

Superlube Limited

FINANCIAL STATEMENTS
Year ended 31 December 2020

Superlube Limited

FINANCIAL STATEMENTS Year ended 31 December 2020

CONTENTS	PAGE
Board of Directors and other officers	1
Independent auditor's report	2 - 3
Statement of comprehensive income	4
Statement of financial position	5
Statement of changes in equity	6
Cash flow statement	7
Notes to the financial statements	8 - 19
Additional information to the statement of comprehensive income	2 - 3

Superlube Limited

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors

Aspasia Dimea
Georgios Gregoras
Andreas Stratis
Christina Tzitzimbourouni
Christos Pantechis

Company Secretary

Maria Patsalidou

Independent Auditors

Ernst & Young Cyprus Limited
Certified Public Accountants and Registered Auditors
Jean Nouvel Tower
6 Stasinou Avenue
PO Box 21656
1511 Nicosia, Cyprus

Registered office

3 Ellispontou Street
Strovolos, Nicosia
2015
Cyprus

Registration number

HE30797

Independent Auditor's Report

To the Members of Superlube Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Superlube Limited (the "Company"), which are presented in pages 4 to 19 and comprise the statement of financial position as at 31 December 2020, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the additional information to the statement of comprehensive income in pages 2 to 3, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the Board of Directors for the Financial Statements (continued)

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

We communicate with the Board of Directors 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.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

Gabriel Onisiforou
Certified Public Accountant and Registered Auditor
for and on behalf of

Ernst & Young Cyprus Limited
Certified Public Accountants and Registered Auditors

Nicosia, 2021

Superlube Limited

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2020

	Note	2020 €	2019 €
Revenue	8	48.466	53.343
Cost of sales	9	<u>(52.764)</u>	<u>(51.480)</u>
Gross (loss)/profit		(4.298)	1.863
Administration expenses	9	<u>(5.881)</u>	<u>(6.576)</u>
Loss before tax		(10.179)	(4.713)
Tax	10	<u>-</u>	<u>(421)</u>
Net loss for the year		(10.179)	(5.134)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>(10.179)</u>	<u>(5.134)</u>

The notes on pages 8 to 19 form an integral part of these financial statements.

Superlube Limited

STATEMENT OF FINANCIAL POSITION 31 December 2020

	Note	2020 €	2019 €
ASSETS			
Non-current assets			
Property, plant and equipment	11	-	-
Current assets			
Trade and other receivables	12	33.041	29.248
Cash at bank	13	124.912	135.906
		<u>157.953</u>	<u>165.154</u>
Total assets		<u>157.953</u>	<u>165.154</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	14	50.000	50.000
Retained earnings		96.273	106.452
		<u>146.273</u>	<u>156.452</u>
Total equity		<u>146.273</u>	<u>156.452</u>
Current liabilities			
Other payables	15	11.680	7.461
Current tax liabilities		-	1.241
		<u>11.680</u>	<u>8.702</u>
Total equity and liabilities		<u>157.953</u>	<u>165.154</u>

On 2021 the Board of Directors of Superlube Limited authorised these financial statements for issue.

.....
Georgios Gregoras
Director

.....
Andreas Stratis
Director

The notes on pages 8 to 19 form an integral part of these financial statements.

Superlube Limited

STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2020

	Share capital €	Retained earnings €	Total €
Balance at 1 January 2019	50.000	111.586	161.586
Comprehensive income			
Net loss for the year	-	(5.134)	(5.134)
Balance at 31 December 2019/ 1 January 2020	50.000	106.452	156.452
Comprehensive income			
Net loss for the year	-	(10.179)	(10.179)
Balance at 31 December 2020	50.000	96.273	146.273

Companies, which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, within two years after the end of the relevant tax year, will be deemed to have distributed this amount as dividend on the 31 of December of the second year. The amount of the deemed dividend distribution is reduced by any actual dividend already distributed by 31 of December of the second year for the year the profits relate.

