095.550	26.894.383	11.231.308	13.037.083
Contractual assets	20	126.107.923	118.930.436	119.347.740	111.969.543
Trade receivables	21	153.927.603	181.898.981	132.757.860	182.977.218
Other receivables	21	124.800.637	128.585.305	109.109.065	122.400.391
Restricted Cash Deposits	22a	49.031.848	-	34.150.976	-
Other financial assets	16	-	6.125.997	-	-
Cash and cash equivalents	22	71.052.312	65.676.252	61.084.456	57.025.579
Total Current Assets		544.015.873	528.111.354	467.681.404	487.409.814
Disposal Group held for sale	25b	370.669.199	-	18.680.058	-
Assets held-for-sale	25c	33.753.000	-	33.753.000	-
		948.438.072	528.111.354	520.114.462	487.409.814
Total Assets		1.534.692.337	1.116.438.647	1.226.074.506	1.176.692.509
EQUITY AND LIABILITIES					
Share Capital(77.654.850 * € 0.30)	30	23.296.455	23.296.455	23.296.455	23.296.455
Share Premium account	30	146.651.671	146.676.671	146.651.671	146.676.671
Revaluation Reserves	31	14.650.850	8.488.899	15.397.620	9.860.136
Other Reserves	32	182.753.027	105.950.755	182.988.419	106.621.016
Revaluation Reserve for financial assets at fair value	33	55.226.823	39.200.003	275.862.765	191.527.822
Cash flow hedging reserve	34	715.943	(774.962)	-	(774.962)
Translation exchange differences		(4.908.763)	(2.267.016)	(4.887.675)	(2.433.960)
Retained earnings		(354.191.521)	(231.773.345)	(319.042.181)	(225.451.542)
Equity attributable to equity holders of the parent (a)		64.194.483	88.797.458	320.267.074	249.321.635
Non-controlling interest (b)	35	14.064.570	(970.045)	-	-
Total Equity (c=a+b)		78.259.053	87.827.414	320.267.074	249.321.635
Non-Current Liabilities					
Debentures/Long term Loans	25	515.421.946	475.666.644	441.587.158	416.063.220
Derivative financial instruments	26	-	1.249.026	-	-
Deferred tax liabilities	18	21.358.999	31.501.018	19.168.650	80.098.221
Provisions for retirement benefits	28	6.418.562	4.834.894	5.571.855	4.061.386
Other long-term provisions	29	29.517.500	29.893.643	17.860.085	22.056.878
Total Non-Current Liabilities		572.717.006	543.145.224	484.187.748	522.279.705
Current Liabilities					
Trade and other creditors	23	382.656.416	344.024.817	312.115.699	285.347.500
Income and other tax liabilities	24	24.699.540	21.720.166	15.747.887	14.766.517
Bank overdrafts and loans	25	75.667.741	119.721.026	54.097.771	104.977.152
Total Current Liabilities		483.023.697	485.466.009	381.961.357	405.091.169
Disposal Group held for sale	25b	400.692.581	-	39.658.327	-
		883.716.278	485.466.009	421.619.684	405.091.169
Total Liabilities (d)		1.456.433.284	1.028.611.233	905.807.432	927.370.874
Total Equity and Liabilities (c+d)		1.534.692.337	1.116.438.647	1.226.074.506	1.176.692.509

At 01.01.2019 the Group and the Company have applied IFRS 16 using the cumulative effect method. According to this method, comparative information is not restated. Analytical information are given to the note D.a. (Changes in the Accounting Policies)

The following notes are integral part of the Financial Statements

AVAX S.A.
STATEMENT OF INCOME
FOR THE JANUARY 1st, 2019 TO DECEMBER 31st, 2019 PERIOD
(All amounts in Euros except per shares' number)

		GROUP		COMPANY	
		1.1-31.12.2019	1.1-31.12.2018 <i>*reclassified</i>	1.1-31.12.2019	1.1-31.12.2018 <i>*reclassified</i>
Turnover	1	575.927.296	538.385.578	432.106.040	433.009.527
Cost of sales	2	(533.338.883)	(507.145.259)	(395.133.003)	(408.388.007)
Gross profit		42.588.413	31.240.319	36.973.037	24.621.520
Other net operating income/(expenses)	3	3.371.779	6.942.574	(12.924.141)	5.644.151
Impairment of investments/participations	3a	-	-	(1.000.000)	(2.000.000)
Write-off of doubtful receivables & other provisions	3b	(26.219.021)	(14.326.234)	(23.275.805)	(13.584.000)
Gain/ (Losses) from property fair-value		(88.148)	(193.164)	(111.000)	-
Administrative expenses	4	(29.662.113)	(25.294.091)	(17.689.983)	(16.735.426)
Selling & Marketing expenses	5	(12.870.199)	(11.294.454)	(8.272.531)	(7.192.383)
Receipts of debt securities	6a	7.639.895	5.485.871	16.854.089	5.917.679
Income/(Losses) from Investments in Associates	6b	30.832.453	31.887.971	35.175.814	33.028.560
Profit/ (Loss) before tax, financial and investment results		15.593.059	24.448.792	25.729.482	29.700.101
Other financial results	7	(961.192)	187.582	-	-
Net financial income / (loss)	7	(25.868.610)	(32.981.511)	(21.562.111)	(30.252.315)
Profit/ (Loss) before tax		(11.236.743)	(8.345.137)	4.167.370	(552.215)
Tax	8	(6.388.083)	(16.114.600)	(5.371.594)	(14.169.387)
Profit/ (Loss) after tax from continuing operations		(17.624.826)	(24.459.737)	(1.204.224)	(14.721.602)
Profit/ (Loss) after tax from discontinued operations	25b	(25.501.205)	(1.842.523)	(6.716.001)	(1.842.523)
Profit/ (loss) after tax from continuing and discontinued operations		(43.126.031)	(26.302.260)	(7.920.225)	(16.564.125)
Attributable to:					
Equity shareholders		(42.967.202)	(25.763.341)	(7.920.225)	(16.564.125)
Non-controlling interests		(158.829)	(538.919)	-	-
		(43.126.031)	(26.302.260)	(7.920.225)	(16.564.125)
Basic Profit/ (Loss) per share (in Euros)					
<i>from continuing and discontinued operations</i>					
- Basic Profit/ (Loss) per share (in Euros)		(0,5533)	(0,3318)	(0,1020)	(0,2133)
From continuing operations					
- Basic Profit/ (Loss) per share (in Euros)		(0,2249)	(0,3080)	(0,0155)	(0,1896)
From discontinued operations					
- Basic Profit/ (Loss) per share (in Euros)		(0,3263)	(0,0168)	(0,0865)	(0,0237)
Weighted average # of shares		77.654.850	77.654.850	77.654.850	77.654.850
Proposed dividend per share (in €)		0,0000	0,0000	0,0000	0,0000
Profit before tax, financial and investment results and depreciation		58.082.913	49.383.833	60.331.795	53.287.165

Note: The figures of the previous year have been reclassified so as to include only the continuing operations. The discontinued operations are included and analyzed in a separate note (see note 42), according to the IFRS 5 "Non current assets held-for-sale and discontinued operations"

At 01.01.2019 the Group and the Company have applied IFRS 16 using the cumulative effect method. According to this method, comparative information is not restated. Analytical information are given to the note D.a. (Changes in the Accounting Policies)
The following notes are integral part of the Financial Statements

AVAX S.A.
STATEMENT OF COMPREHENSIVE INCOME
FOR THE JANUARY 1st, 2019 TO DECEMBER 31st, 2019 PERIOD
(All amounts in Euros)

	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Profit/ (Loss) for the Period	(43.126.031)	(26.302.260)	(7.920.225)	(16.564.125)
Other Comprehensive Income				
Net other comprehensive income /(loss) to be reclassified to profit or loss in subsequent periods				
Exchange Differences on translating foreign operations	(2.641.757)	(1.210.240)	(2.453.715)	39.128
Cash flow hedges	1.961.717	2.325.605	-	-
Revalutaion reserves for other assets	8.107.831	190.358	7.286.164	(605.201)
Revaluation Reserve for financial assets at fair value	(2.554.226)	9.425.958	19.512.575	37.319.807
Reserves	331.609	72.043	7.045	(190.824)
Tax for other comprehensive income	16.084.769	(3.183.701)	63.846.960	(9.678.802)
Net other comprehensive income /(loss) not to be reclassified to profit or loss in subsequent periods				
Actuarial revaluation of liabilities for personnel retirement	(2.208.061)	(489.440)	(2.455.696)	(258.665)
Tax for other comprehensive income	529.934	129.702	589.367	68.546
Total other comprehensive income from continuing operations net of tax	19.611.816	7.260.286	86.332.701	26.693.989
Total other comprehensive income from discontinued operations net of tax	-	-	-	-
Total other comprehensive income from continuing and discontinued operations net of tax	19.611.816	7.260.286	86.332.701	26.693.989
Total comprehensive Income	(23.514.215)	(19.041.974)	78.412.476	10.129.864
Total comprehensive Income attributable to:				
Equity shareholders	(23.355.376)	(18.503.056)	78.412.476	10.129.864
Non-controlling interests	(158.840)	(538.919)	-	-
	(23.514.215)	(19.041.974)	78.412.476	10.129.864

Note: The figures of the previous period have been reclassified so as to include only the continuing operations

At 01.01.2019 the Group and the Company have applied IFRS 16 using the cumulative effect method. According to this method, comparative information is not restated. Analytical information are given to the note D.α. (Changes in the Accounting Policies)

The following notes are integral part of the Financial Statements

AVAX S.A.
CASH FLOW STATEMENT AS AT DECEMBER 31, 2019
(All amounts in Euros)

	Group		Company	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Operating Activities				
Profit/ (Loss) before tax	(11.236.743)	(10.187.660)	4.167.370	(2.394.738)
Adjustments for:				
Depreciation	16.270.833	10.608.807	10.326.509	8.003.064
(Gains) / losses on fair value of property	88.148	208.884	111.000	-
Provisions	28.904.413	16.964.629	24.916.698	16.158.671
Income from sub-debts	(7.639.895)	(5.485.871)	(16.854.089)	(5.917.679)
Interest income	(3.100.893)	(3.196.596)	(223.471)	(466.799)
Interest expense	28.969.503	36.178.107	21.785.582	30.719.114
Impairment loss	-	-	1.000.000	2.000.000
Losses/ (Gains) from financial instruments	961.192	(187.582)	-	-
Investment (income) / loss	(26.974.466)	(30.420.716)	(35.175.814)	(33.028.560)
Exchange rate differences	1.044.436	(29.586)	(1.036.833)	593.165
Change in working capital				
(Increase)/decrease in inventories	6.208.302	12.310.109	214.443	5.521.308
(Increase)/decrease in trade and other receivables	15.956.751	107.903.190	24.529.831	141.644.873
Increase/(decrease) in payables	72.314.439	(114.604.992)	61.189.438	(148.541.223)
Interest paid	(28.432.633)	(36.277.573)	(23.353.420)	(30.800.057)
Income taxes paid	(2.068.051)	(3.267.959)	(1.136.238)	(1.782.733)
Cash Flow from Continuing Operating Activities	91.265.337	(19.484.810)	70.461.006	(18.291.595)
Cash Flow from Discontinued Operating Activities	(20.232.935)	-	(6.701.857)	-
Cash Flow from continuing and discontinued Operating Activities (a)	71.032.402	(19.484.810)	63.759.149	(18.291.595)
Investing Activities				
Purchase of tangible and intangible assets	(25.348.853)	(23.259.460)	(8.218.252)	(7.753.976)
Proceeds from disposal of tangible and intangible assets	4.649.812	6.262.218	2.409.613	3.217.755
Acquisition of subsidiary	-	-	-	(20.552.110)
(Acquisition)/ disposal of, associates, JVs and other investments	(4.318.836)	(14.681.939)	(4.318.836)	-
Interest received	8.628.220	8.682.467	5.922.699	6.384.478
Dividends received	36.848.884	32.371.178	29.789.883	27.229.469
Cash Flow from Continuing Investing Activities	20.459.227	9.374.463	25.585.107	8.525.615
Cash Flow from Discontinued Investing Activities	268.753	-	532.136	-
Cash Flow from continuing and discontinued Investing Activities (b)	20.727.980	9.374.463	26.117.243	8.525.615
Cash Flow from Financing Activities				
Share capital increase	8.749.009	-	-	-
Proceeds from loans	(48.053.229)	2.277.296	(26.776.721)	4.599.543
(Increase)/ Decrease of restricted cash deposits	(69.031.848)	-	(54.150.977)	-
Payment for leasing liabilities	(1.722.096)	-	(407.972)	-
Interest payment for operating leases	(2.137.161)	-	(32.451)	-
Cash Flow from Continuing Financing Activities	(112.195.325)	2.277.296	(81.368.121)	4.599.543
Cash Flow from Discontinued Financing Activities	22.839.574	-	-	-
Cash Flow from continuing and discontinued Financing Activities (c)	(89.355.751)	2.277.296	(81.368.121)	4.599.543
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	2.404.631	(7.833.051)	8.508.271	(5.166.436)
Cash and cash equivalents at the beginning of the year	61.158.825	73.509.303	52.508.152	59.385.651
Cash and cash equivalent from subsidiary acquisition	7.420.823	-	-	-
Cash and cash equivalent from absorption subsidiaries	68.033	-	68.033	2.806.364
Cash and cash equivalents at the end of the year	71.052.312	65.676.252	61.084.456	57.025.579

At 01.01.2019 the Group and the Company have applied IFRS 16 using the cumulative effect method. According to this method, comparative information is not restated. A information are given to the note D.a. (Changes in the Accounting Policies)

The following notes are integral part of the Financial Statements.

AVAX S.A.
ANNUAL STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY AT 31st DECEMBER 2019
(All amounts in Euros)

Group

**Annual changes in shareholder's equity for the
January 1st, 2019 to December 31st 2019 Period**

	Share Capital	Share Premium	Other Reserves	Translation exchange differences	Retained earnings	Share Capital & Reserves	Non-Controlling Interests	Total Equity
January 1, 2018 - Published data	45.039.813	146.676.671	109.707.713	(1.056.776)	(190.265.651)	110.101.769	(350.408)	109.751.361
Effect of IFRS 9	-	-	(12.303.041)	-	9.503.041	(2.800.000)	-	(2.800.000)
1 January 2018-Adjusted figures *	45.039.813	146.676.671	97.404.672	(1.056.776)	(180.762.610)	107.301.769	(350.408)	106.951.361
Net profit for the period	-	-	-	-	(25.763.341)	(25.763.341)	(538.919)	(26.302.260)
Other income for the period	-	-	8.651.320	(1.210.240)	(180.795)	7.260.285	-	7.260.286
Total comprehensive income for the period	-	-	8.651.320	(1.210.240)	(25.944.136)	(18.503.056)	(538.919)	(19.041.974)
Transfer	-	-	46.809.957	-	(46.809.957)	-	-	-
Decrease of Share Capital	(21.743.358)	-	-	-	21.743.358	-	-	-
Other movements	-	-	(1.255)	-	-	(1.255)	(80.718)	(81.973)
Balance 31.12.2018	23.296.455	146.676.671	152.864.694	(2.267.016)	(231.773.345)	88.797.458	(970.045)	87.827.414
Balance 01.01.2019-Published Data	23.296.455	146.676.671	152.864.694	(2.267.016)	(231.773.345)	88.797.458	(970.045)	87.827.414
Profit for the period	-	-	-	-	(42.967.202)	(42.967.202)	(158.829)	(43.126.031)
Other comprehensive income	-	-	22.253.573	(2.641.747)	-	19.611.826	(11)	19.611.816
Total comprehensive income for the period	-	-	22.253.573	(2.641.747)	(42.967.202)	(23.355.376)	(158.840)	(23.514.215)
Other movements	-	(25.000)	78.212.482	-	(74.886.820)	3.300.662	2.153.663	5.454.325
Absorption of Subsidiary	-	-	15.895	-	(4.564.154)	(4.548.259)	-	(4.548.259)
Addition of non-controlling intrest	-	-	-	-	-	-	13.039.791	13.039.791
Balance 31.12.2019	23.296.455	146.651.671	253.346.644	(4.908.763)	(354.191.521)	64.194.484	14.064.570	78.259.056

Company

Annual changes in shareholder's equity for the January 1st, 2019 to December 31st 2019 Period

	Share Capital	Share Premium	Other Reserves	Translation exchange differences	Retained earnings	Share Capital & Reserves	Non-Controlling Interests	Total Equity
January 1, 2018 - Published data	45.039.813	146.676.671	250.795.809	(2.473.088)	(188.754.347)	251.284.857		251.284.857
Effect of IFRS 9	-	-	(12.303.041)	-	10.303.041	(2.000.000)	-	(2.000.000)
1 January 2018-Adjusted figures *	45.039.813	146.676.671	238.492.768	(2.473.088)	(178.451.306)	249.284.857	-	249.284.857
Net profit for the period					(16.564.125)	(16.564.125)		(16.564.125)
Other income for the period	-	-	26.654.861	39.128	-	26.693.989	-	26.693.989
Total comprehensive income for the period	-	-	26.654.861	39.128	(16.564.125)	10.129.864	-	10.129.864
Absorption of Subsidiary			7.579.468	-	(18.337.606)	(10.758.138)	-	(10.758.138)
Decrease of Share Capital	(21.743.359)	-	-	-	21.743.359	-	-	-
Other movements	-	-	34.506.916	-	(33.841.864)	665.052	-	665.052
Balance 31.12.2018	23.296.454	146.676.671	307.234.013	(2.433.960)	(225.451.542)	249.321.635	-	249.321.635
Balance 01.01.2019-Published Data	23.296.454	146.676.671	307.234.013	(2.433.960)	(225.451.542)	249.321.635	-	249.321.635
Net profit for the period					(7.920.225)	(7.920.225)		(7.920.225)
Other income for the period	-	-	88.786.415	(2.453.715)	-	86.332.701	-	86.332.701
Total comprehensive income for the period	-	-	88.786.415	(2.453.715)	(7.920.225)	78.412.476	-	78.412.476
Other movements	-	(25.000)	78.212.482	-	(81.106.259)	(2.918.777)	-	(2.918.777)
Absorption of Subsidiary	-	-	15.895	-	(4.564.154)	(4.548.259)	-	(4.548.259)
Balance 31.12.2019	23.296.454	146.651.671	474.248.806	(4.887.675)	(319.042.181)	320.267.074	-	320.267.074

At 01.01.2019 the Group and the Company have applied IFRS 16 using the cumulative effect method. According to this method, comparative information is not restated. Analytical information are given to the note D.a. (Changes in the Accounting Policies)

The following notes are integral part of the Financial Statements.

For more detailed information, it is noted that, from the retained earnings, 168,082,363 euros have been transferred to reserves from dividends based on article 48 of Law 4172/2013, which concern income from participation dividends. The accumulated retained earnings before this transfer amount to losses of 150,959,818 euros compared to losses of 319,042,181 euros as mentioned in the above statement of changes in equity. Respectively, the reserves amount to 306,166,443 euros compared to 474,248,806 euros presented above.



Notes and accounting policies

A. ABOUT THE COMPANY

A.1 General Information about the Company and the Group

AVAX S.A. was listed on the Athens Stock Exchange's Main Market in 1994 and is based in Marousi, in the Attica prefecture. It boasts substantial expertise spanning the entire spectrum of construction activities (infrastructure projects, civil engineering, BOTs, precast works, real estate etc) both in Greece and abroad.

In 2002, AVAX S.A. merged with its subsidiaries J&P (Hellas) S.A. and ETEK S.A. and was renamed into J&P-AVAX S.A, whereas another 100% subsidiary unit, namely ETETH S.A., merged with its own subsidiary AIXMI S.A. The new business entities which evolved out of these mergers made use of Law 2940/2001 on contractors' certification for public works. The Group's leading company AVAX S.A. was awarded a 7th-class public works certificate, which is the highest class available, whereas ETETH S.A. acquired a 6th-class certificate. In the year 2007 Avax SA acquired the subsidiary Athena SA. which during 2018 was merged by absorption by the Company following the submission of an optional public offer and the exercise of the squeeze-out right of the minority shareholders of ATHENA SA.

At the beginning of 2019, the Company was renamed to AVAX SA again in accordance with the General Meeting of Shareholders of the Company on 27/03/2019 and the Approval Decision No. 40094 / 09-04-2019 by the Ministry of Economy and Development.

A.2 Activities

Group strategy is structured around four main pillars:

- **Concessions**
 - Intense presence in concession project tenders, to maintain a substantial backlog of projects and secure long-term revenue streams
 - Strengthening the project finance business unit and expanding our network of specialized external business partners (design consultants, financial and insurance advisors, legal firms) to enhance the Group's effectiveness in bidding for concession projects and maximize the return from their operation by means of financial risk management
- **Business Activities**
 - Development along the lines of major international construction groups, diversifying revenue through expansion into related business areas, eg environmental projects, facility maintenance & management, waste management, maintenance of large infrastructure projects, and management of large facilities constructed towards the Athens 2004 Olympic Games
 - Pursuit of synergies of various business activities on Group level
- **Energy**
 - Emphasis on industrial projects in the energy sector, for the construction of power generation and LNG plants, specializing in EPC type projects (design and construction)
 - Careful penetration of the wholesale market of wholesale and retail electricity and gas, as well as the development of RES projects, either autonomously or in cooperation with serious business partners.



B. FINANCIAL REPORTING STANDARDS

B.1. Compliance with IFRS

AVAX S.A.'s consolidated accounts for the period running from January 1st, 2019 to December 31th , 2019 conform to the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the interpretations issued by IASB's International Financial Reporting Interpretation Committee (IFRIC) which have been adopted by the European Union.

B.2. Basis of preparation of the financial statements

Consolidated and Company Financial Statements of AVAX SA have been prepared on a going concern basis and the historical cost principle as amended by adjusting specific assets and liabilities to current values except for certain financial assets and liabilities (including derivatives), valued at fair value.

The policies listed below have been consistently applied throughout the periods presented.

The preparation of financial statements in accordance with IFRSs. requires the use of estimates and judgments when applying the Company's accounting policies. Significant assumptions by management for the application of the company's accounting policies have been identified where appropriate.

C. BASIC ACCOUNTING PRINCIPLES

The Group consistently applies the following accounting principles in preparing the attached Financial Statements:

C.1. Business Combinations (I.F.R.S. 3)

Investments in Subsidiaries

All companies managed and controlled, either directly or indirectly, by another company (parent) through ownership of a majority share in the voting rights of the company in which the investment has been made. Subsidiaries are fully consolidated (full consolidation) with the purchase method starting on the date on which their control is assumed, and are excluded from consolidation as soon as their control is relinquished.

Acquisitions of subsidiaries by the Group are entered according to the purchase method. Subsidiary acquisition cost is the fair value of all assets transferred, of all shares issued and all liabilities at the acquisition date, plus any costs directly related to the transaction. The specific assets, liabilities and contingent liabilities acquired through a business combination are accounted for at their fair values irrespective of the percentage of participation. The acquisition cost in excess of the fair value of the acquired net assets is entered as goodwill. Should the total acquisition cost fall short of the fair value of the acquired net assets, the difference is directly entered in the Income Statement.

Intragroup sales, balances and un-realised profits from transactions among Group companies are omitted. Losses among Group companies (un-realised on a Group level) are also eliminated, except when the transaction provides evidence of impairment of the transferred asset. The accounting principles of subsidiaries have been amended for uniformity purposes relative to those adopted by the Group.



At the Company's balance sheet, investment in subsidiaries is stated at cost less loss from impairment, if any. IAS 36 "Impairment of Assets" requires an impairment test if there is any indication that an asset is impaired.

Investments in Associates

All companies which the Group may influence significantly but do not qualify for subsidiary or Joint Venture status. The Group's assumptions call for ownership between 20% and 50% of a company's voting rights to have significant influence on it. Investments in associates are initially entered in the Company's books at cost and subsequently consolidated using the equity method.

The Group's share into the profit or loss of associates following the acquisition is recognised into the Income Statement, whereas the share into changes in capital reserves following the acquisition is recognised into the reserves. Accumulated changes affect the book value of investments in associates. When the Group's participation into the financial loss of an associate is equal to or exceeds its participation in the associate, inclusive of provisions for bad debts, the Group does not recognise any further losses, except when covering liabilities or making payments on behalf of the associate, or taking other actions as part of its shareholder relationship.

Unrealised profits from transactions between the Group and its associates are omitted according to the participation of the group into those associates. Unrealised gains are omitted, unless the transactions suggest impairment of the transferred assets. Accounting principles of associates have been amended for uniformity purposes relative to those adopted by the Group.

Joint Arrangements (I.F.R.S. 11)

I.F.R.S. 11 focuses on the rights and obligations arising from the joint arrangements, rather than in their legal form.

A common agreement has the following basic features:

- The parties are bound by a contractual agreement
- The contractual agreement confers on two or more of the parties joint control

The IFRS classifies joint arrangements into two types—joint operations and joint ventures.

- A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (ie joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement.
- A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (ie joint venturers) have rights to the net assets of the arrangement.

An entity determines the type of joint arrangement in which it is involved by considering its rights and obligations.

An entity assesses its rights and obligations by considering the structure and legal form of the arrangement, the contractual terms agreed to by the parties to the arrangement and, when relevant, other facts and circumstances. The factors that the Group tests to determine that joint arrangements are under common control include the structure, legal form, contractual arrangement and other facts and circumstances.



The IFRS requires to recognize and to account for a joint arrangement proportionate consolidation – the party's share of assets, liabilities, income and expenses of a jointly controlled entity was combined line-by-line with similar items in the companies' financial statements.

Also, the party to a joint venture shall account for the above data relating to its participation in the joint venture under the relevant IFRS.

Group Structure: AVAX Group consists of the following subsidiaries, which are consolidated with the full consolidation method:

Company	% of AVAX's SA participation	Fiscal Years not tax audited
AVAX S.A., Athens	Parent	2014-2019
ETETH S.A., Salonica	100%	2014-2019
ELVIX Ltd, Ioannina	60%	2014-2019
AVAX DEVELOPMENT S.A., Athens	100%	2014-2019
TASK AVAX single member S.A., Athens	100%	2017-2019
CONCURRENT REAL INVESTMENTS SRL, Romania	95%	2005-2019
SC BUPRA DEVELOPMENT SRL, Romania	99,93%	2005-2019
SOPRA AD, Bulgaria	99,99%	2005-2019
AVAX IKTEO S.A., Athens	94%	2014-2019
SC FAETHON DEVELOPMENTS SRL, Romania	100%	2006-2019
MONDO TRAVEL (ex.TERRA FIRMA S.A.), Athens	99,999%	2014-2019
AVAX CONCESSIONS S.A. (ex. EVIA REAL ESTATE), Athens	99,967%	2014-2019
ATHENS MARINA S.A., Athens	97,69%	2014-2019
JPA ATTICA SCHOOLS PPP, Athens	100%	2016-30/09/2019
AVAX INTERNATIONAL LTD, Cyprus	100%	2016-2019
J&P AVAX INTERNATIONAL DWC-LLC, United Arab Emirates	100%	2017-2019
AVAX MIDDLE EAST LTD, Cyprus	100%	2019
GAS AND POWER TECH DMCC, United Arab Emirates*	100%	2019
CONSPER EMIRATES LLC, United Arab Emirates	49%	2019
ABU DHABI J&PP LLC, Abu Dhabi	49%	2019
GLAVIAM HELLAS SINGLE MEMBERED COMPANY LTD	100%	2016-2019
VOLTERRA SA, Athens	100%	2017-2019
VOLTERRA K-R SA, Athens	55%	2014-2019
ILIOPHANIA SA, Athens	100%	2014-2019
VOLTERRA LYKOVOUNI S.A, Athens	55%	2017-2019
VOLTERRA L-S SA, Athens	100%	2018-2019
ATHENA LIBYA COMPANY, Libya	65%	-
ATHENA CONCESSIONS S.A., Athens	99%	2014 & 2019
ERGONET SA, Athens	51,52%	2016 & 2019
P.S.M. SUPPLIERS LTD, Libya	100%	2019



Discontinued Operations

CONSPEL CONSTRUCTIONS SPECIALIST LTD, Isle of Man	100%	2019
CONSPEL QATAR WLL, Qatar	49%	2019
J&P QATAR WLL, Qatar	49%	2019

In the first half of 2019, the Company made a series of acquisitions of companies in the Persian Gulf, Libya and Greece, which were divested by J&P (Overseas) Ltd. The acquisitions in the Persian Gulf were made by AVAX Middle East Ltd, a newly established 100% subsidiary (indirect shareholding) of the Company based in Cyprus.

However, the liquidation of J&P (Overseas) Ltd, ultimately made it difficult for the specific customers to deal with the Group. Combined with the increased geopolitical and business risk of these subcontracts, the low potential of a small subcontractor such as Conspel towards customers that have political and business power and contractors, but also the delays that arose until acquisition of subsidiaries of J&P (overseas) Ltd from the Company, increased uncertainty was created for the financial performance of the Group in the area. It is noted that the ability of the company Conspel to undertake new projects in the area also depended on its ability to access local banks to ensure the necessary financial limits for working capital and issuance of letters of guarantee & LCs for the execution of projects.

The result was delays and payments interruptions, with the result that the inability to collect created in Conspel Qatar WLL conditions of temporary cash tightness for which the Company had been considering various possible actions since the end of 2019.