The Company pays special defence contribution on behalf of the shareholders over the amount of the deemed dividend distribution at a rate of 17% (applicable since 2014) when the entitled shareholders are natural persons tax residents of Cyprus and have their domicile in Cyprus. In addition, from 2019 (deemed dividend distribution of year 2017 profits), the Company pays on behalf of the shareholders General Healthcare System (GHS) contribution at a rate of 2.65% (31 December 2019: 1.70%), when the entitled shareholders are natural persons tax residents of Cyprus, regardless of their domicile.

The notes on pages 8 to 19 form an integral part of these financial statements.

Superlube Limited

CASH FLOW STATEMENT

Year ended 31 December 2020

	Note	2020 €	2019 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		<u>(10.179)</u>	(4.713)
		(10.179)	(4.713)
Changes in working capital:			
(Increase)/decrease in Trade and other receivables		(3.793)	9.616
Increase/(Decrease) in Other payables		<u>4.219</u>	(2.360)
		(9.753)	2.543
Cash (used in)/generated from operations		<u>(1.241)</u>	(421)
Tax paid		(10.994)	2.122
Net cash (used in)/generated from operating activities		<u>(10.994)</u>	2.122
CASH FLOWS FROM INVESTING ACTIVITIES		<u>-</u>	-
CASH FLOWS FROM FINANCING ACTIVITIES		<u>-</u>	-
Net (decrease)/increase in cash and cash equivalents		(10.994)	2.122
Cash and cash equivalents at beginning of the year		<u>135.906</u>	133.784
Cash and cash equivalents at end of the year	13	<u>124.912</u>	<u>135.906</u>

The notes on pages 8 to 19 form an integral part of these financial statements.

Superlube Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

1. Corporate information

Country of incorporation

Superlube Limited (the "Company") was incorporated in Cyprus on 14 November 1987 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 3 Ellispontou Street, Strovolos, Nicosia, 2015, Cyprus.

Principal activities

On 18 February 2016 the Board of Directors approved the termination of the production activities of the Company and the redundancy of its personnel by April 2016. On 19 June 2018 a memorandum of understanding (MOU) was signed by the Government and the oil entities, reaching a consensus for the relocation of Fuels from Larnaca to Vasiliko. The Company continued earning fees for the usage of the pipeline and tank rentals until September 2020. After that, the Company entered into a dormant status and the directors and shareholders are currently contemplating its future plans. There is currently no intention to liquidate the company and thus the financial statements continue to be prepared under the going concern basis of accounting.

Operating Environment of the Company

With the recent and rapid development of the Coronavirus disease (COVID-19) pandemic the world economy entered a period of unprecedented health care crisis that has caused considerable global disruption in business activities and everyday life.

Many countries have adopted extraordinary and economically costly containment measures. Certain countries have required companies to limit or even suspend normal business operations. Governments have implemented restrictions on travelling as well as strict quarantine measures throughout the year.

Industries such as tourism, hospitality and entertainment have been directly disrupted significantly by these measures. Other industries, such as manufacturing and financial services, have also been indirectly affected.

In Cyprus, on 15 March 2020, the Council of Ministers in an extraordinary meeting, announced that Cyprus is entering a state of emergency considering the uncertain situation as was unfold daily, the growing spread of COVID-19 outbreak and the World Health Organization's data on the situation.

To this end, certain measures have been taken by the Republic of Cyprus since then with a view to safeguarding public health and ensuring the economic survival of working people, businesses, vulnerable groups and the economy at large.

New entry regulations have been applied with regards to protecting the population from a further spread of the disease which tightened the entry of individuals to the Republic of Cyprus within the year. Additionally, a considerable number of private businesses operating in various sectors of the economy closed for a period of time while a number of lockdown measures, such as the prohibition of unnecessary movements and the suspension of operations of retail companies (subject to certain exemptions), were applied throughout the year. The measures were continuously revised (lifted or tightened) by the Republic of Cyprus during the year taking into consideration the epidemic status in the country.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty though, due to the pace at which the outbreak expands and the high level of uncertainties arising from the inability to reliably predict the outcome. Management's current expectations and estimates could differ from actual result.

Management has considered the unique circumstances and the risk exposures of the Company and has concluded that there is no significant impact in the Company's financial position and performance. The Company is not dependent on external financing, hence its ability to continue as a going concern is not considered at stake. Management will continue to monitor the situation closely and will assess any potential further impact on the Company's financial position and performance, in case the period of disruption becomes prolonged.

Superlube Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 7.

3. Adoption of new or revised standards and interpretations

As from 1 January 2020, the Company adopted all the following IFRSs and International Accounting Standards (IAS), which are relevant to its operations. The adoption of these Standards did not have a material effect on the financial statements.

4. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

Revenue from contracts with customers

Revenue comprises the fair value of the sale of goods and services, net of value added tax and discounts. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Control over goods sold and services rendered is transferred to the customer upon delivery of the respective products or service respectively. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The Company assesses whether it acts as principal or agent in its revenue arrangements. The Company has concluded that in all sales transactions it acts as principal.

Revenue is recognized as follows:

- **Provision of services**

For sales of services, revenue is recognised in the accounting period in which the services are rendered, as the customer obtains control over the promised services, by reference to stage of completion of each specific performance obligation and assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Interest Income

Interest income is recognised on a time-proportion basis using the effective interest method. When a loan or receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

Superlube Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

4. Summary of significant accounting policies (continued)

Foreign currency translation

(1) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Euro (€), which is the Company's functional and presentation currency.

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Tax

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on the straight-line method so as to write off the cost of each asset to its residual value over its estimated useful life. The annual depreciation rates used are as follows:

	%
Plant and machinery	10
Leashold improvements	10
Furniture and fixtures	10
Computer equipment	10-20

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

Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount.

Expenditure for repairs and maintenance of property, plant and equipment is charged to profit or loss of the year in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Superlube Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

4. Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets - Classification (continued)

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Derivatives are also categorised as 'held for trading' unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the end of the reporting period, otherwise they are classified as non-current. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

(b) Financial assets at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met: a) the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

(c) Financial assets at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Superlube Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

4. Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets - Classification (continued)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Trade receivables are also subject to the impairment requirements of IFRS 9. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. See Note 6 Credit risk section.

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and at bank deposits.

Other payables

Other payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Superlube Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

4. Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets - Classification (continued)

Financial assets - Classification (continued)

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

Share capital

Ordinary shares are classified as equity.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

5. New accounting pronouncements

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2020.

Standards issued but not yet effective

Up to the date of approval of the financial statements, certain new standards, interpretations and amendments to existing standards have been published that are not yet effective for the current reporting period and which the Company has not early adopted, as follows:

(i) Issued by the IASB and adopted by the European Union

- *Amendment to IFRS 3 Business Combinations (issued on 22 October 2018) (effective for annual periods beginning on or after 1 January 2020)*
- *Amendments to IFRS 9, IAS 39 and IFRS17: Interest Rate Benchmark Reform Phase 1 (issued on 26 September 2019) (effective for annual periods beginning on or after 1 January 2020).*
- *Amendments to IFRS 16 Leases Covid 19 Related Rent Concessions (issued on 28 May 2020) (effective for annual periods beginning on or after 1 June 2020).*
- *IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes, in Accounting Estimates and Errors: Definition of "material" (Amendments)*

(ii) Issued by the IASB but not yet adopted by the European Union

- *Interest Rate Benchmark Reform Phase 2 IFRS 9, IAS 39, IFRS17, IFRS 4, IFRS 16 (Amendments)*

Superlube Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

5. New accounting pronouncements (continued)

(ii) Issued by the IASB but not yet adopted by the European Union (continued)

- *Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non current (issued on 23 January 2020) (effective for annual periods beginning on or after 1 January 2022).*
- *Amendments to IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets; Annual Improvements 2018 2020 (All issued 14 May 2020) (effective for annual periods beginning on or after 1 January 2022).*

The Board of Directors expects that the adoption of these standards in the future periods will not have a material effect on the financial statements of the Company.