Among possible actions were included also discussions with local partner Fahad Trading W.L.L. (which owned 51%), for the full acquisition of these companies.

Eventually, due to the continuous deterioration of cash liquidity, the Company proceeded with this solution, ie decided to sell these companies to the local partner, who after drafting the contract of sale, proceeded to take over the management of these companies and their projects, including the "Qatar Foundation Stadium" project, in which these companies participate by 76% and AVAX SA. through its branch "AVAX S.A. - Qatar Branch" by 24%.

The Group, applying IFRS 5 "Non-current assets held for sale and discontinued operations", presents separately the assets and liabilities of the subsidiaries of AVAX ME (Conspel Qatar W.L.L. & J&P Qatar W.L.L.), subsidiary of AVAX INTERNATIONAL LIMITED and the activity of the branch of AVAX SA in Qatar, which concerns the specific project, while at the same time presents separately the result from the discontinued operation in the Group's consolidated statement of income.

Acquisitions in Libya (PSM Suppliers L.T.D.) and Greece (J&P Energy) were made directly by the parent Company. Detailed information is set out in the notes to the Annual Financial Statements.

In June 2019, the Board of Directors of the Company and J&P Energy decided to start the merger process by absorbing J&P Energy from the 100% parent company of AVAX. The date of Balance sheet transformation has been set as at 31/12/2018 and completed on 9/12/2019.

At 2019, the subsidiary J&P AVAX POLSKA was dissolved, because the Polish market is not among the Company's strategic goals.

AVAX SA (the "Company") on 01.10.2019 signed with the Swedish Group "Sternen Stenhus" contract for the sale of all the shares of the company "JPA SA" that has undertaken the realization of the project Public and Private Partnership (PPP) 10 Schools in Attica.



The current agreement with Sterner Stenhus, which had received the approval of the KTYP and the EIB in the amount of € 8.8 million, concerns the transfer by the Company of all shares as well as the bonds of limited security of the AVAX Group. The remaining lease period is 22 years.

** Gas and Power Tech DMCC is newly established in Dubai's Special Economic Zones and has not yet grown. Its purpose is to facilitate the operation of other Group companies operating in the Persian Gulf region.*

For fiscal years 2011, 2012 and 2013, the parent Company and its subsidiaries have been subjected to tax auditing from an auditor in accordance with article 82 paragraph 5 of Law 2238/1994 and have received a "Tax Compliance Certification" with an unqualified opinion.

For the fiscal years 2014, 2015, 2016, 2017 & 2018 the parent Company and its subsidiaries that are tax audited in Greece have been subjected to tax auditing from an auditor in accordance with article 65A para 1 of Law 4174/2013 and have received a "Tax Compliance Certification" with an unqualified opinion. It should also be noted that for the fiscal years 2016 onwards, the tax audit and the issuance of a Certificate of Tax Compliance by the statutory auditors are optional. The Group and the Company have opted for continued audit by the statutory auditors.

For the fiscal year 2019, the parent Company and its subsidiaries that are tax audited in Greece have been subjected to tax auditing from an auditor in accordance with article 65A para 1 of Law 4174/2013 as it is amended and still in force . This control is in progress and the related tax certificate is projected to be provided after the publication of the annual financial statements of 2019. The Group's management believes that upon completion of the tax audit no additional tax liabilities will be occur that will have substantial impact beyond those recognized and reported in the financial statements.

It is noted that in application of relevant tax provisions: a) of par. 1 of article 84 of law 2238/1994 (unaudited income tax matters) in combination with articles 36 par. 1 and 72 par. 11, of law 4174 / 2013, b) of par. 1 of article 57 of law 2859/2000 (unaudited VAT matters) and c) of par. 5 of article 9 of law 2523/1997 (imposition of fines for income tax cases) , the right of the State for the imposition of the tax for the years until 2013 has been drawn until 31/12/2019, subject to special or exceptional provisions that may provide a longer drawn period and according to the conditions that are specified.

The Group consolidates the following associates using the equity method:

5N S.A., Athens	45,00%
ATHENS CAR PARKS S.A., Athens	25,32%
ATTICA DIODIA S.A., Athens	34,22%
ATTIKI ODOS S.A., Athens	34,21%
POLISPARK S.A., Athens	28,76%
3G S.A., Athens	50,00%
CAR PARK N.SMIRNI S.A., Athens	20,00%
LEISURE PARKS S.A.(KANOE-KAYAK), Athens	29,70%
CYCLADES ENERGY CENTER S.A., Athens	45,00%
SC ORIOL REAL ESTATE SRL, Romania	50,00%
SALONICA PARK S.A., Athens	24,70%
AEGEAN MOTORWAY S.A., Larissa	23,61%
GEFYRA OPERATION S.A., Athens	21,55%
GEFYRA S.A., Athens	20,53%
PIRAEUS ST.NICOLAS CAR PARK S.A., Athens	54,26%
MARINA LIMASSOL S.A., Limassol	33,50%
METROPOLITAN ATHENS PARK S.A., Athens	22,91%



STARWARE ENTERPRISES LTD, Cyprus	50,00%
ELIX S.A., Athens	31,97%
VAKON SA, Greece	25,00%
VIOENERGEIA S.A., Greece	45,00%
ILIA WASTE MANAGEMENT PPP, Greece	50,00%
ILIA WASTE MANAGEMENT OPERATION, Greece	50,00%

In 2019, the companies "Ilia Waste Management PPP" and "Ilia Waste Management Operation" were established for the purpose of waste management and which as of 31/12/2019 have not yet developed any activity.

Joint arrangements (construction consortia or companies) which the parent Company or its subsidiaries participate in, are consolidated with the method of proportional consolidations in the financial statements of the parent Company, or its subsidiaries respectively. The total participations in joint arrangements (construction consortia) are as follows:

Proportionate consolidation

1. J/V J&P – AVAX S.A. – ETETH S.A., Athens (SMAEK)	100,00%
2. J/V J&P – AVAX S.A. – ETETH S.A., Athens (Suburban Railway)	100,00%
3. J/V J&P-AVAX S.A. – “J/V IMPREGILO SpA –J&P-AVAX S.A.- EMPEDOS S.A.”, Athens	66,50%
4. J/V AKTOR S.A. – J&P – AVAX S.A. – ALTE S.A. – ATTIKAT S.A. - ETETH S.A. – PANTECHNIKI S.A. – EMPEDOS S.A., Athens	30,84%
5. J/V J&P-AVAXS.A. – EKTER A.E – KORONIS S.A., Athens	36,00%
6. J/V J&P-AVAX S.A.- VIOTER S.A., Athens	50,00%
7. J/V J&P AVAX S.A. – INTL TAPESTRY CENTRE, Athens	99,90%
8. J/V ETETH S.A. – J&P-AVAX S.A. – TERNA S.A. – PANTECHNIKI S.A., Athens	47,00%
9. J/V TOMES S.A. – ETETH S.A., Chania	50,00%
10. J/V AKTOR A.T.E – AEGEK S.A. – J&P-AVAX S.A. – SELI S.p.A, Athens	20,00%
11. J/V “J/V AKTOR SA – DOMOTEXNIKH S.A. THEMELIODOMI S.A.” – TERNA S.A – ETETH S.A., Salonica	25,00%
12. J/V J&P AVAX S.A. – FCC CONSTRUCCION S.A, Athens	49,99%
13. J/V ETETH SA – TRIKAT SA – VIOTER SA, Athens	40,00%
14. J/V APION KLEOS (ELEFSINA-PATRA), Elefsina	21,00%
15. J/V J&P AVAX SA – EKTER SA, Athens	50,00%
16. J/V CONSTRUCTION MALIAKOS – KLEIDI, Larissa	20,70%
17. J/V MAINTENANCE ATT.ODOS, Athens	30,84%
18. J/V SUBURBAN RAILWAY, SKA PIRAEUS, PHASE B’, Athens	33,33%
19. J/V ERGOTEM ATEVE – ASTOR S.A. – ETETH S.A., Athens	15,00%
20. J/V AKTOR – J&P-AVAX OTE NETWORKS, Athens	50,00%
21. J/V AKTOR – J&P-AVAX – INTRAKAT (Road Line Tripoli-Kalamata-Moreas), Athens	15,00%
22. J/V AKTOR – J&P-AVAX, Athens (Maintenance of National Natural Gas Network)	50,00%



23.	J/V AKTOR – J&P-AVAX, Athens (Technical Support of Public Natural Gas Co)	50,00%
24.	J/V J&P-AVAX – GHELLA SpA, Piraeus	60,00%
25.	J/V AKTOR SA – J&P-AVAX SA., Athens (New Maintenance of Attiki Odos)	34,22%
26.	J/V AKTOR SA – J&P-AVAX SA., Achaia (Panagopoula)	33,91%
27.	J/V AKTOR SA – J&P-AVAX SA – TERNA SA, Athens (Tithorea-Domokos)	33,33%
28.	J/V AKTOR SA – J&P-AVAX SA – TERNA SA, Athens (Tithorea-Domokos-Sub Project D, Bridge)	31,00%
29.	J/V AKTOR SA – J&P-AVAX SA (Technical Support DEPA – 2) , Athens	50,00%
30.	J/V AKTOR SA – J&P-AVAX SA (Construction of Gas Networks), Athens	50,00%
31.	J/V AKTOR SA – J&P-AVAX SA (Attica Gas Networks & Pipelines), Attica	60,00%
32.	J/V AKTOR SA – J&P-AVAX SA (White Regions), Athens	50,00%
33.	J/V J&P-AVAX SA – TERNA SA – AKTOR ATE – INTRAKAT SA (Mosque), Athens	25,00%
34.	J/V J&P-AVAX SA – TASK J&P-AVAX SA (ISP), Athens	100,00%
35.	J/V AKTOR SA-ATHENA SA (D-1618), Psitallia	30,00%
36.	J/V AVAX SA – AKTOR SA (Gas Projects, PUBLIC GAS NETWORK OPERATION)	50,00%
37.	J/V AVAX SA – MESOGIOS SA-AAGIS SA (ILIA WASTE TREATMENT)	50,00%
38.	BONATTI J&P-AVAX Srl, Italy	45,00%
39.	J/V J&P – AND J&P – AVAX GERMASOGEIA, Cyprus	75,00%
40.	J/V J&P AVAX S.A – J&P Ltd (Vassilikos III), Cyprus	75,00%
41.	J&P AND J&P AVAX J/V – QATAR BUILDING, Cyprus	45,00%
42.	AVAX-J&P LTD-CYBARCO MARINA LIMASSOL J/V, Cyprus	55,00%
43.	J/V QUEEN ALIA AIRPORT, Jordan	50,00%
44.	AVAX SA – TERNA J/V MEDITERRANEAN CITY OF DREAMS	60,00%
45.	J/V ATHENA SA – AKTOR (“MACEDONIA” AIRPORT), Thessaloniki	70,00%
46.	J/V ATHENA SA-FCC SA , Igoumenitsa	50,00%
47.	J/V ATHENA SA – THEMELIODOMI SA - ATTIKAT SA (HERMES), Athens	33,33%
48.	J/V MICHANIKI SA – ATHENA SA (MPC), Athens	50,00%
49.	J/V PROODEUTIKI SA-ATHENA SA (CRAIOVA), Romania	35,00%
50.	J/V AKTOR SA – ATHENA SA – GOLIPOULOS (A-440), Psytallia	48,00%
51.	J/V ARCHIRODON – ERGONET (indirect participation), Athens	22,95%
52.	J/V TSO-ARCHIRODON - ERGONET (indirect participation), Athens	25,50%
53.	J/V D.SIRDARIS & CO – ERGONET (indirect participation), Athens	15,30%
54.	J/V PROET SA – ERGONET SA (indirect participation), Athens	25,50%
55.	J/V ERGONET SA – PROET SA (KOS) (indirect participation), Athens	25,50%
56.	J/V EURARCO SA – ERGONET SA (SPERCHEIOS) (indirect participation), Athens	7,65%



The following Joint Arrangements are not included in current period's financial statements in comparison with those of previous one because the projects are now completed:

1. J/V AKTOR – J&P-AVAX, Athens (Attica Natural Gas Network) 50,00%

C.2a. Property, Plant & Equipment (I.A.S. 16)

Group Management has utilised the basic valuation method (at acquisition cost, less accumulated amortisation and impairments), as per IAS 16, for classifying operating fixed assets (Technical Equipment, Vehicles, Furniture and other Equipment).

The revaluation method was chosen by management for classifying land and fixtures.

Revaluation Model

Upon recognition as an asset, a fixed asset whose fair value may be estimated reliably may be revalued, to reflect the fair value at recognition date less any subsequent accumulated impairment of value.

The fair value of land and buildings is usually appraised by auditor-valuators. The fair value of equipment and fixtures is usually their acquisition price.

When tangible fixed assets are revalued, the entire class of similar assets should be revalued.

When the book value of a fixed asset increases as a result of revaluation, the increase is credited directly into the Equity as a Revaluation Surplus.

Increases in value due to revaluation will be recognised through the Income Statement to the extent it reverses an earlier impairment of the same asset, charged in the Income Statement.

Should the book value of an asset be reduced as a result of a revaluation, the decrease in value should be charged in the Income Statement. If a revaluation surplus for that asset exists in Equity, the decrease will be charged directly into Equity up to the value of that surplus. Revaluation surpluses in Equity are transferred to Retained Earnings as soon as the fixed assets are sold or derecognized. Tax effects on the revaluation of tangible fixed assets are recognised and disclosed according to IAS 12 Income Tax.

The initial implementation of a tangible fixed asset revaluation policy is treated as a revaluation according to IAS 16, not IAS 8.

While applying I.A.S. 36 (on Impairment of Assets), on each reference date Group management effectively estimates whether its asset base shows signs of impairment, comparing the residual value for each asset against its book value.

Subsequent expenditure on fixed assets already appearing on the Company's books are added to that asset's book value only if they increase its future economic benefits. All expenditure (maintenance, survey etc.) for assets not increasing their future economic benefits are realised as expenses in the financial period incurred.

Expenditures incurred for a major repair or survey of a fixed asset are realised as expenses in the financial period in which they are incurred, except when increasing the future economic benefits of the fixed asset, in which case they are added to the book value of the asset.

Depreciation of tangible fixed assets (excluding land which is not depreciated) is calculated on a straight-line basis according to their useful lives. The main depreciation rates are as follows:



Operating (buildings)	Property	3%
Machinery		5.3% - 20%
Vehicles		7.5% - 20%
Other equipment		15% - 20%

Residual values and useful lives of tangible fixed assets are subject to revision on balance sheet date. When the book value of fixed tangibles exceeds their recoverable value, the difference (impairment loss) is directly charged as an expense item in the Income Statement.

When disposing of tangible fixed assets, the difference between the revenue from the sale and the book value of the assets is realised as profit or loss in the Income Statement.

Own-produced fixed tangibles constitute an addition to the acquisition cost of the assets in the form of direct cost of personnel participating in their production (including related employer's social security contributions), cost of materials and other general expenses.

C.2b. Investment Property (IAS 40)

For investment property, management has opted to apply the method of revaluation (fair values), based on IAS 40.

Management believes that the use of fair values in appraising investment property provides reliable and more pertinent information, because it is based on updated prices.

C.3. Intangible Assets (I.A.S. 38)

Only expenses meeting the criteria of I.A.S. 38.18 are capitalized, such as expenses for computer software and licences.

Intangible assets includes computer licenses.

C.4. Impairment of Assets (I.A.S. 36)

i) Goodwill

Goodwill represents the additional price paid by the Group for the acquisition of new subsidiaries, joint ventures, and associates. It arises from the comparison of the price paid for the acquisition of a new company with the proportion of the group share to the fair value of the net assets, during the acquisition date. The arisen goodwill from the acquisition of the new subsidiaries and joint ventures is recognized to intangible assets. Every year impairment test for the goodwill is conducted, which decreases the original amount as it is recognized in the balance sheet. During the calculation of profit or loss arisen from participation disposal, the relevant (if any) goodwill is taken under consideration of the disposed company.

For an easier processing of impairment tests, goodwill is allocated to Cash Generating Units (CGU's). The CGU is the smallest identifiable unit of assets which creates independent cash flows and represents the level at which the Group collects and presents the financial data for reasons of internal information. The impairment for the goodwill, is determined from the calculation of the recoverable amount of the CGU's with which the goodwill is connected. Impairment loss which is related with goodwill cannot be reversed in future periods. The Group conducts the annual test for goodwill impairment at 31 December of each accounting period.



In case that the fair value of net assets of a company during the acquisition date is higher than the price paid for the acquisition, negative goodwill is recognized (income), which goes directly in the Income Statement.

ii) Other Assets

Intangible assets with an infinite useful life are not depreciated and are subject to annual review for impairment, whenever events take place showing their book value is not recoverable. Assets being depreciated are subject to review of their value impairment when there are indications that their book value shall not be recovered.

Net Selling Price (NSP) is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable willing parties, less the costs of disposal. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. At each balance sheet date, management assess whether there is an indication of impairment as required by I.A.S. 36, requiring that the book value of assets does not exceed their recoverable amount. Recoverable amount is the highest between Net Selling Price and Value in Use.

This evaluation also takes into account all available information, either from internal or external sources. Impairment review is applied on all assets except for inventories, construction contracts, deferred tax receivables, financial assets falling under I.A.S. 39, investment property and non-current assets classified as being held for disposal.

Impairment losses are charged in the Income Statement.

C.5. Inventories (I.A.S. 2)

On Balance Sheet date, inventories are valued at the lowest between cost and Net Realisable Value (NRV). NRV is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. Inventory cost does not include financial expenses.

C.6. Financial Instruments: Presentation (I.A.S. 32)

The principles in this Standard complement the principles for recognising and measuring financial assets and financial liabilities in IAS 39 Financial Instruments: Recognition and Measurement.

This Standard is concerned with the classification of financial instruments into financial assets, financial liabilities and equity instruments, as well as the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities should be offset.

A financial instrument is any contract that simultaneously gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Participatory security is any contract that proves a right to the remaining balance, if from the assets of an entity are deducted its liabilities.

Fair value defined the price that somebody would receive for the sale of an asset or that somebody would pay for the transfer of an obligation to a normal transaction between market participants at the date of measurement.



C.7. Financial Instruments: Disclosures (I.F.R.S. 7)

I.F.R.S. 7 refers to all risks arising from all financial instruments, except those instruments specifically excluded (e.g. interests in subsidiaries, associates and joint ventures, etc.). The objective of the disclosures is to provide an overview of the Group's use of financial instruments and its exposure to risks they create. The extent of the disclosure required depends on the extent of the Company's use of financial instruments and its exposure to risk.

C.8. Provisions, Contingent Liabilities and Contingent Assets (I.A.S. 37)

Provisions are recognized when the Group faces legal or substantiated liabilities resulting from past events, their settlement may result in an outflow of resources and the amount of the liability can be reliably estimated. Provisions are reviewed on Balance Sheet date and adjusted to reflect the present value of the expense estimated for settling the liability. Contingent liabilities are not recognized in the financial statements but nevertheless are disclosed in the accompanying notes, except when the probability of an outflow of resources is minimal. Contingent assets are not recognized in the financial statements, but are disclosed in the notes, provided an inflow of economic benefits is probable.

C.9. Accounting for Government Grants and disclosure of Government Assistance (I.A.S. 20)

The Group recognizes government grants (subsidies) only when there is reasonable assurance that:

- a) the enterprise will comply with any conditions attached to the grants,
- b) the grant is likely to be received.

Subsidies are entered in the company's books at their fair value and recognized on a consistent basis as revenue, in accordance with the principle of matching the receipts of subsidies with the related expenses.

Subsidies on assets are included in long-term liabilities as deferred income and recognized on a consistent basis as revenues over the expected useful life of the assets.

C.10. The effects of changes in Foreign Exchange Rates (I.A.S. 21)

The financial statements of all Group companies are prepared using the currency of the economic area which the Group mainly operates in (operating currency). Consolidated financial reports are denominated in euros, the operating and presentation currency of the parent Company and its subsidiaries.

Transactions in foreign currency are converted in the operating currency according to the going foreign exchange rates on the date on which transactions take place.

Profit and losses from foreign exchange differences arising from settlement of transactions in foreign currency during the financial reporting period and the conversion of monetary items denominated in foreign currency according to the going exchange rates on balance sheet date are recognised in the Income Statement. Foreign exchange adjustments for non-monetary items valued at fair value are considered part of the fair value and are therefore treated as differences in fair value.

C.11. Earnings per share (I.A.S. 33)

Expenses incurred due to the issue of new shares appear below the deduction of related income tax, reducing the net proceeds from the issue. Expenses incurred due to the issue of new shares to finance the acquisition of another company are included in the target company's total acquisition cost.



C.12 Dividend Distribution (I.A.S. 10)

Dividend distribution to the parent's shareholders is recognized as a liability in the consolidated financial statements at the date that the distribution is approved by the General Meeting of Shareholders.

C.13. Income Taxes & Deferred Tax (I.A.S. 12)

Income tax expenses appearing in the Income Statement include both tax for the period and deferred tax, which correspond to tax charges or tax returns arising from benefits realized within the reporting period in question but booked by the tax authorities in earlier or later reporting periods. Income tax is recognized in the Income Statement for the reporting period, except for tax relating to transactions directly charged against shareholders' funds; in that case, income tax is similarly charged directly against shareholders' funds.

Current income tax includes short-term liabilities and/or receivables from the tax authorities related to payable tax on the taxable income of the reporting period, as well as any additional income tax from earlier reporting periods.

Current tax is calculated according to the tax rates and fiscal legislation applied on each reporting period involved, based on the taxable income for the year. All changes in short-term tax items listed on either side of the balance sheet are recognized as part of the tax expense in the Income Statement.

Deferred income tax is calculated by means of the liability arising from the temporary difference between book value and the tax base of asset and liabilities. No deferred income tax is entered when arising from the initial recognition of assets or liabilities in a transaction, excluding corporate mergers, which did not affect the reported or taxable profit / loss at that time.

Deferred tax income and liabilities are valued according to the tax rates expected to apply in the reporting period in which the receipt or payment will be settled, taking into account the tax rates (and fiscal laws) introduced or in effect until the reporting date. The tax rate in effect on the day following the reporting date is used whenever the timing of reversal of temporary differences cannot be accurately determined.

Deferred tax receivables are recognized to the extent in which taxable profits will arise in the future while making use of the temporary difference which gives rise to the deferred tax receivable.

Deferred income tax is recognized for the temporary differences arising from investments in subsidiaries and affiliates, excluding those cases where de-recognition of temporary differences is controlled by the Group and temporary differences are not expected to be derecognized in the foreseeable future.

Most changes in deferred tax receivables or liabilities are recognised as tax expenses in the Income Statement. Only changes in assets or liabilities affecting temporary differences (e.g. asset revaluations) which are recognized directly against the Group's shareholders' funds do result in changes in deferred tax receivables or liabilities being charged against the relevant revaluation reserve.



C.14. Personnel Benefits (I.A.S. 19)

Short-term benefits:

Short-term benefits to personnel (excluding termination benefits) in money and in kind are recognized as an expense when deemed payable. Portions of the benefit yet unpaid are classified as a liability, whereas if the amount already paid exceeds the benefit then the company recognizes the excess amount as an asset (prepaid expenses) only to the extent to which the prepayment will result in a reduction in future payments or to a fund return.

Retirement benefits:

Benefits at retirement from service include a defined contribution plan as well as a defined benefit plan.

Defined Contribution Plan:

According to the plan, the company's legal liability is limited to the amount agreed for contribution to the institution (social security fund) managing employer contributions and handing out benefits (pensions, medical plans etc).

The accrued cost of defined contribution plans is classified as an expense in the corresponding financial reporting period.

Defined Benefit Plan:

The Company has legal liability for personnel benefits due to lay-offs ahead of retirement date or benefits upon retirement from service, in accordance with pertinent legislation.

The Projected Unit Credit Method is used to calculate the present value of defined benefit obligations, the related current cost of services and the cost of services rendered which is the accrued services method, according to which benefits are paid at the financial periods in which the retirement benefit liability is founded. Liabilities arise while employees provide services qualifying for retirement benefits.

The Projected Unit Credit Method therefore requires that benefits are paid in both the current reporting period (to calculate the current cost of services) and in the current and past reporting periods (to calculate the present value of defined benefit obligations).

Despite the fact that remaining in service with the Company is a prerequisite for receiving benefits (ie benefits cannot be taken for granted by employees), liabilities are calculated using actuarial methods as follows:

Demographic Assumptions: Personnel Turnover (Staff Resignations / Staff Lay-offs), and

Financial Assumptions: discount rate, future salary levels (calculated using government bond yield of equal maturities) and estimated future changes in state benefits affecting payable benefits.

C.15. Leases (I.F.R.S. 16)

Leases (operating and financial) are recognized in the Statement of Financial Position as a right to use an asset and a lease obligation on the date that the leased asset becomes available for use. Each lease is divided between the lease liability and the interest, which is charged to the results throughout the term of the lease, in order to obtain a fixed interest rate on the balance of the financial liability in each period.

Subsequent measurement

Subsequent measurement of asset use right



After the lease date commencement, the Group measures the right to use the asset in the cost model: (a) less any accumulated depreciation and impairment losses, and (b) adjusted for any subsequent lease measurement, applies the requirements of IAS 16 regarding the depreciation of the right to use an asset, which it examines for impairment.

Subsequent measurement of the lease liability

Following the effective date of the lease period, the Group measures the lease liability as follows: (a) increasing the carrying amount to reflect the financial cost of the lease; (b) reducing the carrying amount to reflect the lease. and (c) remeasuring the carrying amount to reflect any revaluation or modification of the lease. The financial cost of a lease liability is allocated during the lease period in such a way as to give a fixed periodic rate of interest on the outstanding balance of the liability. After the effective date of the lease period, the Group recognizes profit or loss (unless costs are included in the carrying amount of another asset for which other relevant Standards are applied) and the following two elements: (a) the financial cost of the lease obligation; and (b) variable lease payments that are not included in the measurement of the lease liability during the period in which the event that triggers those payments is made.

C.16. Borrowing Cost (I.A.S. 23)

Borrowing cost refers to interest charged on debt, as well as other expenses incurred by the company in securing that debt.

Included in borrowing costs are:

- Interest expenses on short-term and long-term bank loans, as well as overdraft interest charges
- Amortisation of par discount arising from bond loan issues
- Amortisation of additional expenses incurred in securing a loan
- Financial expenses from leases, as defined in I.F.R.S. 16
- Foreign exchange adjustments, to the extent that they constitute a financial expense

Borrowing costs that can be allocated directly in acquisition, construction or production of an asset which fulfils the requirements should be capitalized.

C.17. Operating Segments (I.F.R.S. 8)

The Group recognises the sectors of constructions, concessions, energy and other activities as its primary business operating segments. It also recognizes Greece and international markets as its secondary operating geographic segments. Those operating segments are used by Management for internal purposes and strategic decisions are taken on the basis of the adjusted operating results of each segment, which are used to measure their performance.

C.18. Related Party Disclosures (I.A.S. 24)

Related party disclosures are governed by I.A.S. 24 and refer to transactions between a company reporting its financial statements and other related parties. The main issue is the economic substance of transactions, as opposed to their legal form.

A company is considered a related party to a reporting company if:



- a) It is directly or indirectly via intermediaries in control, or controlled by or under joint control of the reporting company
- b) It controls an equity stake in the reporting company which grants substantial control, or joint control of the reporting company
- c) It is an associate, as defined in IAS 28
- d) It is a joint venture, as defined in IAS 31
- e) It is a key member of the top management team (Board of Directors) of the reporting company or its parent firm
- f) It is closely related family-wise to any person matching the first and fourth case noted above
- g) It is a company controlled (or under joint control or under substantial influence) by a person matching the fourth and fifth case noted above
- h) It has an employee defined benefit plan in place, where those eligible for receiving the benefits are either the reporting company or the employees of the reporting company

Related party transaction is any transfer of resources, services or liabilities between related parties, irrespective of the payment of a price in return.

C.19. Revenue from contracts with customers (I.F.R.S. 15)

The standard establishes a five-step model for determining revenue from customer contracts.

1. Identify the contract with the client.
2. Determination of enforcement obligations.
3. Determination of the transaction price.
4. Allocation of the transaction price to the contractual obligations.
5. Recognition of revenue when or when an entity fulfills its obligation to execute.

In accordance with IFRS 15, revenue is recognized at the amount that an entity expects to be entitled to in return for the transfer of goods or services to a customer. The standard also specifies the accounting for the additional costs of obtaining a contract and the direct costs required to complete the contract.

Revenue is the amount that an entity expects to be entitled to in return for the goods or services it has transferred to a customer, excluding amounts collected on behalf of third parties (value added tax, other sales taxes). Variable amounts are included in the price and are calculated either by the "expected value" method or the "most probable amount" method.

An entity recognizes revenue when (or as it) satisfies a contractual obligation by transferring the goods or services promised to the customer. The customer acquires control of the good or service if he is able to direct the use and derive substantially all the financial benefits from that good or service. The control is transferred over a period or at a specific time.

Revenue from the sale of goods is recognized when control of the good is transferred to the customer, usually upon delivery, and there is no unfulfilled obligation that could affect the customer's acceptance of the good.

Revenue from the provision of services is recognized in the accounting period in which the services are provided and measured according to the nature of the services provided, using either output methods or input methods.



A customer's receivable is recognized when there is an unconditional right for the entity to receive the consideration for the contractual obligations to the customer. A contractual asset is recognized when the Group and the Company have satisfied its obligations to the customer before the customer pays or the payment becomes due, for example when the goods or services are transferred to the customer prior to the Group's right to invoicing.

A contractual liability is recognized when the Company and the Group receive a payment from the customer (prepayment) or when they retain a right that is unconditional (deferred income) before the performance of the contract obligations and the transfer of the goods or services. The contractual liability is derecognised when the obligations of the contract are executed and the income is recorded in the income statement.

The Group is active in the fields of Construction, Concessions, Energy Trading and Real Estate Investments. In the context of assessing the impact of applying IFRS. 15, the Group divided its revenues into revenues from construction and maintenance contracts, revenues from the sale of goods, revenues from electricity trading and other income.

Revenue from construction contracts and maintenance contracts

Contracts with customers of this category concern the construction or maintenance of public projects and private projects in Greece and abroad.

The Group recognized the revenue from construction contracts over the life of the contract. The Group determined the amount of revenue and expense of each period based on the percentage of completion method. The stage of completion was calculated based on the expenses which have been incurred from the balance sheet date compared to the total estimated expenses for each contract.

Each construction contract contains a single performance obligation for the contractor. Even in the cases of contracts that contain both the design and construction of a project, in substance the contractor's obligation is to deliver one project, the goods and services of which form individual components.

Contract revenue will continue to be accounted for over the time of the contract by using an estimation method similar to the percentage of completion method. The completion stage is measured on the basis of the contractual costs incurred up to the balance sheet date in relation to the total estimated cost of construction of each project.

IFRS 15 states that any variable consideration, i.e. claims for delay/acceleration costs, reward bonus, additional work, should only be recognized as revenue if it is highly probable that a significant reversal in the amount of the cumulative revenue recognized will not occur in the future. In making this assessment, Management has to consider past experience adjusted to the circumstances of the existing contracts. Additional claims and variation orders are included in contract revenue when it is probable that they will be approved by the customer and the amount of revenue can be reliably measured.

Costs of Projects: Project costs include the following:

- Costs directly linked to this project,
- Costs attributable to the specific project and attributable to the project,
- Other costs charged to that particular customer in accordance with the terms of the contract.



In the second case, general construction costs are also included. These costs are allocated on an ongoing basis using reasonable methods and bases that are consistently applied to all expenses with similar characteristics.

Indirect project costs include costs such as the preparation and processing of the payroll of construction sites, bank costs directly related to the projects.

Costs that are not attributed or allocated to a project include sales expenses, research and development costs, general administrative expenses and depreciation of machinery inactivity, which are not occupied in the specific project.

There are also contracts with clients for the maintenance of construction projects. Recognition of the revenue from these contracts is made during the contract using the percentage cost-based approach.

C.20 Non-current assets held for sale & discontinued operations (I.F.R.S. 5)

The Group classifies a non-current asset or a disposal group (assets and liabilities that will be transferred to a single transaction) as held for sale, if their value is expected to be recovered primarily through sale and not through their use.

The basic conditions for classifying a non-current asset or a disposal group as held for sale, are the asset or group to be available for immediate sale in their present condition, and the completion of the sale depends only from conditions that are common and typical for the sale of such items and the sale should be very likely.

In order for a sale to be considered very likely, it must be:

1. management has committed itself to the sale,
2. has started an active program to find a buyer and complete the program,
3. the non-current asset must be marketed for sale at a reasonable price in relation to the present fair value,
4. its sale must be considered complete within 12 months from the date of its classification as held for sale.

Assets held for sale and disposal groups are measured at the lowest value between the book value and the fair value deducted the sale expenses. Also profit or loss from the sale of these items are recognized in the statement of income.

Immediately before the initial classification of the asset or the disposal group as held for sale, the asset (or all assets and liabilities included in the group) are valued on the basis of the applicable IFRS.

Non-current assets (or disposal groups), that classified as held for sale are valued (after the initial classification as above) at the lowest value between the value that appears to the financial statements and their fair value, reduced the direct selling expenses, and the resulting impairment losses are recorded in the statement of income. Any possible increase in the fair value in a subsequent valuation is recorded in the statement of income but not for an amount greater than the initial impairment loss.

From the date on which a non-current asset (or non-current assets which included in a disposal group) is classified as held for sale, depreciation on such items is not considered.



At 31/12/2019 the Group decided to sell the construction project QATAR FOUNDATION STADIUM (QFS) in Qatar, in which participates through its subsidiary AVAX INTERNATIONAL LIMITED and its branch in Qatar (note 25b).

Also, on 31/12/2019, the Group classified in non-current assets held for sale two independent buildings, that belonged to the group in Maroussi, at 16 and 29 Amaroussiou-Chalandriou Street, with a total area of 25,597 sq.m. which located the Central Services and the administration offices of the Company. The sale was completed on 29/05/2020 (note 25c).

C.21 Financial Instruments (I.F.R.S. 9)

The adoption of IFRS 9 "Financial Instruments" resulted in changes in the Group's accounting policies related to financial assets from 1 January 2018, while it had no impact on the accounting policies relating to financial liabilities.

Classification & measurement

Under I.F.R.S. 9, financial instruments are measured and classified at either fair value (fair value through profit or loss or fair value through other comprehensive income) or amortized cost.

The classification is based on two criteria:

- a) the business model for managing the assets and
- b) whether the instruments' contractual cash flows represent "solely payments of principal and interest" on the principal amount outstanding (the 'SPPI criterion').

The classification of equity instruments is based on the business model for managing the investments concerned.

On 1 January 2018 (the date of the initial application of IFRS 9), the management of the Group and the Company assessed the business models that apply to the financial assets held by the Group and the Company and classified them in the appropriate category of I.F.R.S. 9.

The Group and the Company measure financial assets initially at their fair value by adding transaction costs, and if a financial asset is not measured at its fair value, it will be measured through profit or loss. Trade receivables are initially measured at the transaction price.

Impairment

The Group and the Company recognize impairment provisions for expected credit losses for all financial assets. Expected credit losses are based on the difference between the contractual cash flows and all cash flows that the Group and the Company expects to receive. The difference is discounted using an estimate of the original effective interest rate of the financial asset. For contractual assets, trade receivables and leases, the Group and the Company have applied the simplified approach to the standard and have calculated the expected credit losses on the basis of the expected credit losses over the life of those assets.



Risk Hedging

The IFRS 9 introduces a revised general hedge accounting model, which links hedge accounting to management risk management activities. According to the new model, additional hedging strategies may meet the hedge accounting criteria, new requirements apply to the effectiveness of hedging, while discontinuing hedge accounting will only be permitted under certain conditions.

The IFRS 9 enables entities to continue to apply the requirements of IAS 39 for hedge accounting. The Group and the Company have chosen to continue to apply IAS 39 for the existing hedging relationship at the date of first application. Therefore, they will continue to apply their present hedge accounting policy, although they will consider initiating the hedge accounting in accordance with IFRS 9 requirements when a new hedging relationship arises.

Classification & measurement

A. Financial assets at amortized cost

Financial assets will be measured at amortized cost if they are held within a business model for the purpose of holding and collecting the contractual cash flows that meet the SPPI criterion. Interest income of these items is included in financial income and is recognized using the effective interest rate. Any gain or loss resulting from the write-off is recognized immediately in the income statement.

Financial assets classified in this category mainly include the following assets:

Trade and other receivables

Trade receivables are initially recognized at their fair value and are subsequently measured at amortized cost using the effective interest method, unless the result of the discount is not material, less any impairment loss. Trade and other receivables also include foreign exchange and receivables.

Loans granted

It includes non-derivative financial assets with fixed or determinable payments that are not traded in active markets and there is no intention to sell them. They are included in current assets, except those with maturities greater than 12 months from the balance sheet date. The latter are included in non-current assets. Loans with a maturity of more than 12 months are included in "Other Fixed Assets" in the Company's Statement of Financial Position.

B. Financial assets at fair value through other comprehensive income

Debt Securities

This category includes investments in Subordinated Debt, in concessions in the Group and the Company, which will be measured at fair value through the statement of other comprehensive income if they are held as part of a business model whose objective both the collection of cash flows and the sale of financial assets, and these contractual cash flows relate exclusively to capital and interest payments. Changes in fair value are recognized in the statement of comprehensive income and upon their recognition the accumulated profits or losses will be recycled to the income statement.



According to I.A.S. 32 «Financial Instruments: Presentation», when a financial instrument includes a contractual commitment to deliver cash or other financial asset to another entity, then the financial instrument is classified as a debt security.

Furthermore, according to I.A.S. 32, there is the possibility of reclassifying a financial instrument from a participatory to debt security due to changes in the substantive terms of the contract without changing the contractual terms.

Some concession contracts will be reclassified from participatory to debt securities in subsequent periods, due to a contractual obligation of the Greek State for a total guaranteed return and payment of dividends.

Participatory Securities

This category includes equity investments mainly in concession companies that the Group and the Company intends to hold in the foreseeable future and have decided to classify them in their initial recognition or transfer to the IFRS 9. Dividends from such investments continue to be recognized in the income statement unless they represent a recovery of part of the cost of the investment. Changes in fair value are recognized in the statement of comprehensive income and, upon their recognition, accrued gains or losses will not be recycled to the income statement.

C. Financial assets at fair value through profit and loss

In all other cases, the financial assets will be measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are initially recognized at fair value and transaction costs are recognized in profit or loss in the period in which they arise. Realized and unrealized gains or losses arising from changes in the fair value of financial assets measured at fair value through profit or loss are recognized in profit or loss in the period in which they arise.

The Group and the Company do not have any assets in this category, however maintains the right, in the event of a change in the business model, to reclassify financial assets from the category of amortized cost to the category of fair value through profit and loss. In this case, any profit or loss resulting from the difference between the previous amortized cost of the financial asset and the fair value is recognized in profit and loss (according to I.F.R.S. 9)

Furthermore, the Group and the Company maintains the right, in the event of a change in the business model, to reclassify financial assets from the category of fair value through other comprehensive income to the category of fair value through profit and loss. In this case, the cumulative gain or loss previously recognized in the other comprehensive income is reclassified from equity to profit and loss as adjusted from reclassification (according to IAS 1 and IFRS 9) on the date of reclassification.

C.22. Committed Deposits

Restricted cash are cash equivalents not readily available for use. These cash equivalents may not be used by the Group until a certain point in time or an event is reached or occurs in the future. In the cases where restricted cash is expected to be used within one year from the date of the statement of financial position, these are classified as a short-term asset. However, if they are not expected to be used within one year from the date of the statement of financial position, they are classified as a long-term asset.



C.23. Significant accounting estimates and judgments

The preparation of the financial statements requires management to make estimations and judgments that affect the reported disclosures. On an ongoing basis, management evaluates its estimates, the most important of which are presented below. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. These management's estimation and assumptions form the bases for making judgments about the carrying value of assets and liabilities that are not readily available from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

C.23.1 Impairment of goodwill and other non-financial assets

Management tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in paragraph C.4.i. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates which mainly relate to future earnings and discount rates.

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, in accordance with the accounting policy stated in paragraph C.6.

C.23.2 Income taxes

Group entities are subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

C.23.3 Deferred tax assets

Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in note 19.

C.23.4 Asset lives and residual values

Property, plant and equipment (PPE) are depreciated over their estimated useful lives. The actual lives of the assets are assessed annually and may vary depending on a number of factors.

C.23.5 Allowance for net realizable value of inventory

The allowance for net realizable value of inventory, in accordance with the accounting policy as stated in paragraph C.5, represents management's best estimate, based on historic sales trends and its assessment on quality and volume, of the extent to which the stock on hand at the reporting date will be sold below cost.

C.23.6 Allowance for doubtful accounts receivable

The Group's management periodically reassess the adequacy of the allowance for doubtful accounts receivable using parameters such as its credit policy, reports from its legal counsel on recent



developments of the cases they are handling, and its judgment/estimate about the impact of other factors affecting the recoverability of the receivables.

C.23.7 Provision for staff leaving indemnities

The cost for the staff leaving indemnities is determined based on actuarial valuations. The actuarial valuation requires management making assumptions about future salary increases, discount rates, mortality rates, etc. Management, at each reporting date when the provision is re-examined, tries to give its best estimate regarding the above mentioned parameters.

C.23.8 Contingent liabilities

The existence of contingent liabilities requires from management making assumptions and estimates continuously related to the possibility that future events may or may not occur as well as the effects that those events may have on the activities of the Group.

C.23.9 Revenue from Contracts with Customers (I.F.R.S. 15)

Whenever the financial result of a contract may be estimated with reliability, the income and expenses of the contract are recognized during the life of the contract respectively as income and expenses. Income is only recognized to the extent that the cost arising from the contract may be recovered, while that cost is recognized as an expense in the period in which it arose.

C.23.10 Joint Arrangements (I.F.R.S. 11)

The factors examined by the Group to assess whether a company is a joint arrangement, include the structure, the legal form, the contractual agreement and other facts and conditions.

C.23.11 Fair Value measurement (I.F.R.S. 13)

A number of assets and liabilities included in the Group's financial statements require measurement at, and / or disclosure of, fair value. The Group measures a number of items at fair value (see Note 40):

- * Tangible Fixed Assets & Property for Investment
- * Financial Assets available for Sale
- * Long-Term and Short-Term Loans
- * Derivative Financial Instruments

C.23.12 Derivative financial instruments and hedging activities

Group Companies consider, as applicable, entering into derivative financial instrument contracts with the aim of hedging their exposure to interest rate risk deriving from long-term loan agreements. The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. This procedure includes linking all derivatives defined as hedging instruments to specific asset and liability items or to specific commitments or forecast transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items. Any changes in the value of the derivative that does not meet the recognition criteria as a hedging instrument are recognized in the income statement. The estimated fair value is calculated on the basis of current prices. The total fair value of hedging derivatives is classified as equity.

Cash flow hedge

Derivative assets are initially recognized at fair value as of the date of the relevant agreement. The portion of change to the derivative's fair value considered effective and meeting the cash flow hedging criteria is recognized in other comprehensive income. Profit or loss associated with the non-effective



portion of change is directly recognized in the Income Statement, under “Finance income” or “Finance cost”). Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects the profit or loss of the period. Profit or loss associated with the effective portion of the hedging of floating interest rate swaps is recognized in the Income Statement under “Finance income” or “Finance cost”. However, when a prospective transaction to be hedged results in the recognition of a non-financial asset (such as inventory or PPE), then profit or losses previously recognized in equity are transferred from Equity and are accounted for at the initial cost of such asset. The deferred amounts are ultimately recognized in cost of goods sold in the case of inventory or in depreciation in the case of fixed assets. When a hedging instrument expires or it is sold, or when a hedging relation no longer meets the criteria of hedge accounting, the cumulative profit or loss recorded to that time under Equity remain in Equity and are recognized when the prospective transaction is ultimately recognized in the Income Statement. When a prospective transaction is no longer expected to occur, the cumulative profit or loss recognized in Equity is directly transferred to the Income Statement under “Other operating profit/(loss)”.

D. NEW STANDARDS, INTERPRETATIONS AND AMENDMENT OF CURRENT STANDARDS

Significant Accounting Policies

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out in note C. The policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated financial statements are presented in €, which is also the Company’s (and the Group’s) functional currency.

These financial statements have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRSs).

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group’s accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note C.23.

Changes in accounting policies

a. New and amended standards adopted by the Company and the Group

IFRS	IASB Effective Date
IFRS 16 <i>Leases</i>	1 January 2019
IFRIC 23 <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
IFRS 9 (2014) <i>Financial Instruments</i> (Amendment – Prepayment Features with Negative Compensation and Modification of Financial Liabilities)	1 January 2019



IAS 28 <i>Investments in Associates and Joint Ventures</i> (Amendment – Long-term Interests in Associates and Joint Ventures)	1 January 2019
Annual Improvements to IFRSs 2015 – 2017 Cycle	1 January 2019
IAS 19 <i>Employee Benefits</i> (Amendment – Plan Amendment, Curtailment or Settlement)	1 January 2019

Only the application of IFRS 16 resulted in the accounting applied by the Company and the Group changing. The impacts of these standards on the recognition and measurement of items in the financial statements are shown in the statement of changes in equity.

Details of the impact IFRS 16 have had are given below. Other new and amended standards and Interpretations issued by the IASB that will apply for the first time in the next annual financial statements are not expected to impact the Group and the Company as they are either not relevant to the Group's activities or require accounting which is consistent with the Group's current accounting policies.

IFRS 16 Leases

IFRS 16 has replaced IAS 17 *Leases* and IFRIC 4 *Determining whether an Arrangement Contains a Lease*. IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, together with options to exclude leases where the lease term is 12 months or less, or where the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting in IAS 17, with the distinction between operating leases and finance leases being retained. The Group and the Company does not have significant leasing activities acting as a lessor.

Transition Method and Practical Expedients Utilised

The Group and the Company adopted IFRS 16 using the modified retrospective approach, with recognition of transitional adjustments on the date of initial application (1 January 2019), without restatement of comparative figures.

The Group and the Company elected to apply the practical expedient to not reassess whether a contract is, or contains a lease at the date of initial application. Contracts entered into before the transition date that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed. The definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after 1 January 2019.

IFRS 16 provides for certain optional practical expedients, including those related to the initial adoption of the standard. The Group and the Company applied the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17:

- Apply a single discount rate to a portfolio of leases with reasonably similar characteristics;
- Exclude initial direct costs from the measurement of right-of-use assets at the date of initial application for leases where the right-of-use asset was determined as if IFRS 16 had been applied since the commencement date;
- Reliance on previous assessments on whether leases are onerous as opposed to preparing an impairment review under IAS 36 as at the date of initial application; and
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term remaining as of the date of initial application.



As a lessee, The Group and the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under IFRS 16, the Group and the Company recognize right-of-use assets and lease liabilities for most leases. However, The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for some leases of low value assets based on the value of the underlying asset when new or for short-term leases with a lease term of 12 months or less.

On adoption of IFRS 16, the Group recognised right-of-use assets and lease liabilities in relation to leases of Fields-Lots, Buildings and Automobiles, which had previously been classified as operating leases.

The lease liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as at 1 January 2019. The Group's incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions. The weighted-average rate applied was in the range between 4% - 5%.

The following table presents the impact of adopting IFRS 16 on the statement of financial position as at 1 January 2019:

	Group		
	31.12.2018	IFRS 16	IFRS 16
	Published	Recognition	Reclassification
			01.01.2019
			Restated
ASSETS			
Property, Plant and Equipment	120.187.673	43.821.890	5.000.000
Intangible assets	11.522.725		(5.000.000)
Total Non-current Assets	588.327.293	43.821.890	632.149.183
Total Assets	1.116.438.647	43.821.890	1.160.260.537

	Company	
	31.12.2018	IFRS 16
	Published	Recognition
		01.01.2019
		Restated
ASSETS		
Property, Plant and Equipment	69.935.945	805.667
Total Non-current Assets	689.282.695	805.667
Total Assets	1.176.692.509	1.177.498.176

	Group	
	31.12.2018	IFRS 16
	Published	Recognition
		01.01.2019
		Restated
Non-Current Liabilities		
Debentures / Long term Loans	475.666.644	39.932.338
Total Non-Current Liabilities	543.145.224	39.932.338
Current Liabilities		
Bank overdrafts and loans	119.721.026	3.889.552
Total Current Liabilities	485.466.009	489.355.561



Total Liabilities	1.028.611.233	43.821.890	1.072.433.123
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	Company		
	31.12.2018	IFRS 16	01.01.2019
	Published	Recognition	Restated
Non-Current Liabilities			
Debentures / Long term Loans	416.063.220	305.181	416.368.401
Total Non-Current Liabilities	522.279.705	305.181	522.584.886

Current Liabilities			
Bank overdrafts and loans	104.977.152	500.486	105.477.638
Total Current Liabilities	405.091.169	500.486	405.591.655
Total Liabilities	927.370.874	805.667	928.176.541

Reconciliation of Lease liabilities recognized on 01.01.2019 and Operating Lease commitments disclosed on 31.12.2018:

	Group	Company
Operating lease commitments disclosed on 31.12.2018	74.479.487	851.352
Discounted using the lessee's incremental borrowing rate on 1.1.2019	30.657.597	45.685
Lease liability recognized on 1.1.2019	43.821.890	805.667

Long Term Lease liability	39.932.338	305.181
Short Term Lease liability	3.889.552	500.486
Lease liability recognized on 1.1.2019	43.821.890	805.667

From the application of IFRS 16 in the statement of changes in equity the Group and the Company had no impact.

The recognised right-of-use assets relate to the following types of assets:

	Group	
	31.12.2019	1.1.2019
Fields-Lots	39.126.286	42.690.419
Buildings	1.507.283	299.807
Automobiles	416.889	831.664
Furniture & Fittings	8.689	0
	41.059.147	43.821.890



	Company	
	31.12.2019	1.1.2019
Fields-Lots	394.664	488.831
Automobiles	29.450	316.835
	424.114	805.667

Amortisation of right-of-use assets included in the statement of income for the period is € 2.559.213 for the Group and € 450.213 for the Company and finance expense on lease liabilities is € 2.137.158 for the Group and € 32.451 for the Company.

Significant Accounting Policies subsequent to Transition

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a term of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the group if it is reasonable certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term. Lease liabilities are remeasured when there is a change in future lease payments arising from a change in an index or rate or when there is a change in the assessment of the term of any lease.

b. New standards, amendments to standards and interpretations issued not yet effective, nor early adopted



Mandatorily effective for periods beginning on or after 1 January 2020	Mandatorily effective for periods beginning on or after
Conceptual Framework for Financial Reporting (Amendments to References to the Conceptual Framework in the IFRS Standards) (issued on 29 March 2018)	January 2020
IFRS 3 <i>Business Combinations</i> (Amendment – Definition of Business) (issued on 22 October 2018)	January 2020
IAS 1 <i>Presentation of Financial Statements</i> and IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> (Amendment – Definition of Material) (issued on 31 October 2018)	January 2020
IFRS 9, IAS 39 and IFRS17 (Amendments - Interest Rate Benchmark Reform) (issued on 26 September 2019)	January 2020
IFRS 17 Insurance Contracts	January 2021
IAS 1 Presentation of Financial Statements (Amendments -Classification of Liabilities as Current or Non-current) (issued on 23 January 2020)	January 2022

The Group and the Company do not believe these standards and interpretations will have a material impact on the financial statements once adopted.

Use of estimates and judgements

There have been no material revisions to the nature and amount of estimates of amounts reported in prior periods except where the implementation of IFRS 16 discussed above requires a different approach to the accounting previously applied. Significant estimates and judgements that have been required for the implementation of these new standard are:

- The determination of whether an arrangement contains a lease.
- The determination of lease term for some lease contracts in which the Group and the Company are a lessee that include renewal options and termination options and the determination whether the Group and the Company are reasonably certain to exercise such option.
- The determination of the incremental borrowing rate used to measure lease liabilities.

NOTES TO THE FINANCIAL STATEMENTS

1. Turnover

	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Turnover (construction)	487.096.816	470.569.914	467.898.304	465.149.558
Sale of products	3.478.530	2.278.860	73.610	104.803
Sale of services	<u>142.595.811</u>	<u>109.656.355</u>	<u>21.377.987</u>	<u>11.874.717</u>
TOTAL from continuing & discontinued opera	633.171.157	582.505.129	489.349.901	477.129.078
TOTAL from discontinued operations	<u>57.243.861</u>	<u>44.119.551</u>	<u>57.243.861</u>	<u>44.119.551</u>
TOTAL from continuing operations	<u>575.927.296</u>	<u>538.385.578</u>	<u>432.106.040</u>	<u>433.009.527</u>

2. Cost of sales

	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Raw Materials	(196.833.912)	(171.338.100)	(81.443.642)	(84.294.092)
Wages and Salaries	(87.067.457)	(60.008.923)	(75.790.637)	(61.125.963)
Third Party Fees	(213.840.418)	(247.327.783)	(216.460.940)	(249.332.550)
Charges for Third Party Services	(43.565.858)	(45.785.873)	(37.363.507)	(38.190.487)
Other Expenses	(40.340.205)	(18.625.558)	(36.048.590)	(13.993.610)
Depreciation	<u>(12.145.901)</u>	<u>(7.631.022)</u>	<u>(8.480.556)</u>	<u>(5.023.305)</u>
TOTAL from continuing & discontinued operations	(593.793.751)	(550.717.259)	(455.587.871)	(451.960.007)
TOTAL from discontinued operations	<u>(60.454.868)</u>	<u>(43.572.000)</u>	<u>(60.454.868)</u>	<u>(43.572.000)</u>
TOTAL from continuing operations	<u>(533.338.883)</u>	<u>(507.145.259)</u>	<u>(395.133.003)</u>	<u>(408.388.007)</u>

3. Other net operating income/(expense)

	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Other Income	36.383.760	1.701.177	15.159.134	811.443
Extraordinary Revenues and Profit/ (Expenses & Loss)	<u>(51.797.185)</u>	<u>5.241.397</u>	<u>(28.083.275)</u>	<u>4.832.708</u>
TOTAL from continuing & discontinued operations	(15.413.425)	6.942.574	(12.924.141)	5.644.151
TOTAL from discontinued operations	<u>(18.785.204)</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL from continuing operations	<u>3.371.779</u>	<u>6.942.574</u>	<u>(12.924.141)</u>	<u>5.644.151</u>

3a. Impairment of goodwill/ participations

	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Impairment cost of participations	-	-	(1.000.000)	(2.000.000)
	<u>-</u>	<u>-</u>	<u>(1.000.000)</u>	<u>(2.000.000)</u>

In 2019, the Company proceeds to impairment of the investments of subsidiary J & P DEVELOPMENT SA by 1 million euro.

3b. Bad dedts and other provisions

	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Bad dedts and other provisions	(28.619.021)	(16.716.308)	(25.675.805)	(15.974.074)
TOTAL from continuing & discontinued operations	(28.619.021)	(16.716.308)	(25.675.805)	(15.974.074)
TOTAL from discontinued operations	(2.400.000)	(2.390.074)	(2.400.000)	(2.390.074)
TOTAL from continuing operations	<u>(26.219.021)</u>	<u>(14.326.234)</u>	<u>(23.275.805)</u>	<u>(13.584.000)</u>

The above amounts include write-offs of doubtful debts (see note 21).

4. Administrative expenses

	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Wages and Salaries	(14.852.226)	(10.588.749)	(9.004.805)	(6.961.091)
Third Party Fees	(5.329.656)	(6.203.654)	(995.491)	(4.009.927)
Charges for Third Party Services	(1.556.168)	(2.733.656)	(1.099.808)	(1.835.605)
Other Expenses	(7.321.562)	(4.579.224)	(6.394.065)	(3.023.158)
Depreciation	(1.707.495)	(1.188.808)	(1.300.807)	(905.645)
TOTAL from continuing & discontinued operations	(30.767.107)	(25.294.091)	(18.794.977)	(16.735.426)
TOTAL from discontinued operations	(1.104.994)	-	(1.104.994)	-
TOTAL from continuing operations	<u>(29.662.113)</u>	<u>(25.294.091)</u>	<u>(17.689.983)</u>	<u>(16.735.426)</u>

5. Selling & Marketing expenses

	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Wages and Salaries	(2.705.407)	(4.438.161)	(1.835.770)	(3.872.494)
Third Party Fees	(6.187.054)	(3.673.753)	(3.774.479)	(1.140.737)
Charges for Third Party Services	(789.653)	(239.452)	(586.324)	(69.836)
Other Expenses	(2.634.298)	(2.905.875)	(1.530.812)	(2.096.396)
Depreciation	(553.786)	(37.213)	(545.146)	(12.920)
TOTAL	<u>(12.870.199)</u>	<u>(11.294.454)</u>	<u>(8.272.531)</u>	<u>(7.192.383)</u>

6a. Income from sub-debt

	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Income from sub-debt	<u>7.639.895</u>	<u>5.485.871</u>	<u>16.854.089</u>	<u>5.917.679</u>

The income from sub-debt relates to income from the participation of the company and the group in the financial assets of Subordinated Debt issued by the concession companies

6b. Income/(Losses) from Associates/Participations

	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
	-	-		
Dividends from subsidiaries/ Joint Ventures			3.348.275	7.259.350
Dividends from associates	1.558.221	1.121.333	31.827.539	25.769.210
Profit/(loss) from associates	<u>29.274.232</u>	<u>30.766.638</u>	<u>-</u>	<u>-</u>
	<u>30.832.453</u>	<u>31.887.971</u>	<u>35.175.814</u>	<u>33.028.560</u>

7. Net finance cost

	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Other financial results	(961.192)	187.582	-	-
Interest income	3.100.893	3.196.596	223.471	466.799
Interest expense	<u>(28.969.503)</u>	<u>(36.178.107)</u>	<u>(21.785.583)</u>	<u>(30.719.114)</u>
	<u>(26.829.802)</u>	<u>(32.793.929)</u>	<u>(21.562.111)</u>	<u>(30.252.315)</u>

8. Tax charge

	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Income tax	(1.958.233)	(2.281.488)	(1.354.663)	(2.102.901)
Deferred Tax	(4.320.033)	(13.833.112)	(3.907.719)	(12.066.486)
Taxes imputed in previous years	<u>(109.817)</u>	<u>-</u>	<u>(109.212)</u>	<u>-</u>
	<u>(6.388.083)</u>	<u>(16.114.600)</u>	<u>(5.371.594)</u>	<u>(14.169.387)</u>

Tax charge calculation

Description	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Earnings/ (Losses) before tax	<u>(11.236.743)</u>	<u>(8.345.137)</u>	<u>4.167.370</u>	<u>(552.215)</u>
Tax on accounting earnings	(8.817.107)	(2.954.422)	(611.671)	(694.474)
Plus: Non deductible expenses	27.289.352	23.419.163	25.683.264	20.277.261
Plus: taxes imputed in previous years	243.370	2.635.505	242.765	489.807
Minus: compensation of loss of previous years	(5.272.851)	(1.448.461)	(4.454.319)	(1.448.461)
Minus: non-taxed earnings	(9.679.594)	(7.524.076)	(16.817.813)	(7.131.156)
Adjustment of deferred tax from change in tax rate	2.489.524	2.848.214	1.683.801	2.873.257
Financial impact of tax rates applicable in other countries that the group contacts operations	<u>135.389</u>	<u>(861.323)</u>	<u>(354.432)</u>	<u>(196.847)</u>
Effective tax charge	<u>6.388.083</u>	<u>16.114.600</u>	<u>5.371.594</u>	<u>14.169.387</u>

According to the L.4646/2016 the income tax rate of legal entities in Greece has been decreased to 24% for the year 2019 and on.