6. Financial risk management objectives and policies

Financial risk factors

The Company is exposed to credit risk, liquidity risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

6.1 Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures, including outstanding receivables mainly from related companies.

6.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities.

The table below summarises the maturity profile of the Company's financial liabilities at the reporting date based on contractual undiscounted payments. Balances due within 12 months, equal their carrying balances as the impact of discounting is not significant.

31 December 2020

	Less than 1 year €
Other payables	11.680
	<u>11.680</u>

31 December 2019

	Less than 1 year €
Other payables	7.461
	<u>7.461</u>

6.3 Capital risk management

Capital includes equity shares.

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

Fair values

The fair values of the Company's financial assets and liabilities approximate their carrying amounts at the reporting date.

Superlube Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

7. Critical accounting estimates, judgments and assumptions

The preparation of the Company's financial statements requires Management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgments

In the process of applying the Company's accounting policies, Management has made the following judgments, apart from those involving estimations, which had the most significant effect on the amounts recognised in the financial statements:

- **Income taxes**

Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. 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.

8. Revenue

Sales of services (Note 16.1)	€	€
	<u>48.466</u>	53.343
	<u>48.466</u>	<u>53.343</u>

9. Expenses by nature

	2020	2019
	€	€
Auditors' remuneration	3.600	3.700
Legal fees	2.136	2.136
Electricity and fuel	784	1.214
Bank Charges	145	740
Licences and charges	<u>51.980</u>	50.266
Total cost of goods sold and administrative expenses	<u>58.645</u>	<u>58.056</u>

10. Tax

	2020	2019
	€	€
Corporation tax - prior years	<u>-</u>	421
Charge for the year	<u>-</u>	<u>42</u>

Superlube Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

10. Tax (continued)

The tax on the Company's results before tax differs from theoretical amount that would arise using the applicable tax rates as follows:

	2020	2019
	€	€
Loss before tax	<u>(10.179)</u>	<u>(4.713)</u>
Tax calculated at the applicable tax rates	(1.272)	(589)
Tax effect of expenses not deductible for tax purposes	1.272	-
Tax effect of tax loss for the year	-	589
Prior year tax	<u>-</u>	<u>421</u>
Tax charge	<u>-</u>	<u>421</u>

The corporation tax rate is 12,5%.

Under certain conditions interest income may be subject to defence contribution at the rate of 30%. In such cases this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 17%.

Due to tax losses sustained in the year, no tax liability arises on the Company. Under current legislation, tax losses may be carried forward and be set off against taxable income of the five succeeding years.

Superlube Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

10. Tax (continued)

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom. As at 31 December 2020, the balance of tax losses carried forward amounted to approximately €16.000.

11. Property, plant and equipment

	Plant and machinery €
Cost	
Balance at 1 January 2019	273.958
Balance at 31 December 2019/ 1 January 2020	273.958
Write off	(273.958)
Balance at 31 December 2020	-
Depreciation	
Balance at 1 January 2019	273.958
Balance at 31 December 2019/ 1 January 2020	273.958
Write off	(273.958)
Balance at 31 December 2020	-
Net book amount	
Balance at 31 December 2020	-
Balance at 31 December 2019	-

During 2018, €2.087.195 plant and machinery were written off, with an amount of €273.958 carried forward which related to the Marine Pipeline used for its earning fees and which is fully depreciated. In addition during 2018, Leasehold improvements, furniture, fixture and office equipment and computer equipment were written off by €160.333, €17.340 and €76.406 respectively. During 2020, €273.958 plant and machinery have been written off.