9a. Segment Reporting

Primary reporting format - business segments

The Group is active in 4 main business segments:

- Construction
- Concessions
- Energy
- Other activities (Real estate development and other activities)

The figures per business segments for the year ended 31 December 2019 are as follows:

	Construction	Concessions	Energy	Other activities	Total of continuing operations	Discontinued Operations
Total gross sales per segment	521.475.232	4.892.291	116.231.906	16.626.682	659.226.111	57.243.861
Inter-segment sales	<u>(79.649.106)</u>	<u>-</u>	<u>(1.049.179)</u>	<u>(2.600.531)</u>	<u>(83.298.815)</u>	<u>-</u>
Net Sales	441.826.127	4.892.291	115.182.728	14.026.151	575.927.296	57.243.861
Gross Profit/ (Loss)	38.038.851	(455.489)	2.079.146	2.925.905	42.588.413	(3.211.007)
Other net operating income/(expenses)	5.559.119	(3.010.371)	300.980	433.903	3.283.631	(18.785.204)
Impairment of investments/participations & Write-off of doubtful receivables & other provisions	(25.957.469)	-	(261.552)	-	(26.219.021)	(2.400.000)
Administrative expenses / Selling & Marketing expenses	(26.831.360)	(7.038.250)	(5.416.709)	(3.245.992)	(42.532.312)	(1.104.994)
Income from sub-debt	-	7.639.895	-	-	7.639.895	-
Income/(Losses) from Investments in Associates	<u>2.499.757</u>	<u>28.332.261</u>	<u>-</u>	<u>435</u>	<u>30.832.453</u>	<u>-</u>
Profit/ (Loss) from operations	(6.691.101)	25.468.046	(3.298.135)	114.250	15.593.059	(25.501.205)
Profit/ (Loss) of other financial instruments					(961.192)	-
Interest					<u>(25.868.610)</u>	<u>-</u>
Profit/ (Loss) before tax					(11.236.743)	(25.501.205)
Tax					<u>(6.388.083)</u>	<u>-</u>
Profit/ (Loss) after tax					<u>(17.624.826)</u>	<u>(25.501.205)</u>
Depreciation	<u>12.442.297</u>	<u>1.834.358</u>	<u>1.344.842</u>	<u>649.336</u>	<u>16.270.833</u>	
EBITDA	31.708.664	27.302.404	(1.691.741)	763.587	58.082.913	(23.101.205)

The figures per business segments for the year ended 31 December 2018 are as follows:

	Construction	Concessions	Energy	Other activities	Total of continuing operations	Discontinued Operations
Total gross sales per segment	504.651.858	5.038.582	86.419.246	17.238.869	613.348.555	44.119.551
Inter-segment sales	<u>(69.840.009)</u>	<u>-</u>	<u>(1.022.427)</u>	<u>(4.100.540)</u>	<u>(74.962.977)</u>	<u>-</u>
Net Sales	434.811.848	5.038.582	85.396.819	13.138.329	538.385.578	44.119.551
Gross Profit/ (Loss)	25.172.367	(1.645.642)	4.885.264	2.828.330	31.240.319	547.551
Other net operating income/(expenses)	6.145.538	21.003	360.711	222.158	6.749.410	-
Impairment of investments/participations & Write-off of doubtful receivables & other provisions	(14.187.337)	-	(138.897)	-	(14.326.234)	(2.390.074)
Administrative expenses / Selling & Marketing expenses	(20.984.917)	(7.596.327)	(4.580.822)	(3.426.480)	(36.588.545)	-
Income from sub-debt	-	5.485.871	-	-	5.485.871	-
Income/(Losses) from Investments in Associates	<u>439.091</u>	<u>31.542.050</u>	<u>-</u>	<u>(93.171)</u>	<u>31.887.971</u>	<u>-</u>
Profit/ (Loss) from operations	(3.415.257)	27.806.955	526.256	(469.162)	24.448.792	(1.842.523)
Profit/ (Loss) of other financial instruments					187.582	-
Interest					<u>(32.981.511)</u>	<u>-</u>
Profit/ (Loss) before tax					(8.345.137)	(1.842.523)
Tax					<u>(16.114.600)</u>	<u>-</u>
Profit/ (Loss) after tax					<u>(24.459.737)</u>	<u>(1.842.523)</u>
Depreciation	<u>9.614.941</u>	<u>206.518</u>	<u>386.349</u>	<u>400.998</u>	<u>10.608.807</u>	
EBITDA	20.387.021	28.013.473	1.051.502	(68.164)	49.383.833	547.551

The assets and liabilities of the business segment at 31 December 2019 are as follows:

	Construction	Concessions	Energy	Other activities	Total of continuing operations	Discontinued Operations
Assets (excluding investments in associates)	976.661.785	90.615.325	91.277.570	123.525.160	1.282.079.840	370.669.199
Investments in associates	245.724.849	21.000	-	6.866.648	252.612.497	-
Investments in tangible fixed assets, intangible and investment property	65.290.302	43.788.586	44.847.038	16.005.229	169.931.155	527.962
Total assets	1.222.386.632	90.636.325	91.277.570	130.391.808	1.534.692.335	370.669.199
Liabilities	(1.180.412.971)	(96.747.537)	(68.213.459)	(111.059.316)	(1.456.433.283)	(400.692.581)
Debentures / Long term Loans	(465.149.358)	(78.580.912)	(30.136.662)	(17.222.756)	(591.089.688)	-
Restricted Cash Deposits	54.150.976	-	14.880.872	-	69.031.848	-
Cash and cash equivalents	51.828.898	1.604.086	14.880.872	2.738.456	71.052.312	1.481.061
Net Debt / Available cash and cash equivalents	(359.169.483)	(76.976.826)	(374.918)	(14.484.300)	(451.005.528)	1.481.061

The assets and liabilities of the business segment at 31 December 2018 are as follows:

	Construction	Concessions	Energy	Other activities	Total of continuing operations	Discontinued Operations
Assets (excluding investments in associates)	732.138.875	52.602.812	28.438.342	41.014.894	854.194.923	25.627.914
Investments in associates	255.775.296	21.000	-	6.447.428	262.243.724	-
Investments in tangible fixed assets, intangible and investment property	96.214.441	5.282.674	28.396.875	14.958.324	144.852.314	1.060.098
Total assets	958.930.363	52.623.812	57.323.013	47.561.459	1.116.438.647	25.627.914
Liabilities	(893.535.765)	(61.760.798)	(46.178.494)	(27.136.176)	(1.028.611.233)	(43.023.537)
Debentures / Long term Loans	(522.422.062)	(41.724.566)	(15.354.196)	(15.886.846)	(595.387.670)	-
Restricted Cash Deposits	-	-	-	-	-	-
Cash and cash equivalents	60.682.464	1.281.377	2.424.644	1.287.767	65.676.252	4.517.427
Net Debt / Available cash and cash equivalents	(461.739.597)	(40.443.189)	(12.929.552)	(14.599.079)	(529.711.417)	4.517.427

9b. Secondary reporting format - Geographical segments

The group is active in 2 main Geographical segments

- Greece
- International Markets

The figures per segment for the year ended 31 December 2019 are as follows:

	Greece	International Markets	Total of continuing operations	Discontinued Operations
Total gross sales per segment	300.136.367	359.089.744	659.226.111	57.243.861
Inter-segment sales	(10.133.351)	(73.165.464)	(83.298.815)	-
Net Sales	290.003.016	285.924.281	575.927.296	57.243.861
Gross Profit/ (Loss)	(3.551.641)	46.140.054	42.588.413	(3.211.007)
Other net operating income/(expenses)	24.883.187	(21.599.557)	3.283.631	(18.785.204)
doubtful receivables & other provisions	(15.846.095)	(10.372.926)	(26.219.021)	(2.400.000)
Administrative expenses / Selling & Marketing expenses	(19.912.337)	(22.619.975)	(42.532.312)	(1.104.994)
Income from sub-debt	7.639.895	-	7.639.895	-
Income/(Losses) from Investments in Associates	27.928.895	2.903.559	30.832.453	-
Profit/ (Loss) from operations	21.141.904	(5.548.844)	15.593.059	(25.501.205)
Profit/ (Loss) of other financial instruments	(961.192)	-	(961.192)	-
Interest	(19.991.100)	(5.877.510)	(25.868.610)	-
Profit/ (Loss) before tax	189.612	(11.426.354)	(11.236.743)	(25.501.205)
Tax	(5.687.687)	(700.396)	(6.388.083)	-
Profit/ (Loss) after tax continuing operations	(5.498.075)	(12.126.750)	(17.624.826)	(25.501.205)
Profit/(Loss) after tax from discontinued operations	-	(25.501.205)	(25.501.205)	-
Profit/ (Loss) after tax from continuing and discontinued operations	(5.498.075)	(37.627.955)	(43.126.031)	(25.501.205)
Depreciation	10.855.024	5.415.809	16.270.833	
EBITDA	47.843.023	10.239.891	58.082.913	(23.101.205)

The figures per segment for the year ended 31 December 2018 are as follows:

	Greece	International Markets	Total of continuing operations	Discontinued Operations
Total gross sales per segment	397.856.640	215.491.914	613.348.555	44.119.551
Inter-segment sales	(20.345.539)	(54.617.438)	(74.962.977)	-
Net Sales	377.511.102	160.874.477	538.385.578	44.119.551
Gross Profit/ (Loss)	5.350.200	25.890.117	31.240.319	547.551
Other net operating income/(expenses)	14.394.609	(7.645.198)	6.749.410	-
Impairment of investments/participations & Write-off of doubtful receiva	(1.178.234)	(13.148.000)	(14.326.234)	(2.390.074)
Administrative expenses / Selling & Marketing expenses	(20.852.254)	(15.736.291)	(36.588.545)	-
Income from sub-debt	5.485.871	-	5.485.871	-
Income/(Losses) from Investments in Associates	31.887.971	-	31.887.971	-
Profit/ (Loss) from operations	35.088.162	(10.639.373)	24.448.792	(1.842.523)
Profit/ (Loss) of other financial instruments	187.582	-	187.582	-
Interest	(23.963.154)	(9.018.357)	(32.981.511)	-
Profit/ (Loss) before tax	11.312.590	(19.657.730)	(8.345.137)	(1.842.523)
Tax	(15.898.974)	(215.626)	(16.114.600)	-
Profit/ (Loss) after tax continuing operations	(4.586.384)	(19.873.356)	(24.459.737)	(1.842.523)
Profit/(Loss) after tax from discontinued operations	-	-	(1.842.523)	-
Profit/ (Loss) after tax from continuing and discontinued operations	(4.586.384)	(19.873.356)	(26.302.260)	(1.842.523)
Depreciation	10.215.217	393.590	10.608.807	
EBITDA	46.481.613	2.902.217	49.383.833	547.551

The assets and liabilities of the business segment at 31 December 2019 are as follows:

	Greece	Other European countries	Gulf and Middle East countries	Consolidated data of continuing operations	Discontinued Operations
Turnover excluding intra-company transactions	290.003.015	23.631.790	262.292.491	575.927.296	57.243.861
Non-current assets (other than deferred tax and financial assets)	402.807.654	15.972.296	4.592.038	423.371.988	0
Capital expenses	20.653.401	-4.167.556	-527.962	15.957.883	527.962

The assets and liabilities of the business segment at 31 December 2018 are as follows:

	Greece	Other European countries	Gulf and Middle East countries	Consolidated data of continuing operations	Discontinued Operations
Turnover excluding intra-company transactions	377.511.102	13.339.335	191.654.692	582.505.129	0
Non-current assets (other than deferred tax and financial assets)	382.154.242	20.139.852	5.647.962	407.942.056	0
Capital expenses	31.719.780	6.221.619	0	37.941.399	0

9c. Sensitivity Analysis - Foreign Exchange rate Risk

amounts in €

	GROUP 31-12-19			COMPANY 31-12-19		
	USD	JOD	QAR	USD	JOD	QAR
Financial assets	66.320.496	11.350.397	50.955.671	66.320.496	11.350.397	50.955.671
Financial liabilities	<u>12.574.333</u>	<u>9.829.341</u>	<u>54.628.692</u>	<u>12.574.333</u>	<u>9.829.341</u>	<u>54.628.692</u>
Short-term exposure	<u>53.746.163</u>	<u>1.521.056</u>	<u>-3.673.021</u>	<u>53.746.163</u>	<u>1.521.056</u>	<u>-3.673.021</u>
Financial assets	857.288	77.638	4.289.695	857.288	77.638	4.289.695
Financial liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Long-term exposure	<u>857.288</u>	<u>77.638</u>	<u>4.289.695</u>	<u>857.288</u>	<u>77.638</u>	<u>4.289.695</u>

amounts in €

	GROUP 31-12-18			COMPANY 31-12-18		
	USD	JOD	QAR	USD	JOD	QAR
Financial assets	14.009.881	1.841.726	274.752.411	14.009.881	1.841.726	274.752.411
Financial liabilities	<u>14.123.597</u>	<u>104.664</u>	<u>237.400.026</u>	<u>14.123.597</u>	<u>104.664</u>	<u>237.400.026</u>
Short-term exposure	<u>-113.716</u>	<u>1.737.062</u>	<u>37.352.385</u>	<u>-113.716</u>	<u>1.737.062</u>	<u>37.352.385</u>
Financial assets	234.085	0	26.825.563	234.085	0	26.825.563
Financial liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Long-term exposure	<u>234.085</u>	<u>0</u>	<u>26.825.563</u>	<u>234.085</u>	<u>0</u>	<u>26.825.563</u>

The sensitivity analysis to exchange rate fluctuations for the period of 2019 are:

	GROUP		COMPANY	
	USD	USD	USD	USD
amounts in €	5,00%	-5,00%	5,00%	-5,00%
Income statement	2.730.173	-2.730.173	2.730.173	-2.730.173
Shareholders equity	2.730.173	-2.730.173	2.730.173	-2.730.173
amounts in €	JOD	JOD	JOD	JOD
Income statement	5,00%	-5,00%	5,00%	-5,00%
Shareholders equity	76.053	-76.053	76.053	-76.053
amounts in €	QAR	QAR	QAR	QAR
Income statement	5,00%	-5,00%	5,00%	-5,00%
Shareholders equity	30.834	-30.834	30.834	-30.834

The sensitivity analysis to exchange rate fluctuations for the period of 2018 are:

	GROUP		COMPANY	
	USD	USD	USD	USD
amounts in €	4,53%	-4,53%	4,53%	-4,53%
Income statement	69.419	-76.003	69.419	-76.003
Shareholders equity	69.419	-76.003	69.419	-76.003
amounts in €	JOD	JOD	JOD	JOD
Income statement	4,53%	-4,53%	4,53%	-4,53%
Shareholders equity	92.684	-101.475	92.684	-101.475
amounts in €	QAR	QAR	QAR	QAR
Income statement	4,53%	-4,53%	4,53%	-4,53%
Shareholders equity	667.752	-731.087	667.752	-731.087

10. Property, Plant and Equipment

Group

Cost	Land	Buildings	Machinery & Equipment	Vehicles	Furnitures & Fittings	Assets under Construction	Total Tangible Assets
Balance 31.12.2018	22.649.969	55.821.775	127.991.086	30.797.848	10.969.981	399.508	248.630.166
IFRS 16 adoption on 1.1.2019: Right of Use assets recognition	49.690.419	299.807	-	831.664	-	-	50.821.890
Restated cost including IFRS 16 on 1.1.2019	72.340.388	56.121.582	127.991.086	31.629.512	10.969.981	399.508	299.452.056
Discontinued Operations			404.844	123.118			527.962
Acquisition of subsidiary		2.756.879	17.975.050	3.282.792	697.155		24.711.876
Acquisitions during the 1.1-31.12.2019 period	109.645	406.157	5.733.846	816.043	1.449.468	15.835.486	24.350.646
Transfers	(1.818.180)	1.818.180		-	-	-	-
Revaluations	3.914.479	6.949.954	(590.657)	-	-	-	10.273.775
Assets held for sale	11.055.684	25.454.195	17.898.666	3.282.792	691.080		58.382.417
Net foreign currency exchange differences	-	-	150	471	(9)	-	612
Disposals during the 1.1-31.12.2019 period	1.050	102.852	5.774.842	4.282.161	1.393.728	-	11.554.632
Balance 31.12.2019	63.489.597	42.495.704	127.031.124	28.040.748	11.031.787	16.234.993	288.323.954
Accumulated Depreciation							
Balance 31.12.2018	-	22.287.501	77.789.984	20.137.243	8.224.091	3.675	128.442.493
IFRS 16 adoption on 1.1.2019: Right of Use assets recognition	2.000.000	-	-	-	-	-	2.000.000
Restated cost including IFRS 16 on 1.1.2019	2.000.000	22.287.501	77.789.984	20.137.243	8.224.091	3.675	130.442.493
Acquisition of subsidiary		1.829.096	3.194.076	501.508	482.801	-	6.007.481
Depreciation charge for the 1.1-31.12.2019 period	2.153.451	1.128.057	9.256.575	1.968.222	1.519.834	-	16.026.139
Revaluations		291.275	(303.657)	-	-	-	(12.382)
Assets held for sale	-	1.829.096	3.117.733	501.508	476.729	-	5.925.066
Net foreign currency exchange differences	-	-	49	347	(223)	-	173
Disposals during the 1.1-31.12.2019 period	-	72.279	3.755.371	3.827.632	959.409	-	8.614.690
Balance 31.12.2019	4.153.451	23.634.555	83.063.923	18.278.180	8.790.364	3.675	137.924.148
Net Book Value							
Balance 31.12.2019	59.336.146	18.861.150	43.967.201	9.762.568	2.241.423	16.231.318	150.399.806
Balance 31.12.2018	22.649.969	33.534.274	50.201.103	10.660.605	2.745.890	395.833	120.187.673

For the Assets held for sale see note 25c

The Group and the Company apply the revaluation model of tangible assets (land and buildings)

The Group, as of 31/12/19 as part of a review of the value of tangible assets, has assigned to independent certified valuers the valuation of the main properties, as well as for 31.12.18

Company							
Cost	Land	Buildings	Machinery & Equipment	Vehicles	Furnitures & Fittings	Assets under Construction	Total Tangible Assets
Balance 31.12.2018	19.264.355	32.831.643	90.621.198	24.478.893	10.366.564	137.592	177.700.246
IFRS 16 adoption on 1.1.2019: Right of Use assets recognition	488.831	-	-	316.835	-	-	805.666
Restated cost including IFRS 16 on 1.1.2019	19.753.186	32.831.643	90.621.198	24.795.728	10.366.564	137.592	178.505.912
Discontinued Operations			404.844	123.118			527.962
Acquisitions during the 1.1-31.12.2019 period	109.646	755.943	5.372.879	688.969	1.345.060	124.725	8.397.223
Revaluations	3.350.479	6.146.687	-	-		-	9.497.166
Net foreing currency exchange differences					(605)	-	(605)
Assets held for sale	11.055.684	22.697.316		-	-	-	33.753.000
Disposals during the 1.1-31.12.2019 period	1.050	87.541	5.569.017	4.282.161	1.389.653	-	11.329.422
Balance 31.12.2019	12.156.577	16.949.416	90.020.217	21.079.418	10.321.366	262.318	150.789.312
<u>Accumulated Depreciation</u>							
Balance 31.12.2018	-	12.739.395	67.651.124	19.577.419	7.796.361	-	107.764.301
Depreciation charge for the 1.1-31.12.2019 period	301.666	167.753	7.020.203	1.304.224	1.419.390	-	10.213.236
Net foreing currency exchange differences	-	-	-	-	(605)	-	(605)
Disposals during the 1.1-31.12.2019 period	-	57.943	3.549.558	3.827.632	955.470	-	8.390.603
Balance 31.12.2019	301.666	12.849.204	71.121.769	17.054.011	8.259.676	-	109.586.328
<u>Net Book Value</u>							
Balance 31.12.2019	11.854.911	4.100.212	18.898.448	4.025.407	2.061.690	262.318	41.202.984
Balance 31.12.2018	19.264.355	20.092.249	22.970.075	4.901.474	2.570.203	137.592	69.935.945

For the Assets held for sale see note 25c

The Group and the Company apply the revaluation model of tangible assets (land and buildings)

The Group, as of 31/12/19 as part of a review of the value of tangible assets, has assigned to independent certified valutors the valuation of the main properties, as well as for 31.12.18

11. Investment Property

	GROUP			COMPANY		
	Land	Buildings	Total	Land	Buildings	Total
Cost						
Balance 31.12.2018	10.962.459	2.179.457	13.141.916	3.199.685	254.450	3.454.136
Acquisitions during the 1.1-31.12.2019 period	669.615	1.218.551	1.888.166	-	-	-
Revaluation (Note 11a)	(65.350)	(22.798)	(88.148)	(111.000)	-	(111.000)
Transfer	938.533	(938.533)				-
Revaluation	-	-	-	-	-	-
Absorption of a subsidiary	-				-	-
Translation exchange differences	-	-	-	-	-	-
Disposals during the 1.1-31.12.2019 period	680.580	1.558.495	2.239.075	-	-	-
Balance 31.12.2019	11.824.677	878.182	12.702.859	3.088.685	254.450	3.343.136
Balance 31.12.2018	10.962.459	2.179.457	13.141.916	3.199.685	254.450	3.454.136

The Group, with a reference date of 31/12/18 in the context of a review of the value of investment property, assigned to independent Certified Valuers the valuation of property.

The value of investment property for the group under the historical cost method of valuation would amount € 10.401 thousand for fiscal year 2019 and €11.531 thousand for fiscal year 2018 respectively. The value of investment property for the company under the historical cost method of valuation would amount € 3.220 thousand for fiscal year 2019 and €3.235 thousand for fiscal year 2018 respectively.

11a. Net profit or loss from fair value adjustments for investment properties

With a reference date of 31/12/2019 in the context of the annual regular review of the value of investment properties, the Management assigned to independent Certified Valuers the valuation of the main properties. The new valuations compared to the previous ones show fluctuations in the value of real estate. Following this, the Group has accounted the related adjustments. Therefore, the fair values for 31/12/2019 were formulated for the purpose or applying IAS 40 as follows:

	<u>Revaluation based on fair value at 31/12/2019 (€)</u>	<u>Revaluation based on fair value at 31/12/2018 (€)</u>	<u>Change (€) during the period 1/1-31/12/2019</u>	<u>Additions/ (disposals) of the period</u>	<u>Recognition to Income Statement</u>
Real Estates					
1. Real Estate property of Concurrent (Romania)	913.000	910.600	2.400	0	2.400
2. Real Estate property of Bupra (Romania)	2.159.400	2.177.000	-17.600	0	-17.600
3. Real Estate property of Faethon (Romania)	496.500	496.600	-100	0	-100
4. Real Estates of ETETH	211.030	215.580	-4.550	0	-4.550
5. J&P Development	5.579.792	5.888.000	-308.208	-350.909	42.701
6. J&P – AVAX S.A.	3.343.137	3.454.136	-111.000	0	-111.000
TOTAL	12.702.859	13.141.916	-439.058	-350.909	-88.148

With a reference date of 31/12/2018 in the context of the annual regular review of the value of investment properties, the Management assigned to independent Certified Valuers the valuation of the main properties. The new valuations compared to the previous ones show fluctuations in the value of real estate. Following this, the Group has accounted the related adjustments. Therefore, the fair values for 31/12/2018 were formulated for the purpose or applying IAS 40 as follows:

	<u>Revaluation based on fair value at 31/12/2018 (€)</u>	<u>Revaluation based on fair value at 31/12/2017 (€)</u>	<u>Change (€) during the period 1/1-31/12/2018</u>	<u>Additions/ (disposals) of the period</u>	<u>Recognition to Income Statement</u>
A/A Real Estates					
1. Real Estate property of Concurrent (Romania)	910.600	927.400	-16.800	0	-16.800
2. Real Estate property of Bupra (Romania)	2.177.000	2.195.800	-18.800	0	-18.800
3. Real Estate property of Faethon (Romania)	496.600	470.500	26.100	0	26.100
4. Real Estates of ETETH	215.580	231.300	-15.720	-15.720	0
5. J&P Development	5.888.000	8.225.000	-2.337.000	-2.242.931	-94.069
6. J&P – AVAX S.A.	3.454.136	3.543.731	-89.595	0	-89.595
TOTAL	13.141.916	15.593.731	-2.451.815	-2.258.651	-193.164

12. Intangible Assets

GROUP

<u>Cost</u>	<u>Software</u>	<u>Other Intangible Assets</u>	<u>Energy stations licenses</u>	<u>TOTAL</u>
Balance 31.12.2018	3.416.605	7.026.200	6.210.638	16.653.443
IFRS 16 adoption on 1.1.2019: Right of Use assets recognition	-	7.000.000	-	7.000.000
Restated cost including IFRS 16 on 1.1.2019	3.416.605	26.200	6.210.638	9.653.443
Acquisitions during the 1.1-31.12.2019 period	297.603	-	700.605	998.208
Additions from subsidiaries acquisitions	426.755	-	-	426.755
Transfer	-	-	428.284	428.284
Assets held-for-sale	26.977	-	-	26.977
Net foreign currency exchange differences	15	-	-	15
Disposals during the 1.1-31.12.2019 period	11.639	-	-	11.639
Balance 31.12.2019	4.102.362	26.200	6.482.959	10.611.521
<u>Accumulated Depreciation</u>				
Balance 31.12.2018	3.121.831	2.008.886	-	5.130.717
IFRS 16 adoption on 1.1.2019: Right of Use assets recognition	-	2.000.000	-	2.000.000
Restated cost including IFRS 16 on 1.1.2019	3.121.831	8.886	-	3.130.717
Amortisation charge 1.1-31.12.2019	184.071	524	60.221	244.816
Additions from subsidiaries acquisitions	416.192	-	-	416.192
Net foreign currency exchange differences	15	-	-	15
Disposals during the 1.1-31.12.2019 period	8.709	-	-	8.709
Balance 31.12.2019	3.713.400	9.410	60.221	3.783.031
<u>Net Book Value</u>				
Balance 31.12.2019	388.961	16.790	6.422.738	6.828.489
Balance 31.12.2018	294.773	5.017.314	6.210.638	11.522.725

Note: The amount recorded in the Other intangible assets relates mainly the right of use of Athens Marina. The original amount paid in October 2008 was €7 million. The duration of the leasing agreement is 35 years. As of 1.1.2019 the unamortised amount was transferred to the fixed assets according to the IFRS 16

COMPANY

<u>Cost</u>	<u>Software</u>	<u>Other Intangible Assets</u>	<u>TOTAL</u>
Balance 31.12.2018	3.346.494	-	3.346.494
Discontinued operations	-	-	-
Restated cost including IFRS 16 on 1.1.2019	149.661	-	149.661
Additions from subsidiaries acquisitions	426.755	-	426.755
Net foreign currency exchange differences	(73)	-	(73)
Disposals during the 1.1-31.12.2019 period	11.639	-	11.639
Balance 31.12.2019	3.911.198	-	3.911.198
<u>Accumulated Depreciation</u>			
Balance 31.12.2018	3.148.060	-	3.148.060
Amortisation charge 1.1-31.12.2019	113.273	-	113.273
Additions from subsidiaries acquisitions	416.192	-	416.192
Net foreign currency exchange differences	(73)	-	(73)
Disposals during the 1.1-31.12.2019 period	8.709	-	8.709
Balance 31.12.2019	3.668.743	-	3.668.743
<u>Net Book Value</u>			
Balance 31.12.2019	242.455	-	242.455
Balance 31.12.2018	198.434	-	198.434

13. Investments in Subsidiaries/Associates and other companies

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Investments in Subsidiaries	-	-	83.210.101	77.077.284
Investments in Associates	251.708.320	261.534.341	-	-
Other participating companies (Participating interests)	904.177	709.383	1.312.485	3.958.278
	252.612.497	262.243.724	84.522.586	81.035.562

Investments in Associates

	GROUP	
	31.12.2019	31.12.2018
Cost of investments in Associates	261.534.341	246.275.445
Share of Post-Acquisition Profit, net of Dividend received	(10.962.698)	(1.950.461)
Cash flow hedging reserve	1.490.905	1.709.320
Additions/ (Decrease)	(354.228)	15.500.037
Balance	251.708.320	261.534.341

In the following table, a brief Financial Information is indicated for the total of the associate companies

amounts in
thousands euro

Subsidiary	ASSETS	LIABILITIES	Turnover	Profit/(Loss) after tax
1 ATTIKI ODOS SA	500.576	190.602	192.706	71.984
2 GEFYRA SA	525.195	190.386	46.915	15.076
3 AEGEAN MOTORWAY SA	646.497	600.799	83.496	(18.921)
4 ATTIKES DIADROMES SA	28.504	9.765	52.822	4.713
5 ATHENS CAR PARKS SA	16.905	14.306	2.538	(324)
6 ENERGY CENTRE R.E.S. CYCLADES S.A.	150	3	-	(5)
7 ENTERTAINMENT & SPORTS PARK SA (KANOE-KAYAK)	916	123	-	4
8 CAR PARK N.SMYRNI	8.154	1.837	861	12
9 ATTICA DIODIA S.A.	4.961	120	-	2.808
10 AG.NIKOLAOS CAR PARKS S.A.	4.413	2.346	713	21
11 METROPOLITAN ATHENS PARK	8.007	4.185	-	(10)
12 SALONICA PARK	3.778	6.624	205	(313)
13 GEFYRA OPERATIONS SA	3.836	1.086	4.796	523
14 VIOENERGIA SA EXPLOITATION OF ENERGY RESOURCES	1.148	479	466	(16)
15 SC ORIOL REAL ESTATE	7.195	9.269	54	(52)
16 LIMASSOL MARINA LIMITED	258.020	198.030	31.630	9.870
17 POLIS PARK	2.025	1.234	1.802	(368)
18 ILIA WASTE MANAGEMENT (PPP)	12.684	11.536	-	(6)
19 ILIA WASTE MANAGEMENT OPERATION	22	2	-	(5)
	2.032.987	1.242.732	419.003	84.992

14. Joint Ventures

The following amounts represent the share of assets, liabilities, sales and earnings of the Group's companies in joint ventures and are included in the statement of financial position and statement of comprehensive income:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Assets				
Non-current assets	5.910.448	7.375.063	5.898.976	7.351.992
Current assets	174.216.550	129.906.616	169.395.825	184.444.078
	180.126.998	137.281.679	175.294.801	191.796.070
Liabilities				
Long-term liabilities	4.175.745	4.802.779	4.160.215	4.575.343
Short-term liabilities	99.978.503	81.316.990	92.373.912	96.302.908
	104.154.248	86.119.769	96.534.126	100.878.251
Net Worth	75.972.750	51.161.910	78.760.675	90.917.819
Turnover	66.566.774	59.883.689	66.099.386	59.868.946
Cost of sales	(73.446.513)	(73.767.635)	(72.463.640)	(73.335.022)
Profit/ (loss) after tax	(6.879.739)	(13.883.946)	(6.364.253)	(13.466.076)

15. Available for sale Investments

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Investments in AVAX S.A	114.589.952	115.900.143	454.020.209	503.929.976
	114.589.952	115.900.143	454.020.209	503.929.976

In order to provide more detailed information the valuation of concessions is stated at fair value, according to Independent Appraisers valuations.

In the consolidated balance sheet of the Group, concessions are reported by the net position method, except for the participations below 20% (Moreas Highway and Olympia Odos, which are reported at fair value).

As a result an amount of €226 mil. is not depicted in the consolidated balance sheet and refers to the difference between fair value and net position of the concessions which are consolidated with the net position method.

15a. Financial Assets at Fair Value through other Comprehensive Income (cont.)
Table 1: Analysis of the Account "Financial Assets at Fair Value through other Comprehensive Income"

According to IFRS 9 the following financial instruments are recognized as Financial Assets at Fair Value through other Comprehensive Income (level 3).

(amounts in €)	Group		Company	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Opening period balance	115.900.143	109.075.044	503.929.976	454.501.760
Additions				
1. Reclassifications (and measurement at fair values)	-	-	-	-
2. Participations/increase of investments	141.744	210.811	4.931.511	58.742.195
3. Participations/absorption of ATHENA SA	-	-	-	8.239.522
4. Adjustments to fair values	1.434.580	8.197.936	23.629.840	30.971.011
Reductions				
1. Sales/write-offs	-	-	(71.408.121)	-
2. Adjustment to fair values (impairments through equity)	(2.886.515)	(1.583.649)	(7.062.997)	(48.524.513)
3. Impairments (through P&L)	-	-	-	-
4. Other changes	-	-	-	-
Ending period balance	114.589.952	115.900.143	454.020.209	503.929.976

At a company level, the change in Additions - Increase of investments of the Financial Assets mainly regards the increase in the participation of ILIA WASTE MANAGEMENT (PPP), and the change in Additions - Adjustments to Fair Values of the Financial Assets mainly regards the increase of Gefyra AE and Aegean Motorway.

At a company level, the change in Reductions - Sales of the Financial Assets comes from Aegean Motorway and Olympia Odos, and the change in Reductions - Adjustments to Fair values (impairments through Equity) of the Financial Assets mainly regards Attiki Odos and Moreas SA.

At a group level, the change in Reductions - Adjustments to Fair values (impairments through Equity) of the Financial Assets mainly regards from Moreas SA.

Table 2a: Differences between fair values and cost 31.12.2019

(amounts in €)	Cost	Fair Value	Revaluation Surplus Credited to Fair Values Revaluation Reserve	Revaluation Surplus Credited/ (Debited) to Profit and Loss	Revaluation Surplus Credited to Minority Interest	Deferred Tax Asset
Group						
Participations <20%	80.181.754	114.589.952	51.736.425	(17.328.227)	-	3.490.399
Ending period balance	80.181.754	114.589.952	51.736.425	(17.328.227)	-	3.490.399
Company						
Participations <20%	57.477.165	96.246.960	56.098.022	(17.328.227)	-	2.443.615
Participations from 20% to 50%	140.321.338	357.773.250	217.451.912	-	-	(14.661)
Participations >50%	-	-	-	-	-	-
Total	197.798.502	454.020.209	273.549.934	(17.328.227)	-	2.428.954

Table 2b: Differences between fair values and cost 31.12.2018

(amounts in €)	Cost	Fair Value	Revaluation Surplus Credited to Fair Values Revaluation Reserve	Revaluation Surplus Credited/ (Debited) to Profit and Loss	Revaluation Surplus Credited to Minority Interest	Deferred Tax Liability
Group						
Participations <20%	79.895.032	115.900.143	53.333.337	(17.328.227)	-	14.133.334
Ending period balance	79.895.032	115.900.143	53.333.337	(17.328.227)	-	14.133.334
Company						
Participations <20%	81.221.896	116.226.093	52.332.424	(17.328.227)	-	13.868.092
Participations from 20% to 50%	182.016.989	387.703.883	205.686.894	-	-	54.507.027
Participations >50%	-	-	-	-	-	-
Total	263.238.885	503.929.976	258.019.318	(17.328.227)	-	68.375.119

The valuation of the concession companies has been conducted from an independent valuator. Valuations were based on data from financial models, approved by the concession companies, and the financing banks. The discount rate in 2019 varies from 5.8% to 7.8%, which has been calculated with the Weighted Average Discount Rate method (WACC), considering the completion stage and the maturity degree of each concession project, and considering the total risk estimated in Greece and abroad.

15b. Fair Value Sensitivity Analysis - Discount Rate

The Fair Value change of the participations which are classified as Assets held-for-sale, by changing $\pm 1\%$ the discount factor, at a Group and at a Company level, is shown below:

	Group	Company
	31.12.2019	31.12.2019
Change by +1%	(12.391.184)	(37.223.719)
Change by -1%	14.538.555	43.526.359

15c. Net Investment in Concession Companies subscribed in the form of Last Priority Financial Assets (Subordinated Debt)

The group participates in some Concession Companies, in two ways: i) participation in the form of Share Capital, and ii) participation in the form of Financial Assets of Last Priority (Subordinated Debt), which are issued by the Concession Companies.

The FA's LP are classified and accounted for according to IAS 39, as Available-for-Sale Financial Assets (Net investment to Concession Companies). The FA's LP along with the participation in the Share Capital of the Concession Company, are measured to Fair Value (method of Present Value). The difference between the cost and fair value is recognized directly to Other Comprehensive Income (namely, to Equity).

The main characteristics of the above Last Priority FA's are the following:

- a) The participation in the form of FA's LP is issued contractually with specific and fixed analogy to the Share Capital (pro rata),
- b) The subscription of FA's LP is maintained steadily throughout the lifetime of the concession proportionally to the participation in the Share Capital,
- c) The transfer of the FA's LP contractually is carrying out along with the corresponding transfer of an equal percentage of Share Capital,
- d) The FA's LP do not contractually have a fixed terminated date, and the Group cannot demand for their future repayment,
- e) The FA's are of Last Priority; they have last priority against all other claims of the Assets of the Concession Company in case of liquidation (subordinated debt - last in line). They are treated as equity equivalent to the Share Capital, bearing the same risk,
- f) The capital structure of the Concession Companies Equity, contractually does not distinguish the subscription in the form of Share Capital with the subscription in the form of the FA's LP (equity equivalent).

The following table provides analytically the financial data of the Concessions Companies, whereas the Company participates both to Share Capital and to Last Priorities FA's.

(amounts in euros)	Participation Type	Cost 31/12/2019	Fair Value 31/12/2019	Revaluation Surplus Credited to Fair Values Revaluation Reserve
Group				
1) Aegean Motorway (Participation > 20%)	Share Capital	13.362.110	47.245.856	-
	FA's	58.280.255	54.945.343	-
Total		71.642.365	102.191.199	-
2) Olympia Odos (Participation < 20%)	Share Capital	24.437.360	81.110.359	56.672.999
	FA's	23.030.539	18.668.942	(4.361.597)
Total		47.467.899	99.779.301	52.311.402
3) Marina Limassol (Participation > 20%)	Share Capital	5.088.625	68.481.078	-
	FA's	13.714.163	13.714.163	-
Total		18.802.788	82.195.241	-
4) Moreas (Participation < 20%)	Share Capital	17.328.227	-	-
	FA's	14.641.488	4.459.757	(10.181.730)
Total		31.969.715	4.459.757	(10.181.730)
5) Ilia Waste Management (PPP) (Participation > 20%)	Share Capital	930.153	2.858.059	-
	FA's	1.693.955	1.755.042	-
Total		2.624.108	4.613.101	-
Total of Participations	Share Capital	61.146.475	199.695.351	56.672.999
	FA's	111.360.399	93.543.247	(14.543.327)
Ending period balance		172.506.874	293.238.599	42.129.672
Company				
1) Marina Limassol (Participation > 20%)	Share Capital	5.088.625	68.481.078	63.392.453
	FA's	13.714.163	13.714.163	-
Total		18.802.788	82.195.241	63.392.453
2) Moreas (Participation < 20%)	Share Capital	17.328.227	-	-
	FA's	14.641.488	4.459.757	(10.181.730)
Total		31.969.715	4.459.757	(10.181.730)
3) Ilia Waste Management (PPP) (Participation > 20%)	Share Capital	930.153	2.858.059	1.927.906
	FA's	1.693.955	1.755.042	61.088
Total		2.624.108	4.613.101	1.988.993
Total of Participations	Share Capital	23.347.005	71.339.136	65.320.358
	FA's	30.049.605	19.928.962	(10.120.643)
Ending period balance		53.396.610	91.268.099	55.199.716

16. Guaranteed receipts from grantor

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Guaranteed receipt from grantor	-	43.667.265	-	-

	Balance 31/12/2019	Balance 31/12/2018
Assets		
Guaranteed receipt from grantor (IFRIC 12)	0	43.667.265
Total	0	43.667.265

	GROUP	
	31.12.2019	31.12.2018
Non-Current Assets	-	37.541.268
Current Assets	-	6.125.997
	0	43.667.265

Net finance income/expense

	1/1-31/12/2019	1/1-31/12/2018
Interest expense		
- Bank loans	0	2.357.412
- Other bank expenses	0	15.518
	0	2.372.930
Interest income	0	2.524.504
Gains from interest swaps	0	0
Net Financial expenses	0	-151.574

As of 01.10.2019 AVAX SA has signed a sale agreement with the Swedish Group «Sterner Stenhus» for the shares of "JPA SA", a company that has undertaken the construction and management of ten public schools.

The agreement with Sterner Stenhus, which had received the approval of KTYP SA (Greece's sole authority for delivering the country's public building infrastructures) and the EIB in the amount of € 8.8 million, includes the transfer by the Company of all shares as well as the bonds of limited security of the AVAX Group. The remaining lease period is 22 years.

17. Other non-current assets

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Other non-current assets	828.337	846.017	1.323.191	6.248.763
Other non-current liabilities	-	-	74.172.179	-

As part of the restructuring of the Group's corporate structure, the Management decided to transfer (sell) the concessions of Olympia Odos, Aegean Motorway and Morea to a subsidiary company. As of 31/12/2019 the transfer of the secondary loans (subdebt) of Olympia Odos and the Aegean Motorway has taken place. The proceeds of the sale were reported as account receivables from subsidiaries. The transfer of the rest as above (shares of the companies Olympia Odos, Aegean Highway and Morea, as well as the subdebt of the company Morea), will take place at a later time.

18. Deferred tax assets/Liabilities

Deferred tax assets	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Deferred tax assets	28.292.325	26.943.826	27.133.304	24.479.877
	28.292.325	26.943.826	27.133.304	24.479.877

Analysis of Deferred tax assets

Description	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Receivables-Deferred Income	354.370	155.901	113.605	-
Derecognition of start-up and other long-term expenses	49.399	59.332	49.400	59.333
Derecognition of receivables and investments in participations	23.626.114	25.577.160	23.902.771	23.479.693
Provision for employee termination compensation	772.044	1.056.206	638.573	940.851
Adjustment to Fair Value due to revaluation of fixed assets	3.490.398	95.227	2.428.954	-
	28.292.325	26.943.826	27.133.304	24.479.877

Changes in "Deferred Income Tax Assets" account

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Balance 01/01	26.943.826	35.461.514	24.479.877	38.251.971
Adjustment, in accordance with IAS				
Direct credit (debit) in Reserves	872.968	(1.171.783)	746.505	(1.171.783)
Acquisition of subsidiary	-	-	-	494.089
Credit (debit) in Income Statement				
Plus: Participation and other long term receivables	-	-	-	530.000
Plus: Deductible temporary adjustments	2.438.362	518.717	2.720.766	400.152
Plus/less: Decrease in Income Tax Rate	(2.848.077)	(2.863.196)	(1.883.779)	(2.780.462)
Less: taxable temporary differences	1.069.936	-	1.069.936	(6.244.089)
Deferred income from tax loss	(184.690)	(5.001.426)	-	(5.000.000)
Balance	28.292.325	26.943.826	27.133.305	24.479.877

Deferred tax liabilities

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Deferred tax liabilities	21.358.999	31.501.018	19.168.650	80.098.221
	21.358.999	31.501.018	19.168.650	80.098.221

Analysis of Deferred income tax liabilities**Description**

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Tax exempt Reserves	279.870	285.224	279.870	285.224
Operating fixed assets (Machinery and Vehicles)	999.110	337.996	939.546	261.054
Deferred income tax liability	14.100.243	12.184.654	13.552.670	8.382.387
Adjustment to fair value of participations	-	14.133.334	-	68.164.691
Adjustment to fair value due to revaluation of fixed assets	5.979.776	4.559.809	4.396.563	3.004.864
	21.358.999	31.501.018	19.168.650	80.098.221

Change in "Deferred Tax Liabilities" account

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Balance 01/01	31.501.018	34.113.880	80.098.221	80.445.780
Adjustment based on IAS				
Direct debit (credit) in Shareholder Funds	(17.517.808)	87.721	(68.677.403)	(3.428.773)
Absorption of a subsidiary	-	-	-	5.252.917
Debit (credit) in Income Statement				
Increase/Decrease in Income Tax Rate	(358.553)	(165.835)	(199.978)	-
Plus : Deductible temporary differences	7.734.342	(2.534.748)	7.947.809	(2.171.703)
Balance 31.12.2018	21.358.999	31.501.018	19.168.650	80.098.221

According to the POL 4646/2019 the corporate income tax rate in Greece was reduced to 24% since 2019 and on.

19. Inventories

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Finished & semi-finished goods	3.564.195	5.483.412	-	-
Work in progress	3.516.560	3.247.460	1.154.300	885.200
Raw materials	12.014.795	18.163.511	10.077.008	12.151.883
	19.095.550	26.894.383	11.231.308	13.037.083

The accounting policy of the company Inventories is that evaluates them at the lower of cost and net realisable value.

Work in Progress

	GROUP	GROUP
	31.12.2019	31.12.2018
Buildings for disposal after construction	3.516.560	2.362.260

20. Contractual Assets

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Conventional assets	<u>126.107.923</u>	<u>118.930.436</u>	<u>119.347.740</u>	<u>111.969.543</u>
Contractual obligations	<u>4.703.223</u>	<u>9.655.507</u>	<u>4.641.516</u>	<u>9.432.676</u>
Net conventional assets	<u>121.404.700</u>	<u>109.274.929</u>	<u>114.706.224</u>	<u>102.536.867</u>
Accumulated expenses	8.690.750.427	8.216.215.265	8.144.892.244	7.908.343.069
plus: Recognised profit (cumulatively)	1.077.212.981	1.080.744.884	967.640.559	937.146.496
less: Recognised loss (cumulatively)	289.303.716	313.185.591	288.581.716	250.390.913
less: Invoices up to 31/12	<u>9.357.254.992</u>	<u>8.874.499.629</u>	<u>8.709.244.863</u>	<u>8.492.561.785</u>
	<u>121.404.700</u>	<u>109.274.929</u>	<u>114.706.224</u>	<u>102.536.867</u>
Turnover				
Contracts expenses recognized in the reporting period	465.162.084	463.649.988	443.858.658	450.310.529
plus: Recognized profit for the reporting period	<u>21.934.732</u>	<u>6.919.926</u>	<u>24.039.647</u>	<u>14.839.029</u>
Revenues from Construction contracts recognized during the reporting period	<u>487.096.816</u>	<u>470.569.914</u>	<u>467.898.304</u>	<u>465.149.558</u>
Total advances received	<u>122.827.200</u>	<u>61.718.641</u>	<u>120.747.177</u>	<u>58.375.413</u>

Revenues and expenses relating to each construction contract are recognised in the income statement, depending on the percentage of completion on reporting date. Expenses which have incurred but the relative construction work has not yet been invoiced to clients and are recognised in the income statement, along with the proportional profit or loss provided for in the contract. According to GR GAAP, these expenses were recognised as work in progress, and their relative profit or loss was instead recognised in the reporting period in which the works were invoiced rather than carried out. Moreover, for any project with an estimated loss, that loss is recognised immediately in the income statement.

The Group uses the **Percentage of Completion Method**, whereby the percentage of completion is calculated using the following ratio: Realised Cost / Total Estimated Contract Cost

The Group uses an integrated Management Information System which produces the following information to draw consistent and reliable estimates of the percentage of completion of contracts:

- 1) Total Revised Contract Revenue
- 2) Contract Cost to complete the contract

According to the Budgetary Control System applied by the Group, revisions and re-evaluations are carried out on a semi-annual basis.

21. Clients and other receivables

Clients	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Clients	206.910.107	218.760.114	185.033.960	216.760.784
Allowance for doubtful debtors	(52.982.504)	(36.861.133)	(52.276.101)	(33.783.566)
	153.927.603	181.898.981	132.757.860	182.977.218
Other receivables				
Receivables from associates	15.756.168	22.323.645	16.318.713	24.669.596
Debtors	103.444.269	102.470.120	86.695.665	88.688.338
Receivables from subsidiaries	1.682.682	-	19.839.111	16.595.274
Advances and credit accounts	22.483.897	14.081.643	10.176.146	12.836.118
Allowance for doubtful debtors	(44.864.741)	(40.997.213)	(41.861.877)	(40.147.858)
	98.502.275	97.878.195	91.167.759	102.641.468
Prepaid expenses	6.874.484	14.295.149	6.827.232	12.877.191
Accrued income	19.423.878	16.411.961	11.114.075	6.881.732
	26.298.362	30.707.110	17.941.306	19.758.923
	124.800.637	128.585.305	109.109.065	122.400.391

21a. Ageing Analysis of clients

The Ageing analysis at 31/12/2019, is as follows:

(amounts in euro's)	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Not in arrears and not impaired	70.698.205	61.820.992	55.403.149	77.183.530
In arrears but not impaired				
3-6 months	7.956.305	16.597.366	5.556.483	13.641.890
6-12 months	7.142.725	12.559.251	6.287.105	8.055.129
1-2 years	11.957.477	17.195.649	11.519.612	13.591.519
>2 years	56.172.891	73.725.723	53.991.511	70.505.150
	153.927.603	181.898.981	132.757.860	182.977.218

Part of the aforementioned receivables include claims from the Greek state which are secured by guarantees and the Management estimates that they will be received in full.

Therefore the Group and the Company will continue bidding for state projects taking into account of course the possibility of delays in receipt.

The receivables from customers of the Company and the Group include an amount of € 28 mil. which is overdue for more than 3 years. This amount relates to a portion of an invoiced amount under a Lebanon technical project contract for which an Arbitration Application has been filed before the ICSID (International Center for the Resolution of Investment Disputes) and is postponed until 31.5.2020 in the context of an out-of-court negotiations. While the effort for amicable negotiation continues the Company decided the resumption of suspended arbitration before ICSID. Under these conditions the assessment of the recoverability of the claim on 31.12.2019, was further limited to this amount.

21b. Ageing Analysis of other receivables

The Ageing analysis at 31/12/2019, is as follows:

(amounts in euros)	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Not in arrears and not impaired	68.883.247	87.626.866	49.500.598	90.216.398
In arrears but not impaired				
3-6 months	7.730.052	938.523	12.480.870	0
6-12 months	13.936.806	1.564.205	14.397.371	0
1-2 years	6.512.424	1.282.684	6.957.031	27.077
>2 years	27.738.108	37.173.027	25.773.195	32.156.916
	124.800.637	128.585.305	109.109.065	122.400.391

There are enough guarantees for open balances over 1 year.

The impairment provisions for trade receivables are analyzed as:

	GROUP	COMPANY
Balance December 31st 2017	58.528.787	30.311.365
Additional allowances	19.329.559	17.974.074
Effect of absorption of subsidiary ATHINA SA	-	25.645.985
Used allowances	-	-
Balance December 31st 2018	77.858.346	73.931.424
Additional allowances	29.190.009	29.378.964
Used allowances	(9.201.110)	(9.172.411)
Balance December 31st 2019	97.847.245	94.137.977

21c. Other Debtors / Ongoing litigation

Regarding the pending court cases of the Company on 30.06.2019, arbitration decision 21/2005, which had obliged the parties to pay the Company €16.3 million plus interest for the equity deficit of "TECHNICAL UNION SA" which was absorbed by the Company, under the Decision of the Court of First Instance of Athens #2752/2010 was ordered to suspend the execution of the arbitration decision under article 938 of the Criminal Law Code until a decision is taken on the ordinary opposition that challenges the validity of the enforcement procedure, which was tried in March 2013. This decision of suspension is incorrect because it accepted that the Company misused its right to enforcement, which was repeatedly raised by the defendants and was dismissed, covered by the "res judicata".

The Company on 30.03.2011 requested the Court of First Instance of Athens to revoke this decision, reopening the road of enforcement, but this revocation application was rejected, and the progress of the enforcement would therefore be delayed by the March 2013 hearing, as part of the regular opposition. The case was adjudicated and a decision was issued by the First Instance Court of Athens, which also dismissed the objection of the Protopapas "family", so that the decision to suspend (5752/10) lost its validity and progress in enforcement is now possible.

Within the framework of this last possibility, after two suspensions at the Athens Peace Court, on 06.10.2015, ATHENA SA requested permission to sell by auction the shares of the Protopapas family members to satisfy its claim. At the same time, the Protopapas family house located in Kefalari, Kifissia (Pentelis 39 Street), has been seized, the Court having determined the value of this property at €5,000,000 and cleared it for auctioning.

A decision was taken by the Athens Court of Appeal (7/2016), which allowed the public auctioning of the shares and appointed a public notary to perform the auction (in the hands of the ATHEX as a third party). A lawsuit dated 08.01.2016 was notified to the Company for the recognition of the non-existence of the Arbitration Decision 21/2005, which was scheduled to be heard on 03.11.2016 at the Athens Court of Appeal, but ultimately resigned from it.

The option to abandon the public auction of the shares was finally approved, due to the significant dilution of the stake of Athanasios Protopapas and Amalia Protopapas on the back of share capital increases which they did not participate in. Subsequently, a second action was filed to certify the recognition of non-existence (not invalidity) of arbitration decision #21/2005, of similar content to the request of the first action, the application of which was resigned. The second action was discussed before the Athens Court of Appeal on 21.09.2017 and is reasonably expected to be rejected. Prior to this second lawsuit, ATHENA SA removed the existing foreclosure of the Athanasios Protopapas residence because there was a fear of being overthrown due to the fact that a year had passed since its imposition without being auctioned. To this extent, it imposed a new foreclosure, the relevant auction being set for 24.01.2018. An objection was brought against this foreclosure, which was tried on 13.03.2018 without, so far, any sign of application for suspension of the execution of the enforcement procedure, which implies that there is no obstacle to its enforcement. Though no official documents are available, it is speculated that Athanasios and Amalia Protopapas appealed against the decision of the Lower Court of Athens, which rejected their first action. However, this action was aimed at invalidating an enforcement which is no longer pursued, since ATHENA SA removed its application for foreclosure, therefore rendering this action groundless. We are awaiting the decisions on the second action against the foreclosure which was tried on 21.09.2018, as well as the appeal against the non-existence of the arbitration decision which was tried on 21.09.2017. A new electronic auction successfully took place on 06.06.2018, with a starting bid price of €1,930,000, resulting in the Company receiving its proportion according to lenders table in October 2018. More acts of the enforcement procedure on other assets are under way, hoping to receive the highest amount possible towards the claim.

The Company will continue its efforts to collect the remaining amount due by proceeding with the sale of other properties of the Protopapas family.

22. Cash and cash equivalent

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Cash in hand	254.316	204.127	203.660	125.581
Cash at bank	70.797.996	65.472.125	60.880.796	56.899.998
	71.052.312	65.676.252	61.084.456	57.025.579
22b. Restricted Cash Deposits				
Restricted Cash Deposits (Non-current)	20.000.000	-	20.000.000	-
Restricted Cash Deposits (Current)	49.031.848	-	34.150.976	-
	69.031.848	-	54.150.976	-
Balance of Cash and cash equivalent	140.084.160	65.676.252	115.235.432	57.025.579

For the Group Restricted cash deposits come from the branch of parent company in IRAQ in the amount of € 54.159.976 and from Volterra in the amount of € 14.880.872. In the company the restricted cash desoposits of €54.159.976 come from deposits of USD \$ 60.833.207.

23. Trade and other payables

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Trade payables	151.135.465	163.195.764	111.007.101	138.957.092
Advances from clients	122.827.200	61.718.641	120.747.177	58.375.413
Other current payables	108.693.751	119.110.412	80.361.421	88.014.994
	382.656.416	344.024.817	312.115.699	285.347.500

AGEING ANALYSIS TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
0-90 days	193.804.382	121.780.785	151.074.625	95.533.580
91-180 days	25.271.429	40.482.935	22.013.636	37.344.271
181-365 days	36.626.303	80.266.214	28.868.148	72.050.024
366-731 days	32.743.145	37.990.945	29.308.107	33.414.230
>731 days	94.211.156	63.503.937	80.851.184	47.005.395
	382.656.416	344.024.817	312.115.699	285.347.500

Other current payables

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Social security funds	8.446.135	3.489.533	7.410.895	2.814.086
Dividends payable	131	133	-	-
Payables to subsidiaries	-	-	15.795.352	9.365.136
Payables to Associates/ other participating companies	5.637.734	5.489.271	3.065.366	16.898.182
Contractual obligations	4.703.223	9.655.607	4.641.516	9.432.676
Other payables	89.906.528	100.475.868	49.448.293	49.504.915
	108.693.751	119.110.412	80.361.421	88.014.994

The "Other Payables" item in the Company and Group Balance Sheet of 31.12.2019 includes an amount of € 16,349,601 which has been deposited by a major shareholder in a Company's bank account against a capital increase of € 20 million approved by the shareholders of the Company and is expected to be realized in the coming months. The corresponding amount in the balance sheet of the Company and the Group on the comparable date of December 31, 2018, against a similar capital increase with different terms of issue, which was not finally realized, amounted to € 13 million.

24. Income tax and other tax liabilities

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Income tax payable	207.904	6.430.196	-	-
Other taxes payable	24.491.636	15.289.970	15.747.887	14.766.517
	24.699.540	21.720.166	15.747.887	14.766.517

For fiscal years 2011, 2012 and 2013, the parent Company and its subsidiaries in Greece have been subjected to tax auditing from an auditor in accordance with article 82 paragraph 5 of Law 2238/1994 and have received a "Tax Compliance Certification" with an unqualified opinion.