12. Trade and other receivables

	2020	2019
	€	€
Receivables from parent company (Note 16.2)	32.417	27.383
Other receivables	624	1.865
	33.041	29.248

The Company trade and other receivables are denominated in the following currencies:

	2020	2019
	€	€
Euro - functional and presentation currency	33.041	29.248
	33.041	29.248

The fair values of trade and other receivables due within one year approximate to their carrying amounts as presented above.

Superlube Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

12. Trade and other receivables (continued)

The exposure of the Company to credit risk and impairment losses in relation to trade and other receivables is reported in note 6 of the financial statements.

13. Cash at bank

Cash balances are analysed as follows:

	2020	2019
	€	€
Cash at bank	124.912	135.906
	124.912	135.906

The exposure of the Company to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 6 of the financial statements.

14. Share capital

	2020	2020	2019	2019
	Number of	€	Number of	€
	shares		shares	
Authorised				
Founder shares of €1,71 each	1.000	1.710	1.000	1.710
Ordinary shares of €1,71 each	28.240	48.290	28.240	48.290
	29.240	50.000	29.240	50.000
Issued and fully paid				
Founder shares of €1,71 each	1.000	1.710	1.000	1.710
Ordinary shares of €1,71 each	28.240	48.290	28.240	48.290
Balance at 31 December	29.240	50.000	29.240	50.000

The total authorised number of ordinary shares is 29.240 shares (2019: 29.240 shares) with par value €1,71 per share. All issued shares are fully paid.

15. Other payables

	2020	2019
	€	€
Accruals	7.047	3.330
Other creditors	4.633	4.131
	11.680	7.461

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

16. Related party balances and transactions

The Company is controlled by Hellenic Petroleum Cyprus Ltd, incorporated in United Kingdom which owns 100% of the Company's shares. The Company's ultimate controlling party is Hellenic Petroleum S.A., a company listed in Greece.

Superlube Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

16. Related party balances and transactions (continued)

The related party balances and transactions are as follows:

16.1 Sales of goods and services

Name	Nature of transactions	2020 €	2019 €
Hellenic Petroleum Cyprus Limited	Rendering of services	<u>48.466</u>	<u>53.343</u>
		<u>48.466</u>	<u>53.343</u>

16.2 Receivables from Parent company (Note 12)

Name	Nature of transactions	2020 €	2019 €
Hellenic Petroleum Cyprus Limited	Trade	<u>32.417</u>	<u>27.383</u>
		<u>32.417</u>	<u>27.383</u>

The receivables from parent company were provided interest free and are repayable on demand.

17. Contingent liabilities

i) Letters of guarantee

The Company has contingent liability in respect of bank guarantees arising in the ordinary course of business from which it is anticipated that no material liability will arise. The guarantees amounted to €10.854 (2019: €10.854).

18. Commitments

The Company had no capital or other commitments as at 31 December 2020 (2019: Nil).

19. Events after the reporting period

There were no material events after the reporting period, which have a bearing on the understanding of the financial statements.

Independent auditor's report on pages 2 to 3

ADDITIONAL INFORMATION TO THE STATEMENT OF COMPREHENSIVE INCOME

CONTENTS	PAGE
Cost of sales	2
Administrative expenses	3

Superlube Limited

COST OF SALES

Year ended 31 December 2020

	2020 €	2019 €
Cost of sales		
Closing stocks	<u>-</u>	<u>-</u>
Direct costs		
Electricity and fuel	784	1.214
Licenses and taxes	<u>51.980</u>	<u>50.266</u>
	<u><u>52.764</u></u>	<u><u>51.480</u></u>

Superlube Limited

ADMINISTRATIVE EXPENSES

Year ended 31 December 2020

	2020	2019
	€	€
Administration expenses		
Auditors' remuneration	3.600	3.700
Legal fees	2.136	2.136
Bank charges	145	740
	5.881	6.576