For the fiscal years 2014,2015,2016,2017 and 2018, the parent Company and its subsidiaries that are tax audited in Greece have been subjected to tax auditing from an auditor in accordance with article 65A paragraph 1 of Law 4174/2013 as amended by the Law 4262/2014 and have received a "Tax Compliance Certification" with an unqualified opinion. It should also be noted that the Administrative Courts, on the basis of their recent decisions on similar cases, have ruled that the fiscal year 2011 is time-barred for tax purposes five-year limitation).

For the fiscal year 2019, the parent Company and its subsidiaries that are tax audited in Greece have been subjected to tax auditing from an auditor in accordance with Law 4174/2013 article 65A as currently in effect . This control is in progress and the related tax certificate is projected to be provided after the publication of financial statements of 31/12/2019. The Group's management believes that upon completion of the tax audit no additional tax liabilities will be occur that will have substantial impact beyond those recognized and reported in the financial statements.

It is noted that in application of relevant tax provisions: a) of par. 1 of article 84 of law 2238/1994 (uncontrolled income tax cases) in combination with articles 36 par. 1 and 72 par. 11, of law 4174 / 2013, b) of par. 1 of article 57 of law 2859/2000 (uncontrolled VAT cases and c) of par. 5 of article 9 of law 2523/1997 (imposition of fines for income tax cases) , the right of the State for the imposition of the tax for the years until 2013 has been barred until 31/12/2019, without prejudice to special or exceptional provisions that may provide for a longer limitation period and under the conditions that they specify.

25. Borrowings

Short term borrowings

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Short term debentures payable in the following year	34.404.641	6.080.000	29.339.950	6.080.000
Short term loans	35.972.170	110.191.696	23.804.319	98.416.767
Liabilites from financing leases (see note 27)	1.608.467	3.449.330	612.356	480.385
Liabilities from operating leases	3.682.463	-	341.147	-
	75.667.741	119.721.026	54.097.771	104.977.152

Long - term borrowings

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Long term debentures	454.229.989	429.956.889	431.592.156	415.941.889
Long -term loans	19.835.670	43.530.588	7.865.080	-
Liabilites from financing leases (see note 27)	3.132.865	2.179.167	2.037.166	121.331
Liabilities from operating leases	38.223.422	-	92.757	-
	515.421.946	475.666.644	441.587.158	416.063.220

AGEING ANALYSIS OF LONG TERM LOANS

31/12/2019	Between 1 & 2 years	Between 2 & 5 years	Over 5 years	Total
Group	59.569.538	375.581.463	80.270.945	515.421.946
Company	51.850.000	348.112.859	41.624.299	441.587.158
31/12/2018	Between 1 & 2 years	Between 2 & 5 years	Over 5 years	Total
Group	19.789.200	383.864.575	72.012.869	475.666.644
Company	16.831.000	366.957.210	32.275.010	416.063.220

Based on the published financial statements for the year ended 2019 the company satisfies most of the financial ratios required, except for few for which a waiver has been issued with cut off date 31/12/2019.

Sensitivity analysis in interest rates

According to a sensitivity analysis of the Group's debt to potential changes in the Euribor rate, the effect of a ± 100 basis point interest rate variation on Group financial results and shareholder funds at the end of 2019 amounts to $\pm \text{€}4.51$ million, versus $\pm \text{€}5.30$ million in the previous year. At parent company level, the respective effect at the end of 2019 amounted to $\pm \text{€}3.80$ million versus $\pm \text{€}4.64$ million a year earlier.

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Short-term Loans	75.667.741	119.721.026	54.097.771	104.977.152
Debenture/Other Long-term Loans	515.421.946	475.666.644	441.587.158	416.063.220
Cash and cash equivalents	140.084.160	65.676.252	115.235.432	57.025.579
Net loans	451.005.527	529.711.417	380.449.497	464.014.792

Change effect by $\pm 1\%$ on EURIBOR

Income Statement	4.510.055	5.297.114	3.804.495	4.640.148
Shareholders Equity	4.510.055	5.297.114	3.804.495	4.640.148

25a. Change in financial activity

Below is an analysis of the change in liabilities arising from financing activities as reflected in the cash flow statement.

	GROUP		
	Long Term Bond Loan Liabilities	Short-term Loan Liabilities	Total
01/01/19	475.666.643	119.721.026	595.387.669
Absorption of subsidiary	-	1.855.183,32	1.855.183
Non cash flow	-	(13.057)	(13.057)
Cash flow	5.524.589	(53.577.818)	(48.053.230)
Bond Loan Liabilities payable in the next financ	(34.404.641)	34.404.641	-
Effect of leasing IFRS 16	38.230.659	3.682.463	41.913.122
Transfers	30.404.696	(30.404.696)	-
31/12/2019	515.421.946	75.667.741	591.089.687

	COMPANY		
	Long Term Bond Loan Liabilities	Short-term Loan Liabilities	Total
01/01/19	416.063.220	104.977.152	521.040.372
Absorption of subsidiary	-	1.855.183,32	1.855.183
Non cash flow	-	(867.808)	(867.808)
Cash flow	24.366.436	(51.143.157)	(26.776.721)
Bond Loan Liabilities payable in the next financ	(29.339.950)	29.339.950	-
Effect of leasing IFRS 16	92.757	341.147	433.904
Transfers	30.404.696	(30.404.696)	-
31/12/2019	441.587.159	54.097.771	495.684.930

25b. Disposal Group held-for-sale

	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Assets				
Disposal Group held-for-sale	370.669.199	-	18.680.058	-
Liabilities				
Disposal Group held-for-sale	400.692.581	-	39.658.327	-

Discontinued Operations and Disposal Group held-for-sale

Discontinued Operations and Disposal Team of Assets and Liabilities

AVAX ME was fully integrated in the Group's Financial Statements of 30/06/2019, and immediately affected its financial figures. At the time of acquisition, AVAX ME had a loan of € 82m, of which € 51m. was a long-term loan that would be repaid over a period of more than one year and within the next five years. In addition, it had € 8m cash available and short-term borrowing € 31m. which were the cash flows of the under construction projects. This short-term loan was expected to be repaid within twelve months (by 2020) from the cash flows of these projects

Moreover it was added a significant non completed projects amount of € 361 mil in Qatar

The QFS project was a joint venture of the Company and subsidiaries of J&P (Overseas) Ltd that went under the control of AVAX ME, therefore the Company immediately increased its participation in the Project. The rest of the projects acquired were of medium size E/M subcontracts for third parties in Qatar

However, the liquidation of J&P (Overseas) Ltd, eventually it worsened the relations of the customers towards the Group. In combination with the increased geopolitical and business risk of these subcontracts, the low potential of a small subcontractor such as ConspeL against politically and business-minded customers and contractors, but also the delays resulting from the acquisition of J&P's (Overseas) Ltd subsidiaries from the Company, increased the uncertainty regarding the financial performance of the Group in the area. Taking into account that the ability of ConspeL to undertake new projects in the area was also depended on its ability to access local banks to ensure the necessary financial limits for working capital and the issuance of letters of guarantee & LCs for the execution of projects.

That resulted to delays and payment halts from two projects of total about \$ 140m. Specifically, in the "Msheireb Downtown Doha" project, the ConspeL Qatar WLL was considering pursuing a \$ 30m debt collection lawsuit, while in the "Doha Oasis" project, the company was in negotiations with the client and the main contractor. (whose ConspeL Qatar WLL is a subcontractor) to settle a \$ 110m claim. As aforementioned in the Company's Newsletter on 20/01/2020, this inability to collect, caused the ConspeL Qatar WLL conditions of temporary cash tightness for which the Company had been studying various possible actions since the end of 2019

Amongst the possible actions they are included discussions with the local partner Fahad Tradin W.L.L. (who owned the 51%) for a full acquisition of these companies

In the end, due to the continuous worsening of the cash flow, the Company proceeded to the solution of selling these companies to the local partner, that after the compilation of the sale contract, he proceeded to the acquisition of the management of these companies (the relative part) and their projects in which was included the "Qatar Foundation Stadium" where these companies were participating by 76% and AVAX SA (through "AVAX S.A.-Qatar Branch") by 24%

Therefore in the 31/12/2019 Financial Statements, according to the IFRS 5, the operations of AVAX ME i.e. ConspeL Qatar WLL and J&P Qatar WLL were categorized as "Discontinued Operations" in the consolidated Financial Statements of AVAX ME for the period 01/01/2019-31/12/2019 and accordingly to the consolidated Financial Statements of AVAX SA taking into consideration the draft sale contract that has been compiled (but not yet signed) with the local partner Fahad Trading WLL that owns the 51% of the companies "ConspeL Qatar WLL" and "J&P Qatar WLL" that as of now still belongs to the AVAX Group

Specifically, according to the draft sale contract, the AVAX Group should deposit as sale compensation to the local partner amount of €29,4m (\$33m)

The above-mentioned amount of € 29.4m will be settled by offsetting an obligation of € 18.6m, with cash payments of € 2.4m. from AVAX SA for which a forecast was made in the Financial Statements of 31/12/2019 and the remaining amount of € 8.4m. will be available for participation of AVAX SA in the share capital increase of "AVAX INTERNATIONAL LIMITED" (100% subsidiary of AVAX SA), which will be paid as sales compensation for the sale of the subsidiaries of AVAX ME in Qatar.

According to IFRS 5, the assets of the Disposal Team of Assets and liabilities include goodwill that amounts up to € 117,8 m. Specifically according to the draft sale contract (deposit of sale compensation €29,4 m) it was defined the total fair value of the assets and liabilities Disposal Team and has been recognised as a reduction of goodwill by €22,9m. With the completion of the transaction for AVAX ME it will also be finalized and the amount according to the final contract

According to the IFRS 5 it is a 12 month period to complete the sale

The Group by applying the IFRS 5 "Non current assets held for sale and discontinued Operations", presents separately the assets and liabilities of the subsidiaries AVAX ME (ConspeL Qatar W.L.L. & J&P Qatar W.L.L.), which is subsidiary of AVAX INTERNATIONAL LIMITED and of the operation of AVAX SA branch in Qatar regarding the specific project, while simultaneously shows separately and the results of the discontinued operation in the consolidated statements of the Group

Discontinued Operations

Income statement 1/1 - 31/12/2019

<i>amounts in €</i>	AVAX MIDDLE EAST	QATAR BRANCH	TOTAL OF DISCONTINUED OPERATIONS
Income	177.972.252	57.243.861	235.216.113
Expenses	(173.825.510)	(63.959.862)	(237.785.372)
Good will decrease	(22.931.946)	-	(22.931.946)
Results from operations	(18.785.204)	(6.716.001)	(25.501.205)
Tax	-	-	-
Net losses for the year	(18.785.204)	(6.716.001)	(25.501.205)

Income Statement 1/1 – 31/12/2018 (Reclassified)

<i>amounts in €</i>	AVAX MIDDLE EAST	QATAR BRANCH	TOTAL OF DISCONTINUED OPERATIONS
Income	-	44.119.551	44.119.551
Expenses	-	(45.962.074)	(45.962.074)
Results from operations	-	(1.842.523)	(1.842.523)
Tax	-	-	-
Net losses for the year	-	(1.842.523)	(1.842.523)

Balance Sheet Statement 31/12/2019

<i>amounts in €</i>	AVAX MIDDLE EAST	QATAR BRANCH	DISPOSAL GROUP
Property, Plant and Equipments	-	527.962	527.962
Intangible Assets	117.839.338	-	117.839.338
Other Financial Assets	234.149.803	18.152.096	252.301.899
Other Financial Liabilities	(361.034.254)	(39.658.327)	(400.692.581)
Net position of the Disposal Team of Assets and Liabilities	(9.045.113)	(20.978.269)	(30.023.382)

Cash flow 31/12/2019 (see cash flow 31/12/2019)

Profit/loss per share (see income statement 1/1/2019-31/12/2019)

25c. Assets held-for-sale

During the fiscal year, the Company has signed a sale and lease back agreement for its property (land and building) located at 16 Amarousiou Chalandriou Street and 29 Amarousiou Halandriou Street. The company has appointed an independent valuator for the valuation of the properties. The fair value of the properties was estimated to a total of 33,753,000 euros (26,914,000 euros and 6,839,000 euros respectively). The total sale price amounted to 34,000,000 euros and was higher than the book value of the properties. The sale was completed on 29.5.2020. The properties are mortgaged against long-term loans of the company.

Therefore, on 31/12/2019, the company classified the specific fixed assets as "Assets held for sale" in the current assets, as all the criteria were met according to the IFRS. 5.

<i>Amounts in euros</i>	Building Amarousiou- Halandriou 16	Building Amarousiou- Halandriou 29
Value as of 31.12.2018	18.800.000	5.600.000
Depreciation 2018	(406.020)	(136.012)
Value as of 31.12.2019 (IFRS 16)	18.393.980	5.463.988
Revaluation (IFRS 16)	8.520.020	1.375.012
Value as of 31.12.2019 (IFRS 16)	26.914.000	6.839.000
Revaluation (IFRS 5)	-	-
Value as of 31.12.2019 (IFRS. 5)	26.914.000	6.839.000

<i>Amounts in euros</i>	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Beginning of period	-	-	-	-
Tangible Assets	33.753.000	-	33.753.000	-
End of period	33.753.000	-	33.753.000	-

26.Derivative financial instruments

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Derivative financial instruments	-	1.249.026	-	-
	-	1.249.026	-	-

The aforementioned amount for the subsidiary company ATHENS MARINA S.A. relates to a nominal value hedge concluded during the 2019 fiscal year.

27. Obligations arising from lease contracts

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Current obligation	1.608.467	3.449.330	612.356	480.385
Non current obligation	3.132.865	2.179.167	<u>2.037.166</u>	<u>121.331</u>
	<u>4.741.332</u>	<u>5.628.496</u>	<u>2.649.521</u>	<u>601.715</u>
Total lease obligation				

Total future minimum lease payments

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
No greater than 1 year	1.815.176	3.649.269	715.672	501.569
Greater than 1 year but no more than 5 years	3.319.733	2.302.624	2.215.114	132.414
Greater than 5 years	=	=	=	=
	5.134.909	5.951.894	2.930.786	633.984
Future Interest charges	<u>-393.577</u>	<u>-323.398</u>	<u>-281.265</u>	<u>-32.269</u>
Present value	<u>4.741.332</u>	<u>5.628.496</u>	<u>2.649.521</u>	<u>601.715</u>

Present value of future minimum lease payments

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
No greater than 1 year	1.608.467	3.449.330	612.356	480.385
Greater than 1 year but no more than 5 years	3.132.865	2.179.167	2.037.166	121.331
Greater than 5 years	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Present value	<u>4.741.332</u>	<u>5.628.496</u>	<u>2.649.521</u>	<u>601.715</u>

The Group's policy is to lease equipment with financial leases. The average lease term is 48 months for the company and 57 months for subsidiaries. For the period until December 2019, the average real interest rate was 5.0%. Interest rates are fixed at the date of the contract. All leases are concluded on a fixed payment basis and there are no agreements for the payment of any leases. The Group has the right to extend the contracts for a certain period of time or to purchase the equipment instead of the price specified in the contract. All rental obligations are expressed in Euros. The Group's liabilities from financial leases are secured for the lessor by the parent company.

28. Retirement and termination benefit obligations*(amount in €)*

According to the Greek legislation employee pension plans take into consideration salary and seniority for determining the employees' pension. In case of termination employees are entitled to 40% compensation according to the Greek law. The defined benefit pension expense and termination benefits are disclosed under IAS 19. The company's DBO plan was carried out by an independent employee benefits consulting company.

The movement of the net liability in the Statement of Financial Position after the adoption of the revised IAS 19 is as follows:

GROUP	31/12/2019	31/12/2018
Amounts recognized in Profit and Loss statement		
Current cost service	2.445.231	515.500
Recognition of past service cost	-	-
Interest cost	74.037	62.598
Benefit payments from the plan	800.582	525.344
Total P&L charge	3.319.850	1.103.441
Movements in Net Liability/(Asset) in BS		
Net Liability/(Asset) in BS at the beginning of the period	4.834.894	4.586.573
Benefits paid by the company	(3.478.495)	(1.173.866)
Lay off Compensations	-	-
Total expense recognized in the income statement	3.319.850	1.103.441
Total expense recognized in the statement of comprehensive income	1.742.314	318.746
Net Liability/(Asset) in BS	6.418.562	4.834.894
Reconciliation of benefit obligation		
Defined benefit obligations at the beginning of the period	4.834.894	4.586.573
Current cost service	2.445.231	515.500
Interest cost	74.037	62.598
Benefits paid by the company	(3.478.495)	(1.173.866)
Lay off Compensations	-	-
Settlement/Curtailment/Termination loss/gain	800.582	525.344
Total amount recognized in the OCI	1.742.314	318.746
Defined benefit obligations at the end of the period	6.418.562	4.834.894

COMPANY

The table below outlines where the Company's retirement benefit amounts are included in the financial statements. The DBO plan was carried out by an independent employee benefits consulting company.

	31/12/2019	31/12/2018
Amounts recognized in Profit and Loss statement		
Current cost service	2.350.836	431.663
Recognition of past service cost	-	-
Interest cost	63.384	53.441
Benefit payments from the plan	744.246	433.853
Total P&L charge	3.158.466	918.956
Movements in Net Liability/(Asset) in BS		
Net Liability/(Asset) in BS at the beginning of the period	4.061.386	3.876.790
Benefits paid by the company	(3.390.367)	(1.016.537)
Total expense recognized in the income statement	3.158.466	918.956
Total expense recognized in the statement of comprehensive income	1.742.370	282.178
Net Liability/(Asset) in BS	5.571.855	4.061.386
Reconciliation of benefit obligation		
Defined benefit obligations at the beginning of the period	4.061.386	3.876.790
Current cost service	2.350.836	431.663
Interest cost	63.384	53.441
Benefits paid by the company	744.246	433.853
Settlement/Curtailment/Termination loss/gain	(3.390.367)	(1.016.537)
Total amount recognized in the OCI	1.742.370	282.178
Defined benefit obligations at the end of the period	5.571.855	4.061.386

The principal actuarial assumptions used were as follows:

	31/12/2019	31/12/2018
Discount rate	0,0%	1,5%
Future salary increases %	0,0%	0,5%

Mortality rate	MT_EAE2012P (Bank of Greece, Credit & Insurance Committee, Meeting 49/12.09.2012)	MT_EAE2012P (Bank of Greece, Credit & Insurance Committee, Meeting 49/12.09.2012)
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Personnel mobility:

Age group	Voluntary departure	Voluntary departure
Up to 40 years old	0%	0%
41-55 years old	0%	0%
55 and over	0%	0%
Normal retirement age	Insurance in "heavy" works:62 years old Social Insurance: 67 years old	Insurance in "heavy" works:62 years old Social Insurance: 67 years old

Number of personnel

The number of employees on 31/12/2019 in the Group was 2,181 people (compared to 1,980 on 12/31/2018) and at company level amounts to 1,626 (compared to 1,484 on 31/12/2018). The number of employed personnel does not include the staff of the Joint Ventures in which the Group and the Company participate.

29. Other provisions and non-current liabilities

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Other provisions	14.947.605	15.817.433	10.561.327	15.334.781
Other Non-current liabilities	14.569.895	10.017.908	7.298.758	3.034.351
Non-current liabilities - Prepayments	-	4.058.302	-	3.687.746
	29.517.500	29.893.643	17.860.085	22.056.878

The account "Other Provisions and non-current Liabilities" in the balance sheet of the Company and the Group, includes the amount of € 3.605.868 out of € 6.310.270 in total for an obligation according to 628/2016 Decision Settlement of the Competition Commission. The remaining amount of € 2,704,402 is included in the "Other Payable Taxes". The Company has already fully repaid the aforementioned obligation in 2020.

There are pending court cases and arbitrations on contractual disputes and other issues against the Group's companies. To cover potential losses from pending litigation has formed a provision of € 7.560 thousand.

On a periodic basis, the Group's Management examines the stage at which each significant matter occurs and evaluates the potential economic risk based on the views of its legal advisers. If the potential loss from any claims and legal claims is considered probable and the relevant amount can be reliably estimated, the Group's Management recognizes a provision for the estimated loss. The management's judgment is required to a significant extent both to determine the probability and the extent to which the risk can be reliably estimated.

When additional information becomes available, the Group's Management reviews the potential or probable liabilities for outstanding claims and legal affairs and may revise the estimates. Such revisions may have a material effect on the Group's financial position and results.

A number of litigation claims against the Group are pending and their final outcome cannot be foreseen at this point. Therefore no provision was made for the Group. It is our view that any claims collected following a Court Order will not change appreciably the Groups Equity.

30. Share capital

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Paid up share capital (77.654.850 Shares of € 0.30)	23.296.455	23.296.455	23.296.455	23.296.455
Share premium account	146.651.671	146.676.671	146.651.671	146.676.671
	169.948.125	169.973.125	169.948.125	169.973.125

31. Revaluation reserves

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Revaluation of participations and securities & of other assets	14.650.850	8.488.899	15.397.620	9.860.136
	14.650.850	8.488.899	15.397.620	9.860.136

32. Reserves

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Statutory reserve	5.250.492	5.226.020	7.424.049	7.408.154
Special reserves	173.654.982	96.882.536	172.258.834	95.912.680
Tax-exempt reserves	3.847.553	3.842.199	3.305.536	3.300.182
	182.753.027	105.950.755	182.988.419	106.621.016

33. Revaluation Reserves of Financial Instruments at fair value through other comprehensive Income

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Fair Value reserves	55.226.823	39.200.003	275.862.765	191.527.822
	55.226.823	39.200.003	275.862.765	191.527.822

34. Cash flow hedging reserve

	GROUP	GROUP
	31.12.2019	31.12.2018
Cash flow hedging reserve	715.943	(774.962)
	715.943	(774.962)

The Cashflow hedging reserves are about the following:

	Proportion of the group	Proportion of the group
Aegean Motorway S.A.	715.943	(774.962)
	715.943	(774.962)

The Group uses, on a case by case basis, complex financial products in cooperation with the banking sector in order to offset the cash flow mainly to specific investments in self-financed projects. The part of the highly effective cash flow hedge of these investments is recognized directly in equity through the statement of changes in equity of the concession companies in accordance with the International Accounting Standards. The ineffective portion of profit or loss is recognized directly in the income statement of the companies. Therefore, in the consolidated financial statements, the Group records its share, respectively, of how it is recorded in associates in accordance with International Accounting Standard 28.

35. Non-controlling interest

	GROUP	GROUP
	31.12.2019	31.12.2018
Beginning balance 1/1	(970.045)	(350.408)
Additions / (Decrease)	15.193.454	(80.718)
Period movement	(158.840)	(538.919)
	14.064.570	(970.045)

The additions of the year include an amount of 13 million euros that resulted from the acquisition by PPC-AN of 45% of the shares of the subsidiaries of VOLTERRA SA, VOLTERRA KR and VOLTERRA LYKOVOUNI, for the purpose of joint development, construction, operation and exploitation of wind farms. The acquisition was completed in July 2019.

36. Memorandum accounts - Contingent liabilities

	GROUP	COMPANY
	31.12.2019	31.12.2019
Letters of Guarantee	685.108.568	548.262.527
Other memorandum accounts	10.537.009	29.203.328
	695.645.577	577.465.855

37. Encumbrances - Concessions of Receivables

There are mortgage notes of €17,647 thousand on the Company's real and on the Group's, there are also mortgage notes of 40,927 thousand euros to secure the claims of bond banks for the issuance of bond loans. Furthermore, for the same reason there have been pledged claims of performance guarantees, future claims from projects execution as well as legally disputed claims

38. Transactions with related parties

The Group is controlled by AVAX. The members of the Board of Directors and the related legal entities hold approximately 70% of the share capital of the Company, without any substantial change compared to the previous year, while the remaining approximately 30% of the shares are held by the public. Several transactions with affiliated companies are accounted for by the Company and its subsidiaries during the year. Sales and purchases from and to affiliated companies are made at the actual market prices.

Account balances shown at the end of the year are not covered by guarantees and are settled in cash. For the years 2019 and 2018 the Group did not enter a provision for doubtful receivables from affiliated companies, as until now the course of payments was without problems. Transactions between Group companies (intra-group) are eliminated when consolidating their financial statements.

Year ended 31 December 2019

(all amounts in € thousands)

Group

	Income	Expenses	Receivables	Payables
AG.NIKOLAOS CAR PARK	20	-	1	-
OLYMPIA ODOS OPERATIONS SA	1.760	-	47	-
OLYMPIA ODOS SA	1.497	-	123	989
GEFYRA OPERATIONS SA	81	1	23	-
GEFYRA SA	29	-	2	-
ATTIKA ROAD S.A	100	236	13.721	8.145
ATTIKA DIODIA S.A	-	-	-	-
AEGEAN MOTORWAY SA	3.546	2	0	-
SALONICA PARK S.A	27	-	19	-
POLISPARK	1	-	25	-
ELIX SA	-	-	6	-
ATHINAIKOI STATHMOI SA	39	-	1	-
HELLINIKON ENTERTAINMENT AND SPORT PARKS SA (KANOE - KAJAK)	2	-	0	-
METROPOLITAN ATHENS PARK A.E.	-	-	2	-
VIOENERGEIA S.A.	2	-	103	-
BONATTI J&P-AVAX Srl	6.132	-	1.052	5
ILIA WASTE MANAGEMENT (PPP)	501	-	113	-
PYRAMIS	-	3.435	17	1.035
LIMASSOL MARINA LTD	2.785	-	12.649	-
J&P-AVAX QATAR LLC	-	-	1	-
J&P (UK) LTD LONDON	-	-	-	31
JCH SERVICES LTD	-	-	-	75
JCH LTD	-	-	-	723
SN SA	3	-	153	-
SC ORIOL REAL ESTATE SRL	-	-	947	-
CAR PARK N.SMYRNI	20	-	-	-
ENERSYSTEM FZE	-	5.690	-	-
CYCLADES ENERGY CENTER SA	2	-	2	0
J/V J&P-AVAX - J&PARASKEVAIDES OV.LTD (JORDAN)	480	-	243	937
JOINT VENTURES	5.942	-	20.711	4.204
Executives and members of the Board	336	4.186	-	696
	23.305	13.550	49.958	16.841

Company

	Income	Expenses	Receivables	Payables
ETETH SA	3.697	82	7.210	23
TASK AVAX SA	29	1.486	1.073	3.394
AVAX IKTEO S.A.	-	2	4	418
GLAVIAM E.Π.E.	4	-	-	-
AVAX DEVELOPMENT	50	-	1.148	3
ATHENA	1	-	15	41
ERGONET	25	-	14	7
MONDO TRAVEL SA (UNDER LIQUIDATION)	15	338	37	290
JPA ATTICA SCHOOLS PPP	1.448	-	-	-
ATHENS MARINA	543	-	26	-
BONATTI J&P-AVAX Srl	3.321	-	613	-
AVAX CONCESSIONS	-	-	74.175	20
VOLTERRA S.A.	155	493	313	1.434
VOLTERRA K-R	-	-	2	122
VOLTERRA LIKOVOUNI	2.240	-	639	646
ILIOFANEIA S.A.	0	-	0	-
P.S.M. SUPPLIERS LTD	2.255	-	2.099	1.192
AVAX INTERNATIONAL LIMITED	3.345	67.455	8.534	9.629
AG.NIKOLAOS CAR PARK	-	-	1	-
OLYMPIA ODOS OPERATIONS SA	1.667	-	31	-
OLYMPIA ODOS SA	1.484	-	120	989
GEFYRA OPERATIONS SA	189	-	23	-
GEFYRA SA	21	-	-	-
ATTIKA ROAD S.A	24.280	210	9.678	8.112
ATTIKA DIODIA S.A	496	-	-	-
AEGEAN MOTORWAY SA	3.546	2	0	-
SALONICA PARK SA	12	-	14	-
POLISPARK SA	1	-	25	-
ELIX S.A.	-	-	6	-
ATHINAIKOI STATHMOI SA	-	-	1	-
HELLINIKON ENTERTAINMENT AND SPORT PARKS SA (KANOE - KAJAK)	2	-	0	-
METROPOLITAN ATHENS PARK SA	-	-	2	-
VIOENERGEIA S.A.	146	-	102	-
ILIA WASTE MANAGEMENT (PPP)	501	-	113	-
PYRAMIS	-	3.435	17	1.035
LIMASSOL MARINA LTD	5.409	-	12.627	-
J&P-AVAX QATAR LLC	-	-	1	-
J&P (UK) LTD LONDON	-	-	-	31
J/V J&P-AVAX - J&PARASKEVAIDES OV.LTD (JORDAN)	480	-	243	937
JOINT VENTURES	5.911	-	20.553	3.521
Executives and members of the Board	-	900	-	189
	61.275	74.403	139.455	32.032

38a. Transactions with related parties (continues)
Year ended 31st December 2018
(all amounts in € thousands)
Group

	Income	Expenses	Receivables	Payables
PYRAMIS		1.158	2	15
AG.NIKOLAOS CAR PARK			14	
OLYMPIA ODOS OPERATIONS SA	69		24	
OLYMPIA ODOS SA	834		100	1.003
GEFYRA OPERATIONS SA	81		28	
GEFYRA SA	20		25	
ATTIKA ROAD S.A		257		322
ATTIKA DIODIA S.A				
AEGEAN MOTORWAY SA	3.140	135	234	263
SALONICA PARK S.A			15	
POLISPARK			24	
ELIX SA			6	
ATHINAIKOI STATHMOI SA			1	
HELLINIKON ENTERTAINMENT AND SPORT PARKS SA (KANOE - KAJAK)	56		8	
METROPOLITAN ATHENS PARK SA			2	
BONATTI J&P-AVAX Srl			12.143	
5N SA	3		143	
SC ORIOL REAL ESTATE SRL			934	
J&P-AVAX QATAR WLL			11	
J&P-AVAX QATAR LLC			1	
JOANNOY AND PARASKEVAIDES (O)			43	
J&P (UK) LTD LONDON				31
JOANNOU & PARASKEVAIDES ENERGIAKI				1
ENERSYSTEM FZE		1.870		119
VIOENERGEIA S.A.	1		152	
LIMASSOL MARINA LTD	926		10.939	
CYCLADES ENERGY CENTER SA	2		3	
J&P EMIRATES LTD				48
Executives and members of the Board		2.450		445
	5.132	5.871	24.851	2.246

Company

	Income	Expenses	Receivables	Payables
ETETH SA	451	156	5.793	686
TASK J&P AVAX SA	14	1.660	1.190	2.629
J&P AVAX IKTEO S.A.			4	16
GLAVIAM	4		5	
AVAX DEVELOPMENT	51		923	3
ATHENA			13	41
ERGONET	15		409	1
MONDO TRAVEL SA	19	302	155	569
JPA ATTICA SCHOOLS PPP	2.154		250	23
ATHENS MARINA	433		1.159	
BONATTI J&P-AVAX Srl			12.143	
J&P AVAX CONCESSIONS			3	20
VOLTERRA SA	2.058	472	141	897
J&P-AVAX INTERNATIONAL LTD	4.399	48.045	5.533	5.432
AG.NIKOLAOS CAR PARK			14	
OLYMPIA ODOS OPERATIONS SA	1.191		24	
OLYMPIA ODOS SA	1.765		100	1.003
GEFYRA OPERATIONS SA	232		28	
ATTIKA ROAD S.A	17.016	257		322
ATTIKA DIODIA S.A	700			
AEGEAN MOTORWAY SA	3.140	135	226	263
SALONICA PARK S.A			10	
POLISPARK			24	
ELIX SA			6	
ATHINAIKOI STATHMOI SA			1	
HELLINIKON ENTERTAINMENT AND SPORT PARKS SA (KANOE - KAJAK)	56		8	
METROPOLITAN ATHENS PARK SA			2	
GEFYRA SA	1.002		25	
VIOENERGEIA S.A.	1		152	
PYRAMIS		1.158	2	15
J&P-AVAX QATAR LLC			1	
J&P-AVAX QATAR WLL			11	
J&P (UK) LTD LONDON				31
JOANNOU & PARASKEVAIDES ENERGIAKI			43	
J/V J&P-AVAX - J&PARASKEVAIDES OV.LTD (JORDAN)				216
JOANNOU & PARASKEVAIDES (O) LTD				1
LIMASSOL MARINA LTD	5.958		10.939	
JOINT VENTURES	4.461		31.841	718
Executives and members of the Board		1.050		180
	45.120	53.235	71.174	13.063

39. Joint Venture Projects with J&P (Overseas) Ltd

On 11.10.2018, it was announced that international contractor J&P (Overseas) Limited, incorporated in Guernsey, filed for liquidation to address the deficits and liquidity problems it faced. Given that the Company participated in four joint venture projects with J&P (Overseas) Limited in Jordan and Qatar, it was necessary to review the respective contracts with the clients and banks involved in these projects. The Company made, and still does, every effort to continue and complete these projects in the most technically perfect way, to ensure the Company's future presence in the construction market of the wider Arab world as well as its access to the local banking system.

A detailed report on this matter may be found in the Report of the Board of Directors for the Annual Financial Report 2019, under the "Important post balance sheet date Developments & Events" section.

More specifically, the status of each project is as follows:

1a. Roadworks in Qatar

In Qatar, the Company participates with J&P (Overseas) Ltd in two road works ("West Corridor P010" and "New Orbital Highway and Truck Route") as well as the construction of the "Qatar Foundation Stadium" sports complex. Those projects are linked to the overall upgrade of the country's infrastructure as part of its preparation for hosting the FIFA 2022 Football World Cup.

The contracts for the road works "West Corridor P010" and "New Orbital Highway and Truck Route" were signed with Ashghal (Qatari Public Works Authority) on 01.08.2013 and 22.01.2014, respectively, with a value of €101.3 million and €192.2 million value for our Company's 25% stake in both projects. **The projects have been completed.**

For both road works in Qatar, agreements were signed during 2019 with Ashghal, providing for the unilateral undertaking of the completion by AVAX and the expulsion of J&P (Overseas) Ltd from the construction consortium. Upon signing the revised contracts, the client released the performance bonds held, and then partially called the outstanding letters of guarantee (issued without any AVAX SA guarantee) to repay any legacy payments for suppliers appearing in the books. These payments will be reviewed and approved by the client to ensure that payments exclusively concern the projects. Thereafter, if payments for the remainder of the two road projects fall short of meeting the costs of the projects until their completion, the client will partially call the letters of guarantee in his possession, issued by J&P (Overseas) Ltd without any AVAX SA guarantee.

1b. Qatar Foundation Stadium

The contract for the sports stadium was signed with state institution Qatar Foundation on 21.07.2016, representing a value of €133.7 million for our Company, corresponding to a 24% stake.

Letters of guarantee for this project were issued by J&P (Overseas) Ltd, while our Company provided corporate guarantee to the lending bank up to the percentage of its participation (24%).

AVAX Middle East Ltd, a 100% subsidiary of AVAX International Ltd, which in turn is a 100% subsidiary of parent company AVAX SA, the Group proceed to the acquisition of Conspeel "Qatar WLL" and "J&P Qatar WLL" which participate in the project with an aggregate 76% stake, whereas AVAX SA has a direct 24% stake (see Note in the Accounts on AVAX Middle East). Following the acquisition by AVAX Group of J&P (Overseas) Ltd subsidiaries which participate in the project, the novation agreement was signed between all parties involved.

The Stadium project continued and was completed at 31.12.2019. It is pointed out that recently, after the liquidation of J&P (Overseas) Ltd, the project Joint Venture, in 2019 undertook two additional contracts regarding this project: the construction of school buildings and the maintenance of the entire sports & educational group, for a two year period, worth about € 62 million and € 31 million respectively. The operations for the school buildings and up to 30/4/2020 were completed up to 37.3%. However, in accordance with the note 25b Discontinued operations Assets and Liabilities held-for-Sale - Avax Middle East the Group, applying IFRS 5 "Non-current assets held-for-sale and discontinued operations" presents separately the assets and liabilities of the subsidiaries of AVAX ME (Conspeel Qatar WLL & J&P Qatar WLL) which is a subsidiary of AVAX INTERNATIONAL LIMITED as well as the activities of the Qatar Branch regarding the specific project, while simultaneously presents separately the results of the discontinued operation in the Consolidated Financial Statements of the Group.

Income AVAX SA from projects, amounts in euros

	Up to 31.12.2017	Up to 31.12.2018	Up to 30.06.2019	Up to 31.12.2019
West Corridor P010	3.372.910	3.372.910	3.372.910	3.372.910
New Orbital Highway and Truck Route	6.969.008	6.969.008	6.969.008	6.969.008
Qatar Foundation Stadium	7.402.549	11.345.156	11.345.156	7.596.406
Other old projects	<u>1.445.087</u>	<u>1.445.087</u>	<u>1.445.087</u>	<u>1.445.087</u>
Total Qatar	19.189.554	23.132.161	23.132.161	19.383.411

Project receivables from the Client, amounts in euros

	Up to 31.12.2017		Up to 31.12.2018		Up to 30.06.2019		Up to 31.12.2019	
	from Clients	from Retentions	from Clients	from Retentions	from Clients	from Retentions	from Clients	from Retentions
<i>Company's participation</i>	25%	25%	100%	100%	100%	100%	100%	100%
West Corridor P010	2.225.091	4.716.003	13.687.148	19.743.185	12.621.623	1.391.387	11.891.242	0
New Orbital Highway and Truck Route	<u>12.345.828</u>	<u>7.356.775</u>	<u>44.524.024</u>	<u>14.454.248</u>	<u>17.272.189</u>	<u>0</u>	<u>8.160.811</u>	<u>0</u>
Total Road works	14.570.919	12.072.778	58.211.172	34.197.433	29.893.812	1.391.387	20.052.053	0
<i>Company's participation</i>	24%	24%	24%	24%	24%	24%	24%	24%
Qatar Foundation Stadium	13.248.234	0	940.044	0	102.721	0	14.713.203	0
Qatar Foundation Stadium Méow Middle East	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>13.553</u>	<u>0</u>	<u>46.591.809</u>	<u>0</u>
Total Qatar	27.819.153	12.072.778	59.151.216	34.197.433	30.010.086	1.391.387	81.357.065	0

Note A: AVAX SA had share of 25% in projects' "West Corridor P010" and "New Orbital Highway and Truck Route" joint ventures. After the amended contracts on 08.04.2019 and 30.01.2019 respectively, company's share amounts to 100% in joint ventures of both projects retrospectively from J&P (Overseas) Ltd liquidation date.

Transaction with AVAX: Net receivables / (Payables), amounts in € '000

	Up to 31.12.2017	Up to 31.12.2018	Up to 30.06.2019	Up to 31.12.2019
J/V Qatar road works	-1.868	0	0	0
J/V of Qatar Stadium	-10.154	0	0	0
AVAX branch in Qatar	<u>3.381</u>	<u>2.390</u>	<u>2.290</u>	<u>-12.151</u>
Total Qatar	-8.641	2.390	2.290	-12.151
Provision for doubtful debt		-2.390	-2.390	0

The Joint Ventures have been consolidated through the Branch

2. Jordan

The project concerns the upgrading of the baggage handling system at the international airport of Queen Alia in the capital city of Amman, which is effectively an extension of the oldest contract signed with the government of the country for the construction of the state-of-the-art airport. The contract was signed on 12.04.2018 representing a value of €24.8 million for our Company, corresponding to a 50% stake.

AVAX SA agreed to assume the continuation of the project and purchase used assets of J&P Overseas Ltd (office space and limited mechanical equipment exclusively employed in the project), according to the appraisal conducted by specialists on behalf of AVAX and the liquidator of J&P (Overseas) Ltd). Signing of the deal between the liquidators, banks and the Concession lending banks has been delayed because of the requirement to secure the consent of ARAB Bank, which had issued the letters of guarantee for the initial project, which is concluded and is currently in its defect liability period. This is the responsibility of AVAX, which also performs the extension of the contract. No forfeiture of guarantee is expected that could result to any damage for the bank.

The delay is related to the ceding to ARAB Bank of J&P (Overseas)Ltd's share in revenues. Nevertheless, a final agreement has been reached for ARAB Bank to grant its consent. and the contact is expected to be signed soon.

Since the liquidators asked for the Novation Agreement to be also signed by the Project Owner, the Project Owner announced that he had not received the approval from the lenders of the concession project. Therefore, the Novation Agreement has not been signed but the project is being carried out normally and we are collecting normally from the customer.

Bank performance bonds and letters of guarantee for the additional works, currently amounting to €12.4 million, are issued by AVAX SA. Letters of guarantee amounting to €9.3 million have been returned.

Works proceed normally. On reference date 31.12.2019, the project was 83% complete.

Proceeds, amounts in Euros

	Up to 31.12.2017	Up to 31.12.2018	Up to 30.06.2019	Up to 31.12.2019
Jordan	5.431.156	5.941.900	5.941.900	5.941.900

Project receivables from the Client, amounts in euros

	Up to 31.12.2017		Up to 31.12.2018		Up to 30.06.2019		Up to 31.12.2019	
	from Clients	from Retentions	from Clients	from Retentions	from Clients	from Retentions	from Clients	from Retentions
Jordan	0	0	0	0	4.840.628	0	2.774.549	0

Transaction with AVAX: Net receivables / (Payables), amounts in € '000

	Up to 31.12.2017	Up to 31.12.2018	Up to 30.06.2019	Up to 31.12.2019
Jordan	3.580.570	1.543.339	546.633	-395.524

3. Financial Data of JVs and Branches for projects with J&P (Overseas) Ltd, (Qatar, Jordan)

amounts in Euros

	Jordan		Qatar Roadworks		Qatar Stadium		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
AVAX Assets	7.149.361	2.268.680	34.094.179	134.775.659	26.832.390	27.912.818	68.075.930	164.957.157
Assets through Middle East	0	0	0	0	84.969.234	0	84.969.234	0
AVAX Liabilities	4.483.552	2.644.098	34.094.179	101.634.352	37.281.789	27.776.956	75.859.520	132.055.406
Liabilities through Middle East	0	0	0	0	84.969.234	0	84.969.234	0
	2.665.809	-375.418	0	33.141.307	-10.449.399	135.862	-7.783.591	32.901.751
Income AVAX	16.818.106	4.373.390	84.125.715	73.648.000	57.043.859	44.120.000	157.987.680	122.141.390
Income through Middle East	0	0	0	0	180.638.886	0	180.638.886	0
Expenses AVAX	14.854.710	4.748.808	84.125.715	65.938.000	59.178.920	43.572.000	158.159.346	114.258.808
Expenses through Middle East	0	0	0	0	187.399.915	0	187.399.915	0
	1.963.396	-375.418	0	7.710.000	-8.896.090	548.000	-6.932.694	7.882.582

40. Fair Value measurement

Below is a comparison by category of the accounting and fair values of assets and liabilities of the Group and the Company, which are presented in the statement of financial position as at 31 December

31.12.2019, amounts in € '000

	GROUP		COMPANY		Fair Value Hierarchy
	Carrying Value	Fair Value	Carrying Value	Fair Value	
Assets					
Tangible Fixed Assets (Property / Buildings)	42.453	78.197	30.894	15.955	2
Investments in Property	10.401	12.703	3.220	3.343	2
Financial Assets held for sale (Long Term)	17.780	33.753	17.780	33.753	2
Financial assets at fair value through OCI	80.182	114.590	197.799	454.020	3
Liabilities					
Long Term Loans	515.422	515.422	441.587	441.587	2
Short Term Loans	75.668	75.668	54.098	54.098	2

31.12.2018, amounts in € '000

	GROUP		COMPANY		Fair Value Hierarchy
	Carrying Value	Fair Value	Carrying Value	Fair Value	
Assets					
Tangible Fixed Assets (Property / Buildings)	36.758	56.184	28.794	39.357	2
Investments in Property	11.531	13.142	3.235	3.454	2
Financial assets at fair value through OCI	79.895	115.900	263.239	503.930	3
Other Financial Assets (Long Term)	37.541	37.541	0	0	3
Financial Assets available for sale (Short Term)	0	0	0	0	1
Other Financial Assets (Short Term)	6.126	6.126	0	0	3
Liabilities					
Long Term Loans	475.667	475.667	416.063	416.063	2
Short Term Loans	119.721	119.721	104.977	104.977	2
Financial Derivatives	4.995	1.249	0	0	1

The administration estimated that the cash and short-term deposits, customers, suppliers and other current liabilities approximate their carrying value, primarily because of their short maturities.

Fair Value Hierarchy

The Group and the Company use the following hierarchy to define and disclose the fair value of receivables and payables per valuation method:

Level 1: based on negotiable (non-adjusted) prices in active markets for similar assets or liabilities

Level 2: based on valuation techniques for which all data with substantial effect on the fair value are visible, either directly or indirectly, while also including valuation techniques with negotiable prices at less active markets for similar or equivalent assets or liabilities

Level 3: based on valuation techniques utilising data with substantial effect on fair value, as opposed to apparent market data

The fair value of financial assets and liabilities is the value at which an asset or liability could be traded in a current transaction between consenting parties, differing from the price of a forced liquidation or sale. The following methods and assumptions were used to calculate the fair values:

For 2019, and property for investment and for own use (property / buildings) were valued by independent auditors. For 2018, property for investment and for own use (property / buildings) were valued at fair value by the Management.

Financial assets available for sale (long-term and other long-term financial assets) of Level 3 mostly concern investments in concession companies. Valuation of the most important concession companies was carried out by independent auditors, while other concession companies were valued by J&P-AVAX. The valuations were based on data from financial models approved by the concession companies and financing banks. The discount rate for 2019 ranges between 5,8% and 7,8%, proportionately to the stage of completion and the maturity rate of each concession project, and proportionately to the total risk calculated in Greece and abroad. Valuation of financial assets available for sale through the income statement is conducted at current prices because those assets are listed and traded on organised markets in Greece and abroad.

Long-term and short-term debt of Level 2 is valued by the Group and the Company according to parameters such as interest rates, special country risk factors or current prices on balance sheet closing date.

Derivative financial assets of Level 1 comprise interest rate swaps agreements. The Group and the Company utilise various methods and assumptions which are based on market conditions prevailing in each balance sheet closing date. Interest rate swap agreements are measured at fair value using future interest rates from observable yield curves.

41. Risk Management

The Group is exposed through its operations to the following financial risks:

- Credit risk
- Market risk
- Interest rate risk
- Foreign exchange risk
- Other market price risk, and
- Liquidity risk.

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous year unless otherwise stated in this note.

(i) Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Trade receivables
- Cash and cash equivalents
- Investments in quoted and unquoted equity securities
- Trade and other payables
- Bank overdrafts
- Floating-rate bank loans
- Fixed rate bank loans, and
- Interest rate swaps.

(ii) Financial instruments by category

Financial assets and liabilities by category please refer to note 40.

(iii) Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, trade and other receivables, trade and other payables, and loans and borrowings.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, trade and other payables approximates their fair value.

(iv) Financial instruments measured at fair value

The fair value hierarchy of financial instruments measured at fair value is provided in note 40. There were no transfers between levels during the period. There were no changes to the valuation techniques during the period.

For the reconciliation of the opening and closing fair value balance of level 3 financial assets, and for the sensitivity analysis of a reasonable change of the discount factor ($\pm 1\%$) used for the measurement of the fair value of level 3 financial instruments, please refer to note 15.

General objectives, policies and processes

The **Board** has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and the policies to the **Risk Management Committee**. The **Board** receives monthly and quarterly reports through which it reviews and controls the effectiveness of the processes put in place and the appropriateness and the management of the objectives and policies it sets. The **Group's internal auditors** also review the risk management policies and processes and report their findings to the **Audit Committee**.

The overall objective of the Board through the Risk Management committee is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk

The **Risk Management Committee** has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. As far as public works are concerned, the Group's policy is to participate only in tenders where the financing is secured by the EEC funds.

Cash in bank and short-term deposits

The **Risk Management Committee** through the **Finance Function** monitors the credit ratings of counterparties regularly and at the reporting date does not expect any losses from non-performance by the counterparties.

Market risk

Market risk arises from the group's use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange (currency risk) or other market factors (other price risk).

Interest rate risk

The Group is exposed to interest rate risk from long-term borrowings at variable rate (Euribor interest rate). For the sensitivity analysis of a reasonable change of the interest rate ($\pm 1\%$) for the loans, please refer to note 25.

Foreign exchange risk

Please refer to note 9c.

Other market price risk

The group holds some strategic investments abroad through branches, or strategic equity investments in other companies abroad for the purpose to expand its operations and diversify the relevant risks. The risk management committee believes that the above exposure is acceptable in the group's circumstances.

Liquidity risk

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements analytically for a period of a month. The Board receives a 12-month cash flow projection on a monthly basis, prepared by the Finance Division which also prepares summarised 5-year budgets and cash flows which are updated on a quarterly basis.

42. Incorporation of AVAX Middle East Limited

The Company set up AVAX Middle East Ltd ("AVAX ME") in May 2019 in Cyprus, as part of its strategic decision to focus on mechanical, electrical and plumbing (MEP) works in Qatar, the United Arab Emirates and the broader Persian Gulf region. AVAX ME is a subsidiary of AVAX International Ltd, also based in Cyprus and 100% subsidiary of AVAX SA.

In June 2019, AVAX ME acquired three companies from J&P (Overseas) Ltd which is undergoing liquidation, more specifically it acquired 100% of Conspel Construction Specialist (Isle of Man) Limited, as well as 49% of J&P Qatar WLL and Abu Dhabi J&P LLC. That move was necessary to assure the continuation of works at the Qatar Foundation Stadium ("QFS") in which they participated. It was also fundamental for the company's shareholder not to be in bankruptcy. It is also crucial to point out that the acquisition of the shares of the above companies by third parties involved the risk of putting pressure on the Company in matters of decision-making.

At the time of acquisition of Conspel Construction Specialist (Isle of Man) Limited, Joannou & Paraskevaides Qatar WLL and Abu Dhabi J&P LLC, goodwill arose because the cost of the merger included an amount for the acquisition of control. The goodwill arose mainly due to the prospects of the Companies that were acquired and are established in the growing construction market of the UAE in Qatar, and the rest of the MENA area where entry for new companies is difficult and requires significant time and resources. These benefits are not recognized separately from the capital gain because they do not meet the recognition criteria for identifiable intangible assets.

The goodwill that arose during the acquisition is analyzed as follows

	Goodwill
	€
Compensation Transferred	714.990
Plus: fair value of net assets	140.056.294
Goodwill from the acquisitions:	<u>140.771.284</u>

In the Financial Statements of 30.6.2019 the goodwill amounted at € 46,2 mln. Which was temporary until the completion of the independent valuation.

Assets and Liabilities that acquired after the acquisition were the following

	Book Value before the Acquisition	Fair Values
	€	€
Intangible assets	14.700	1.855.794
Fixed assets	18.704.395	18.783.633
Other financial assets	807.987	-
Inventories	18.634.706	18.634.706
Clients and other receivables	253.439.693	137.825.112
Cash and cash equivalents	8.135.813	8.135.813
Refundable tax	820.534	820.534
Commercial creditors	(224.189.103)	(239.572.393)
Loans	(80.445.432)	(82.195.314)
Provisions and other liabilities	(4.344.179)	(4.344.179)
Acquisition of net assets	<u>(8.420.886)</u>	<u>(140.056.294)</u>
Net cash payment for subsidiaries' acquisition		2019
		€
Cash payment		(714.990)
Cash and cash equivalent acquired with the acquisition		8.135.813
		<u>7.420.823</u>

Income Statement of acquired companies:

	11/6/2019- 31/12/2019 (Discontinued Operations)	1/1/2019 - 31/12/2019
Income	177.972.252	320.849.585
Expenses	(196.757.456)	(330.762.759)
Profit/(Loss) from operations	(18.785.204)	(9.913.174)
Tax expense	-	-
Net loss for the year	<u>(18.785.204)</u>	<u>(9.913.174)</u>

43. Acquisition of "PSM Suppliers Limited" in Libya

In April 2019, the Company acquired PSM Suppliers Ltd ("PSM") based in Channel Islands from "Overseas Holdings Limited" (OHL), which belongs to the J&P (Overseas) Ltd group ("JPO"), placed under liquidation since October 2018. PSM's shares were transferred along with all rights and obligations related in particular to the continuation of two separate contracts for an energy project in Libya's Faregh oil deposit, the client being WAHA Oil Company of Libya. It is noted that the project is in the final stage of completion, estimated to be completed in 2019, as the remaining works include testing & commissioning of mechanical equipment from Siemens, a subcontractor of PSM. With this transaction, the Company seeks:

- to acquire PSM's experience and project record, thereby improving its bidding capacity for similar energy projects in international markets
- to collect in the near-term the funds withheld to guarantee the performance of the two projects, which exceed the agreed acquisition price

Important balance sheet items PSM Suppliers Ltd <i>amounts in euro</i>	At the date of acquisition from AVAX SA	
	30.06.2019	14.03.2019
Short term Receivables	13.704.937	10.938.753
Short term Liabilities	914.005	1.895.723
Net Current Assets	12.790.932	9.043.030

PSM Suppliers Ltd Statement of Income <i>amounts in euro</i>	Consolidated Results from AVAX S.A.	Until the Acquisition by AVAX S.A.
	01.01-30.06.2019	01.01-14.03.2019
Sales	2.511.270	232.821
Cost of sales	-284.075	-22.430
Gross margin	2.227.195	210.391
Net Financial Income (loss)	-1.030	-389
Extraordinary Results	8.029.104	7.810.375
Profit/(loss) before tax	10.255.269	8.020.377

Intercompany transactions (between AVAX SA & PSM Suppliers Ltd) <i>amounts in euro</i>	At the date of acquisition from AVAX SA	
	30.06.2019	14.03.2019
Short term liabilities AVAX SA	134.148	0
Short term liabilities(suppliers) AVAX SA	340.416	0
(Net) short term liabilities AVAX SA	206.268	0

Goodwill of acquisition PSM Suppliers Ltd by AVAX SA <i>amounts in euro</i>	At the date of acquisition from AVAX SA	
	14.03.2019	
Total acquisition value	2.764.132	
Fair value	-9.043.030	
Goodwill (negative)	-6.278.898	

Goodwill amounting to 6.278.898 is included in Other income/expense account

44. Acquisition of "J&P Energy", Greece

In April 2019, the Company also acquired J&P Energy & Industrial Works SA ("J&P Energy"), based in Greece, from J&P (Overseas) Ltd, which is in the process of liquidation. The acquisition was concluded at a token price and is aimed at further enhancing the operations of AVAX Group's energy projects department, as J&P Energy boasts considerable expertise in producing technical studies for energy-related industrial works in international markets.

In June 2019 the Board of Directors of the Company and «J&P Energy & Industrial Works SA», the latter company being 100% subsidiary of the former, decided to commence their merger through the absorption of J&P Energy & Industrial Works SA by AVAX SA. The merger will be based on financial statements dated 31.12.2018.

The decision 126867 / 12.09.2019 of the Ministry of Development, registered on the same day in the General Commercial Companies Registry by Code Listing Number 2006198, approved the merger of Societe Anonyme "AVAX SA - -TOURISTIKI CONSTRUCTION - COMMERCIAL - INDUSTRIAL - CONSTRUCTION AND MATERIALS ENGINEERS "with G.E.M.I. 913601000 (I absorbed) and of "IOANNOU & PARASKEVAIDIS SOCIETE ANONYME OF CONSTRUCTION OF ENERGY AND INDUSTRIAL WORKS" with G.E.M.I. 3780301000 (Absorbed), with absorption of the second from the first, according to: a) the provisions of Law 4601/2019 of article 54 of L.4172 / 2013 and article 61 of L. 4438/2016, b) with date of drafting of the transformation balance sheet 31.12.2018 and c) according to the 06.06.2019 minutes of the BoD. of the companies according to the Plan of the Merger Agreement of the above companies dated 27.06.2019.

The effect of the above events on the total assets, liabilities and equity is analyzed as follows:

Total of assets J&P ENERGY	867.652
Total of liabilities J&P ENERGY	<u>(2.677.364)</u>
Equity of J&P ENERGY 31-12-2018 according to independent valuator	(1.809.712)

45. Important Events during 2019

Set up of AVAX Middle East Ltd, acquisition of companies in the Persian Gulf and subsequent agreement for the sale, resulting in accounting discontinuation of relevant activities

The Company set up AVAX Middle East Ltd (“AVAX ME”) in May 2019 in Cyprus, as part of its strategic decision to focus on mechanical, electrical and plumbing (MEP) works in Qatar, the United Arab Emirates and the broader Persian Gulf region. AVAX ME is a subsidiary of AVAX International Ltd, also based in Cyprus and 100% subsidiary of AVAX SA. In June 2019, AVAX ME acquired three companies from J&P (Overseas) Ltd, which was undergoing liquidation, more specifically it acquired 100% of Conspel Construction Specialist (Isle of Man) Limited, as well as 49% of J&P Qatar WLL and Abu Dhabi J&P LLC. All three companies are fully consolidated by AVAX ME due to effective management control, arising from a contractual agreement with other shareholders.

Expansion through AVAX ME was aimed at a geographic region with a steady flow of auctions for large-scale MEP projects, by means of instant acquisition of know-how, expertise and project backlog. Upon the acquisition, AVAX ME's consolidated accounts showed work-in-hand amounting to €361 million, total debt of €82 million and cash reserves amounting to €31 million. At the same time, AVAX Group became a majority partner in the Qatar Foundation Stadium Construction Joint Venture, up from 24%. The stadium was functionally complete in 2019, constituting a \$650million construction project of great importance to the country and the upcoming 2022 FIFA World Cup.

Towards the end of 2019, the Company took a business decision to discontinue its operations in Qatar and transfer those subsidiaries to the local partner, due to delays and even pause of payments by clients in Qatar. As of the date of issue of this Annual Report, the Company has reached an advanced stage of negotiations with the afore-mentioned interested buyer and expects to sign in the near-term the relevant agreement for the transfer of the companies operating in Qatar.

[see detailed report in section “I. Important Developments & Events past the Balance Sheet Date (31.12.2019) and up to the date of approval of this Report”]

Corporate Renaming

Shareholders at the 2nd Repeat Extraordinary General meeting on 27.03.2019 decided to rename the Company from J&P-AVAX SA to AVAX SA. The corporate renaming is part of the broader renewal of the Group's business profile, while also arising from the need to help the investment public, banks and the construction sector avoid any misconceptions arising from the liquidation of international contractors J&P (Overseas) Ltd and the split in the business activities of the Joannou and Paraskevaides families (who are among AVAX's main shareholders).

Administrative Changes

A. Board of Directors

The 2nd Repeat Extraordinary General shareholders meeting on 27.03.2019 elected a new Board of Directors for a three-year term ending 26.03.2022, which convened and appointed its members as follows:

1. Christos Joannou, Chairman (executive)
2. Konstantine Kouvaras, Deputy Chairman (executive)
3. Konstantine Lysarides, Vice Chairman & Director (executive)
4. Konstantine Mitzalis, Managing Director (executive)
5. Aikaterini Pistoli, Director (non executive)
6. Christos Siatis, Director (non executive-independent)
7. Alexios Sotirakopoulos, Director (non executive-independent)
8. Michael Hatzipavlou, Director (non executive-independent)

B. Project Bidding Committee

In March 2019, the Board of Directors introduced a three-member Project Bidding Committee, in line with the provisions of the Corporate Charter, article 87 of Law 4548/2018 and best practice principles and corporate governance rules. The new committee works towards the effective operation of the Company's institutional bodies and the application of all principles, technical and organizational measures and procedures adopted by the Company to comply with competition regulations. The Board of Directors granted the Project Bidding Committee all powers of administration and representation of the Company in relation with tenders for public contracts, and overall with bidding for public and private works, as specified in the Board decision. The Project Bidding Committee comprises the following Group officials:

1. Konstantine Lysarides, Vice Chairman & Executive Director
2. Athena Demetriou-Eliades, Group Financial Officer, and
3. Zoe Lysarides, Bidding Department Director

Revision of agreements for 4 joint ventures with J&P (Overseas) Ltd in Jordan and Qatar

An announcement was made on 11.10.2018 that international contractor J&P (Overseas) Limited, incorporated in Guernsey, filed for liquidation. The Company participated in four joint venture projects with

J&P (Overseas) Limited, more specifically three in Qatar and one in Jordan, for which it was necessary to review the respective contracts with the clients and banks involved in their financing. The Company made every effort to continue and complete these projects in the most technically perfect way, to ensure the Company's future presence in the construction market of the wider Arab world as well as its access to the local banking system.

More specifically, the status of each project is as follows:

1a. Roadworks in Qatar

In Qatar, the Company participated with J&P (Overseas) Ltd in two road works ("West Corridor P010" and "New Orbital Highway and Truck Route") as well as the construction of the "Qatar Foundation Stadium" sports complex (subsequently renamed into "Education City Stadium"). Those projects are linked to the overall upgrade of the country's infrastructure as part of its preparation for hosting the FIFA 2022 Football World Cup.

The contracts for the road works "West Corridor P010" and "New Orbital Highway and Truck Route" were signed with Ashghal (Qatari Public Works Authority) on 01.08.2013 and 22.01.2014, respectively, with a value of €101.3 million and €192.2 million value for the Company's 25% stake in both projects. The projects have been completed.

For both road works in Qatar, agreements were signed during 2019 with Ashghal, providing for the unilateral undertaking of the completion of the project by AVAX, according to the consortium contract, and the expulsion of J&P (Overseas) Ltd from the construction consortium. Upon signing the revised contracts, the client released the performance bonds held, and then partially called the outstanding letters of guarantee (issued with AVAX providing no guarantee whatsoever) to repay any legacy payments for suppliers appearing in the books.

1b. Qatar Foundation Stadium / Education City Stadium

The contract for the sports stadium was signed with state institution Qatar Foundation on 21.07.2016, representing a value of €133.7 million for our Company, corresponding to a 24% stake. Letters of guarantee for this project were issued by J&P (Overseas) Ltd, while our Company provided corporate guarantee to the lending bank up to the percentage of its participation (24%). Through AVAX Middle East Ltd, a 100% subsidiary of AVAX International Ltd, which in turn is a 100% subsidiary of parent company AVAX SA, the Group proceed to the acquisition of ConspeL "Qatar WLL" and "J&P Qattar WLL" which participated in the project, thus raising the Group's stake in the Joint venture to a majority level, up from AVAX SA's 24% direct participation. Through the consolidated accounts of AVAX Middle East, the entire amount of payables to the lender bank for working capital was recognized, while AVAX has not provided any guarantees towards the amount recognized in the accounts of AVAX Middle East. Following the acquisition by AVAX Group of J&P

(Overseas) Ltd subsidiaries participating in the project, the novation agreement was signed between all parties involved.

Works towards the project continued and were concluded by end-2019, as far as the sports complex is concerned. It should be noted that following the placement of J&P (Overseas) Ltd under liquidation, the construction joint venture in 2019 was awarded two additional contracts for the project, to erect a school building complex and assume maintenance of the entire sports and education facilities for a two-year period, worth around €62 million and €31 million, respectively. Works towards the school buildings up to 30.04.2020 registered a 37.3% completion rate. Nevertheless, in accordance with Note 25b of the 2019 Annual Financial Report titled “Discontinued operations and Disposal Group held-for-sale” and observing IFRS 5 “Non-current assets held for sale & discontinued operations”, the Group reports the assets and liabilities of AVAX ME’s subsidiaries (Conspel Qatar WLL and J&P Qatar WLL), and the Qatari branch as distinct units, while also reporting the financial result of discontinued operations separately in its consolidated financial accounts.

2. Jordan

The project concerns the upgrading of the baggage handling system at the international airport of Queen Alia in the capital city of Amman, which is effectively an extension of an earlier contract signed with the government of the country for the construction of the state-of-the-art airport. The contract was signed on 12.04.2018 representing a value of €24.8 million for our Company, corresponding to a 50% stake. Following J&P (Overseas) Ltd’s liquidation, AVAX SA agreed to assume the continuation of the project and purchase used assets of J&P Overseas Ltd (office space and limited mechanical equipment exclusively employed in the project), according to the appraisal conducted by specialists on behalf of AVAX and the liquidator of J&P (Overseas) Ltd).

Signing of the novation agreement between the liquidators, banks and the lending bank of the concessionaire was delayed in 2019 because of the requirement to secure the consent of ARAB Bank, which had issued the letters of guarantee for the initial project contract using J&P (Overseas) Ltd credit limits with no guarantees provided by AVAX. The project has been completed and is going through its defect liability period, with responsibility assumed by AVAX which is also working on the extension project. Performance bonds are not expected to be called, and ARAB Bank is not at risk of any losses from the project.

The issue causing the delay in the deal is linked to the cession of J&P (Overseas) Ltd's share in revenue to ARAB Bank. Nevertheless, the final agreement on the provision of consent by ARAB Bank has been reached. However, the liquidators asked for the Novation Agreement to be signed by the Project Owner, who announced that he had not received approval from the lenders of the concession project. Therefore, the Novation Agreement has not been signed but the project is being carried out normally and we are receiving payments from the client as expected.

Bank guarantees for advance payments and performance, of current total value of €12.4 million, have been issued solely by our Company, while the €9.3 million guarantee for the advance payment has been returned. The execution of the project continues normally. With a reference date of 31.12.2019, projects execution rate stood at 83%.

Acquisition of Businesses in Libya and Greece

In April 2019, the Company acquired PSM Suppliers Ltd ("PSM") based in Channel Islands from "Overseas Holdings Limited" (OHL), which belongs to the J&P (Overseas) Ltd group, placed under liquidation since October 2018. PSM's shares were transferred along with all rights and obligations related in particular to the continuation of two separate contracts for an energy project in Libya's Faregh oil deposit, the client being WAHA Oil Company of Libya. It is noted that the project is under testing & commissioning of mechanical equipment from Siemens, a subcontractor of PSM. With this transaction, the Company sought:

- to acquire PSM's experience and project record, thereby improving its bidding capacity for similar energy projects in international markets
- to collect in the near-term the funds withheld to guarantee the performance of the two projects, which exceed the agreed acquisition price.

In April 2019, the Company also acquired J&P Energy & Industrial Works SA ("J&P Energy"), based in Greece, from J&P (Overseas) Ltd, which is in the process of liquidation. The acquisition was concluded at a token price and was aimed at further enhancing the operations of AVAX Group's energy projects department, as J&P Energy boasts considerable expertise in producing technical studies for energy-related industrial works in international markets. The Company fully absorbed J&P Energy during 2019.

Collaboration of subsidiary Volterra with PPC to develop wind parks totalling 69.7 MW

Volterra, 100% subsidiary of AVAX Group, signed a deal with PPC to jointly develop and operate wind parks with total capacity of 69.7MW. Specifically, PPC acquired 45% of the share capital of two Volterra SPVs, the first of which owns two wind parks of 16MW total capacity in Etoloakarnania region which are already operational at a FiP of €98/MWh, and the second which owns two wind parks under construction in Viotia region, one with capacity 42.9MW with a FiP of €98/MWh, and the other with a 10.8MW capacity with a FiP of €56.45/MWh.

Appointment of Internal Auditor

The Board of Directors of the Company appointed Mr Anastasios Tsakanikas as new Internal Auditor, replacing Mr John Papadopoulos who resigned, starting on 01.08.2019. Subsequently, the Board decided on 11.11.2019 to appoint Mr George Koliopoulos as new Internal Auditor, to replace Mr Tsakanikas who assumed the position of Management Consultant in the Group. The Internal Auditing unit was strengthened in January 2020 with the addition of Mrs Claire Voyatzis, to improve auditing capacity Group-wide.

Sale of Attica Schools PPP

The Company signed on 01.10.2019 a contract with Swedish Group “Sterner Stenhus” for the sale of the PPP of 10 Schools in Attica, along with the outstanding balance of two different tranches of subordinated debt issued by the Company. The Project was a €52.6 million total investment and included the construction of the buildings, completed a few years ago, and their maintenance and facility management for a 25-year period for an annual rent paid by the Greek State. The remaining lease period is 22 years. The school facilities serve more than 2,000 students in the municipalities of Athens, Heraklion, Oropos and Megara in the Attica prefecture. The project was co-financed by the Company’s own funds and a long-term loan of €33.4 million from the European Investment Bank (EIB) and the European Union’s Jessica program.

Addition of new project:

The most important projects signed by the Company in 2019 include:

1. contract for the design, financing, construction, maintenance and operation on a PPP basis (Public-Private Partnership) of a Waste Management Plant in the Ilia Prefecture of Western Greece, in a consortium with Mesogeios SA and AAGIS SA. The investment amounts to €39.5 million and the project aims to effectively manage urban solid waste produced in the prefecture, with a maximum capacity of 80,000 tons per annum. The waste management plant will be located in a rural area between the municipalities of Pyrgos and Ilida. The construction period is 22 months, including 4 months of pilot operation, to be followed by an operation term of 25 years and 2 months. The private entity of the public & private sector partnership, assumes, among others, the following obligations: a) construction, operation and maintenance of the waste management unit, b) financing of the project with own equity, debt and a financial participation by Ilida municipality, c) commercial use of by-products (recycled material, biogas-energy, compost, etc), d) transportation of residual waste to sanitary landfills.
2. construction of the “City of Dreams Mediterranean” integrated casino resort in Limassol, Cyprus, in a joint venture with GEK TERNA Group, for China’s “ICR CYPRUS RESORT DEVELOPMENT CO LIMITED”. The joint venture is comprised of J&P-AVAX SA (60%) and TERNA SA (40%). The contract, worth around €270 million with a 30-month deadline, pertains to the construction of an integrated casino resort with approximately 96,000 m2 building construction area on a 37 hectare site. The resort will include a casino, restaurants, retail and commercial area, spa, a 16-storey hotel tower with approximately 500 guest rooms, expo building, sizeable sports facilities with indoor and outdoor pools, and a an assortment of other main and auxiliary areas and facilities, as well as expansive landscaped areas.
3. contract titled “Engineering, procurement of materials and construction of the interconnecting pipeline between Greece and Bulgaria (IGB), worth €145 million, with ICGB. It is a complex project of top importance, as the IGB pipeline will connect the existing natural gas national grid in Komotini in northern Greece and the Greek section of the Trans Adriatic Pipeline (TAP) with the existing natural gas network near the Bulgarian city of Stara Zagora. The project has an 18-month term.

4. engineering & construction of a new power station in Bismayah, Iraq with an output of 1,650MW, worth €533 million, constituting the largest energy project ever to be won by a Greek company in international markets. The project, which carries a 32-month deadline, was awarded by Mass Global Holdings, who are in the process of taking delivery by the Company of the engineering & construction of a similar 1,500MW in the same suburb of Baghdad.
5. construction of the Ston Bypass (DC414) motorway, more specifically the Sparagovci/Zaradeze-Prapratno and Prapratno-Doli sections, with a total budget of €68.8 million and a 28-month term. The project is located on the west coast of Croatia and includes the construction of an 18km-long national motorway section. The project is assigned great importance by Croatia, offering access to the Pljesac bridge which is under construction, connecting the Dubrovnik area with the rest of Croatia, with no need to cross through Bosnia-Herzegovina.

Renewal of Market Making Agreement on Company shares

The Company renewed on 14.12.2019 for a further annual period its agreement with Eurobank Equities to act as market maker on Company shares, to boost their market liquidity.

46. Important Developments & Events past the Balance Sheet Date (31.12.2019) and up to the date of approval of this Report

Share Capital Increase amounting to €20 million

The Repeat Extraordinary General Meeting of Company shareholders held on 26.09.2019 decided a share capital increase amounting to €20 million through a rights issue for all shareholders, at an issue price of €0.30 per share for a total of 66,666,666 new ordinary shares at a ratio of approximately 0.885849971 new shares for each existing share. The Capital Markets Commission approved on 20.01.2020 the relevant Information Memorandum and the exercise of preemptive rights took place between 27.01.2020 and 10.02.2020. By decision of the Board of Directors of the Company, unallocated shares were distributed to main shareholders, resulting in a 100% coverage ratio of the share capital increase.

Following the audited certification of the payment of funds on 12.02.2020, the nominal share capital of the Company now amounts to €43,296,455, divided into 144,321,516 common registered shares with a nominal value of €0.30 each, while the total paid-up share capital amounts to €189,948,126 (nominal capital €43,296,455 + share premium capital reserve €146,651,671).

It is noted that some shareholders had prepaid amounts against the capital increase, amounting to €16,349,601 on 31.12.2019, which were classified as short-term liabilities on this date. When calculating the indices on the financial statements of 31.12.2019, we take into account for the calculation of the paid-up share capital the above amount that was deposited on 31.12.2019, and thus amounts to €186,297,727 (nominal capital €39,646,056 + share premium capital reserve €146,651,671).

According to the following table, total shareholder funds in the Group's consolidated balance sheet exceeds 50% of paid-up share capital:

A	Nominal Share capital	23,296,455.0
	Share Premium Capital Reserve	<u>146,651,671.0</u>
	Total	169,948,126.0
	Plus: funds deposited until 31.12.2019 towards the rights issue, which was concluded on 10.02.2020	<u>16,349,601.0</u>
	Total Paid Up Capital	<u>186,297,727.0</u>
	50%	<u>93,148,863.5</u>
B	Total Shareholder Funds, Consolidated Accounts 31.12.2019	78,259,042.0
	Plus: deposits towards capital increase	<u>78,349,601.0</u>
		94,608,643.0

External auditors will issue the Compliance Certificate immediately following the publication of the 31.12.2019 Financial Report, making reference to this matter but having already secured their unqualified opinion.

Significant changes in voting rights following the completion of the share capital increase

Upon completion of the Company's €20 million share capital increase in February 2020, the following changes in voting rights have taken place:

1. The percentage of voting rights of Joannou & Paraskevaides (Investments) Limited fell from 44.18% to 23.77% as it did not exercise its rights, reducing its stake to 34,310,000 common registered voting shares of the Company
2. The percentage of voting rights of JCGH Limited, which as per Law 3556/2007 is controlled by "Stejo Limited", which in turn is controlled by "CSME Holdings Limited", also in turn controlled by «CDSJ Holdings Limited» which is controlled by Mr Christos Joannou, Chairman of the Company's Board of Directors, increased from 3.40% to 19.82% as JCGH Limited fully exercised its rights and was allocated part of the unexercised rights, increasing its stake to 28,600,000 common registered voting shares of the Company
3. The percentage of voting rights of Mr Konstantine Mitzalis, Managing Director of the Company, increased from 13.93% to 16.31% as he fully exercised his rights and was allocated part of the unexercised rights, increasing his stake to 23,537,570 common registered voting shares of the Company, while no change was recorded in the 0.84% shareholding of the Joint Investor Account he participates in, which currently holds 1,219,175 common registered voting shares of the Company
4. The percentage of voting rights of Savetrans Holdings Limited, which is fully controlled by Mr Konstantine Kouvaras, Alternate Chairman of the Company's Board of Directors, as per Law 3556/2007, increased from 5.97% to 7.83% as it fully exercised its rights and was allocated part of the unexercised rights, increasing its stake to 11,298,955 common registered voting shares of the Company.

Developments around a long legal dispute with a foreign company

Regarding the arbitration case for a project in Greece, a decision was issued on 30.03.2020 of the Arbitration Court (international) against the Company, and concerns the amount of €5.5 million, plus interest of €8.8 million, plus arbitration costs and legal expenses amounting to €4.5 million. The outcome of the case is considered uncertain at this stage, as it is pending before the international Arbitration Court, a lawsuit for annulment of a previous partial Decision on which the Final Judgment of the international Arbitration Court was based.

Also on 07.05.2020, an application for annulment of the Final Decision was submitted before the Court of Appeal (Abroad). On 02.04.2020, the defendant demanded the forfeiture of two letters of guarantee amounting to €2.9 million, which he had in his possession and the Company requested the exercise of precautionary measures (Athens Court of First Instance). The case will be heard on 30.06.2020. Despite the fact that there are well-founded arguments that could potentially prevent the guarantees from falling, the

Company proceeded to recognize a provision in the financial statements of 2019 for the value of the guarantees, ie € 2.9 million, because these guarantees are instantly callable.

Transfer of subsidiaries operating in Qatar

Around mid-2019, through newly set-up AVAX Middle East Ltd (“AVAX ME”) in Cyprus, AVAX Group acquired three companies from J&P (Overseas) Ltd, undergoing liquidation, which were active in mechanical, electrical and plumbing (MEP) works in Qatar, the United Arab Emirates and the broader Persian Gulf region. All three companies were fully consolidated by AVAX ME due to effective management control, arising from a contractual agreement with other shareholders. The rationale behind the acquisition was the vibrance of the construction sector in the area, with a steady flow of auctions for large-scale MEP projects, as well as the acquisition of know-how, expertise and project backlog. Upon the acquisition, AVAX ME's consolidated accounts showed work-in-hand amounting to €361 million, total debt of €82 million and cash reserves amounting to €31 million. At the same time, AVAX Group became a majority partner in the Qatar Foundation Stadium Construction Joint Venture, up from 24%. The stadium was functionally complete in 2019, constituting a \$650million construction project of great importance to the country and the upcoming 2022 FIFA World Cup.

Nevertheless, the liquidation of J&P (Overseas) Ltd changed the way some clients did business with the AVAX Group. Coupled with the increased geopolitical and business risk of these subcontracts, the low leverage of a small subcontractor such as ConspeL against clients and contractors with strong political and business power, as well as the delays in the process of acquiring J&P's subsidiaries by the Company, gave rise to increased uncertainty regarding the financial performance of the Group in the area. It is noted that the ability of the company ConspeL to add new projects in the area also depended on its ability to access local banks to ensure the necessary financial limits for working capital and the issuance of letters of guarantee & LCs for the execution of projects.

The ultimate result was delays and payments from two projects totaling about \$140 million. More specifically, in the “Msheireb Downtown Doha” project, ConspeL Qatar WLL was contemplating legal action to collect a \$30 million receivable amount, while in the “Doha Oasis” project the company was in negotiations with the customer and the main contractor (whose ConspeL Qatar WLL is a subcontractor) to settle the claim amounting to approximately \$ 110 million. As mentioned in the Information Memorandum approved by the Hellenic Capital Market Commission on 20.01.2020 for the Company's share capital increase, this inability to collect temporarily stressed the liquidity of ConspeL Qatar WLL, which was contemplating its options since the end of 2019.

Those options included negotiations with local partner Fahad Trading W.L.L. (which owned 51%), for the full acquisition of these companies.

Eventually, due to the continuous deterioration of cash liquidity, the Company proceeded with this solution, ie decided to sell these companies to the local partner, who after drafting the contract of sale, proceeded to take over the administration and management of these companies and their projects, including the “Qatar

Foundation Stadium” project, in which these companies participate by 76% while AVAX controls 24% through its Qatari branch.

Therefore, the Financial Statements of 31.12.2019, according to IFRS 5, classified the operations of the subsidiaries of AVAX ME, namely Conspel Qatar WLL and J&P Qatar WLL as “Discontinued Operations” in the consolidated Financial Statements of AVAX ME on 31.12.2019, and consequently in the consolidated Financial Statements of the Company, taking into account the draft sale contract which has been drafted (but has not yet been signed) with the local partner Fahad Trading WLL, which owns 51% of “Conspel Qatar WLL” and “J&P Qatar W.L.L.”, concerning the sale of the 49% stake currently held by AVAX SA in those companies to Fahad Trading WLL or a third party of their choice.

According to IFRS 5, the assets of the discontinued operations include Goodwill amounting to €117.8 million. More specifically, according to the draft sale contract (payment of compensation totaling €29.4 million), the total fair value of the assets held for sale of the discontinued operation was determined, and a €22.9 million impairment was recognized. Upon completion of the transaction, the financial outcome for AVAX ME will be finalized according to the final agreement.

IFRS 5 provides a 12-month period to complete the sale.

AVAX Group, applying IFRS 5 "Non-current assets held for sale and Discontinued Operations", reports the assets and liabilities of AVAX ME's subsidiaries (Conspel Qatar WLL and J&P Qatar WLL), and the Qatari branch as distinct units, while also reporting the financial result of discontinued operations separately in its consolidated financial accounts.

Construction Activity Restriction due to covid-19 pandemic

In early March 2020, the Greek state took a series of restrictive measures both for professional activities and citizens' travel, to inhibit the pandemic spread of coronavirus covid-19 and ensure the country's public health. The consequences of these measures, which have been gradually started to be lifted since early May 2020, are expected to be significant and long-term on our country's economy, as they have effectively suspended the most important economic activities, such as tourism and construction. The extent of the economic downturn at national economy level, and especially for AVAX Group, cannot yet be accurately calculated as the pandemic is in progress, with an increased probability of a new wave of virus transmission due to tourism and the reactivation of many sectors of the economy. In any case, a significant loss of turnover of a few tens of millions of euros should be expected for the Group this year, due to the suspension not only of the implementation of projects, but also the upset of the planning for auction of new projects. Losses in total activity in 2020 are expected to be recuperated in 2021 due to the transfer of works to a later date.

[see section “B. Main Risks & Uncertainties for 2020” ➔ 2. Risks and Uncertainties ➔ a. Covid-19 corona pandemic »for more details]

Termination of contract in a port project in Iraq

The Basrah Gas consortium, which includes South Gas Company of Iraq, Shell Gas Iraq BV and Mitsubishi, with which the Company had signed a contract worth about € 69 million for marine works and upgrading of the port's technical equipment at Umm Qasr in Iraq, informed the Company in March 2020 of the termination of the project. The Company had carried out cumulative works of €27.3 million with a reference date of 31.12.2019. The Company has already brought the case before the international arbitration body DIFC-LCIA to resolve the dispute with Basrah Gas.

Annual extension of the contract for the Psytalia Isle Wastewater Treatment Plant

In March 2020, the Athens Water Utility (EYDAP) granted an annual extension of the contract for the operation and maintenance of the Psytalia Isle Wastewater Treatment Plant. The previous contract, awarded to a consortium in which the Company participates by 30%, expired on 30.03.2020. A new tender was carried out for a 5-year period and the decision on its final result is pending. It is pointed out that the consortium in which our Company is a member participates in the tender of EYDAP for the operation and maintenance of Psytalia Isle Wastewater Treatment Plant for the next 5 years.

Completion of an agreement for the sale of two offices of AVAX SA in Maroussi

The Company signed on 29.05.2020 an agreement for the sale of two separate buildings in Maroussi, at 16 and 29 Maroussi-Chalandri Street, with a total area of 25,597 sq.m. which house the Company's central services and administration offices, for a total price of €34,000,000. Buyer of the properties is Trastor AEEAP while the Company will remain their user under a long-term lease agreement. The transaction was made in the context of the strategy of divestment from non-core operating activities, is expected to improve the structure of the Company's balance sheet and is not expected to have a significant impact on the financial results of 2020.

47. Contingent Receivables and Liabilities

(a) Litigation against the Group is proceeding for labour accidents which took place during construction works by companies or joint ventures which the Group participates in. Given that the Group is insured against labour accidents, no significant impact from contingent adverse legal decisions is expected. Other litigation or arbitration cases, as well as pending court or arbitration decisions are expected to have a significant impact on the financial status or operation of the Group or the Company. As of 31.12.2019 total provisions have been made of 7,56 million euros .(note 30)

(b) Regarding a case of arbitration for a project in Greece, a decision was issued on 30/3/2020 of the Arbitration Court (abroad) against the company, and concerns the amount of € 5.5 million, plus interest of € 8.8 million.plus extra € 4.5m for arbitration costs and lawyers.

The outcome of the case is considered uncertain at this stage, as it is pending before the Arbitration Court a lawsuit for annulment of a previous partial Decision, on which the Final Judgment of the Arbitration Court abroad was based.

Also on 7/5/2020, an application for annulment of the Final Decision was submitted before the Court of Appeal.

On 2/4/2020, the defendant demanded the forfeiture of two letters of guarantee amounting to € 2.9 million, which he had in his possession and the company requested the exercise of precautionary measures (Athens Court of First Instance). The case will be heard on 6/30/2020. Despite the fact that there are well-founded arguments that could potentially prevent the guarantees from falling, because these guarantees are in the first place, the company recognized a provision in the financial statements of 2019 for the amount of guarantees, ie € 2.9 million.

(c) A note (C1) on tax auditing is included in the annual financial account.

(d) The Group has contingent liabilities in relation to banks, guarantees and other issues arising from its ordinary operations, which are not expected to yield any negative impact.

(e) The growth of the economy was halted in the first half of 2020 due to the Covid-19 Pandemic. According to OECD estimates, the global growth rate will decrease by up to 7.6%, which also affects the Greek economy. As the restrictive measures taken by the Greek government and the governments of other states to reduce the spread of the Covid-19 virus have affected economic activity, 2020 is therefore expected to be a special year for the Greek economy. with implications for the Group's activities.

Given the conditions so far, the Group in the first half of 2020 has been affected in terms of the ability to carry out existing projects (additional rules of hygiene and staff safety, problems in the supply chain).

In Concessions, the restriction of travel also led to a decrease in revenues such as toll revenues from Attiki Odos (where a reduction in traffic by 25% cumulatively from the beginning of the year until today was counted).

In the construction sector, there are some delays in the projects under construction, while at the same time there are delays in the tender procedures for the assignment of new projects.

In the ongoing projects abroad, there was a decrease in work because in the countries where the Group operates, the closure of the borders led to: a) a temporary cessation of work and partial repatriation of staff as in the case of the project in Iraq, b) delays in work such as in the case of projects in Croatia, Bulgaria and Jordan, where part of the staff was repatriated, while security personnel and responsible Engineers remained in charge of overseeing the work of local subcontractors, c) in closing of construction sites for two months in Cyprus with effects mainly on the projects of Casino, Marina Limassol and in other smaller ones, d) in delays in the submission of tenders for projects abroad (eg Cyprus).

In the energy sector (electricity trade), although the effects of the pandemic on the turnover cannot be quantified yet, a reduction in the turnover due to the closure of commercial use areas is expected. Also in the wholesale sector (import-export), there was a decrease due to market volatility and the significant effects of covid-19 in Italy where the largest volume of transactions takes place. Finally, there is an increase in delays / time of payment by customers due to the reduced income brought about by the measures to combat the Pandemic.

The effect of the company's temporarily reduced turnover result in a reduction in the relative gross profit margin, as this is burdened by the payrolls of construction sites and the fees of mechanical construction sites that the company continues to pay during the restrictive period as it does not fire.

The real estate sector was also negatively affected, mainly due to geographical constraints but also by a 40% reduction in rents for four months (April-July 2020), with an estimated total loss of net inflows of € 500 thousand.

AVAX Group, with a sense of responsibility, monitors the developments in order to respond appropriately at all levels to ensure the health of its employees and its smooth business operation and especially in terms of cash flows and contractual obligations from the execution of projects.

To ensure the health of the employees of the Group, the remote work was adopted and no suspension of employment contracts was carried out except in a very small area.

In this context, the Management of the Group evaluates the relevant risks in order to minimize the effects of the Pandemic on the operational activities and performance of the Group. At the same time the management has developed a plan to manage existing and future liquidity in order to service the Group's obligations. It has also developed alternative solutions and scenarios, along with existing ones, such as obtaining new funding and restructuring the use of existing assets.

As the economic impact on the global economy and on individual sectors and activities by COVID-19 continues, it is objectively impossible to fully assess at this stage. In any case, this health event does not create uncertainty about the continuation of the activity of the Group and the company and for this reason the financial statements have been drawn up on the basis of the ongoing activity (going concern).

Furthermore, the lifting of restrictive measures as activities gradually return to pre-Covid levels and the announcement by the Greek Government to increase public investment in measures to recover from the effects of the Covid-19 pandemic will provide opportunities for the Group and specifically in the field of infrastructure where it operates.

48. Approval of Financial Statements

The above Annual Financial Statements both for the Group and the Parent Company for fiscal year 2019, have been approved by the Board of Directors on 29th of June, 2020.

Chairman &
Executive Director

Deputy Chairman &
Executive Director

Managing Director

Group CFO

Chief Accountant

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