CELLCO CHEMICALS S.A.

ANNUAL FINANCIAL REPORT

for the fiscal year ended 31 December 2017

In accordance with the International Financial Reporting Standards as adopted by the European Union

These financial statements have been translated from the original statutory financial statements that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document

Context **Page**

Annual Board of Director's report

of the Company
CELLCO CHEMICALS S.A.

Regarding the financial statements
For the financial year from 1 January 2017 to December 2017

1. General information

This financial year is the sixth (26th) year in a row and covers the period from January 1, 2017 to December 31, 2017.

During this fiscal year, the Company's activities were in accordance with applicable commercial law and its purposes as set forth in its Articles of Association.

The Company's financial statements for the fiscal year 2017, as submitted for approval by the General Meeting, are derived from the Company's books and records and were prepared in accordance with International Financial Reporting Standards (IFRSs).

2. Performance and financial position

In 2017 net turnover from sales of goods and services amounted to Euro 9.082.809,23 against Euro 8.688.849,93 in the prior year, showing an increase of 4,53%.

Cost of sales during the current period amounted to Euro 6.419.471,44 compared to Euro 6.092.674,15 of the previous year, showing an increase of 5,36%. The increase is due to the increase in sales and is almost equal to the increase in sales.

Gross profit amounted to Euro 2.663.337,79 compared to Euro 2.596.175,78 in the prior year, recording a slight increase of 2,59%.

Operating expenses amounted to Euro 793.599,98 compared to Euro 804.193,31 in the previous year, slightly decreasing by 1,32%.

Disposal expenses amounted to Euro 209.259,67 compared to Euro 181.479,09 of the prior year, showing an increase of 15,31%. The increase in running costs is due to the increase in sales.
Profit after tax in the current year increased by 4,98% to Euro 1.168.462,61, compared to Euro 1.113.083,75 in the previous year.

Profit before taxes, financial results, investments and total depreciation (EBITDA) amounted to Euro 1.692.784,00 in 2017 against Euro 1.701.512,62 in 2016, recording a minimal decrease of 0,51%.

The financial ratios have been deduced from the financial statements of the current and previous years.

The key financial ratios for the years 2017 and 2016 that show the Company's financial position in a static form are the following:

i. Financial structure ratios	**2017**	**2016**
Current Assets / Total Assets	87,7%	84,7%
Equity / Total Liabilities	272,7%	166,0%
Equity/ Fixed Assets	595,5%	409,1%
Current Assets / Short-term Liabilities	347,6%	241,1%
ii. Operating Performance & Profitability Ratios	**2017**	**2016**
EBITDA / Turnover	18,6%	19,6%
Gross Margin / Turnover	29,3%	29,9%
Turnover / Equity	157,4%	188,9%
EBITDA (Profit before taxes, interest and depreciation)	**1.692.784,00**	**1.701.512,62**

3. Significant events of current use

As reflected in the financial statements, the Company, despite the adverse financial environment, managed to increase both sales and profitability. The gross profit during the current year increased by 2,59% compared to the previous year and amounted to Euro 2.663.337,79, compared to Euro 2.596.175,78 in the previous year.

4. Management principles and internal management systems

Board of Directors of the Company

The Board of Directors, among its activities, is responsible for a) preparing the Company's business plans and budgets b) implementing the aforementioned approved business plans and budgets, c) daily management of the Company, and d) hiring senior management. and the preparation of the Company's internal organizational chart. The Board of Directors is responsible for the proper functioning of the Company.

General Meeting of Shareholders

The General Assembly is the supreme body of the Company, has the right to decide on any corporate case.

Specifically, the General Meeting has the sole authority to decide, inter alia, on: (a) amendments to the Articles of Incorporation including increases or reductions in equity; (b) approval of the annual financial statements; dissolution of the Company.

The General Meeting is mandatory to meet at the Company's headquarters, or in the district of another municipality within the prefecture of the seat or other municipality adjacent to the seat, or in the district of the municipality where the seat is located, at least once in each corporate year..

Main features of internal control system

The Company's Internal Audit System (TEU) comprises a set of control mechanisms and procedures, aimed at the smooth operation of the Company, ensuring the completeness and reliability of the information and information needed to accurately and timely determine the Company's financial position and the preparation of reliable financial statements.

5. Financial risk management objectives and policies

Market risk

<u>Foreign exchange risk</u>

In addition to the Greek market, the Company is also active in international markets and is therefore exposed to foreign exchange risk arising from exchange rate fluctuations. This risk arises principally from future foreign exchange transactions, receivables and liabilities.

The main currency of the Company's trading volume other than Euro is the US Dollar. ("USD"). Foreign exchange risk is managed on the one hand by maximizing physical hedging through liabilities - claims and inflows - outflows in USD.
The Company's policy is not to hold foreign currency reserves higher than those required for use in commercial transactions.

<u>Price risk</u>

The Company is exposed to changes in the value of raw materials. Part of this risk is offset by the incorporation of cost changes into the final price of products.

Credit risk

Credit risk arises from cash, deposits with banks, as well as customer credit reports including significant receivables and transactions.

The Company has a significant concentration of its claims, mainly due to the fact that most of its claims relate to a limited number of customers.

37,91% of the Company's turnover is made by two customers (31.12.2016: 35,23%) whose balance as of December 31, 2017 was Euro 1.824.783,78 (31.12.2016: 1.866.361,94).

Liquidity risk

The Company manages the risks that may arise from a lack of sufficient liquidity by ensuring that bank credit is always secured for use. Existing available unused approved bank credit to the Company is sufficient to address any possible cash shortage.

Cash flow risk and fair value risk arising from interest rate changes
Operating income and cash flows of the Company are affected by changes in interest rates. The risk of interest rate fluctuations substantially affects floating rate lending. The Company's policy is to monitor interest rate trends and decide on the combination of fixed - floating rates in accordance with market conditions and its financing needs. During the current period, all of the Company's debt has been contracted at a floating rate because it has been estimated that this risk is limited as Euro interest rates are expected to remain stable or even decline in the medium term.

6. Main Risks and Uncertainties for 2018
Risks and uncertainties do not appear through the operation of the Company and exist only due to the financial crisis of the country.

7. Environmental issues
Within the Environmental Management System, the Company identifies the environmental impacts of the activities, products and services offered that it is able to control and those that may affect, based on the life cycle approach.

In order to prevent and control pollution and environmental impacts of its activities, the Company applies, inter alia:

Recycling programs for waste electrical and electronic equipment, metals, lead acid batteries, wood, printed paper, packaging materials, portable consumer batteries, fluorescent lamps, mineral oils, etc.

Collection and collection of all waste from appropriately licensed entities and their delivery to lawful waste management companies that undertake the sorting, recycling, treatment, recovery, inactivation, final disposal etc. of waste in accordance with the provisions of the relevant legislation.

8. Labour issues
The Company respects the Universal Declaration of Human Rights, the Declaration of Fundamental Principles and Rights at Work by the International Labour Organization, as well as the relevant national and European legislation, and in particular the principles of:

- equal treatment
- respect for human rights
- diversity
- providing equal opportunities to all its employees and
- Avoiding child or forced labour

Safeguarding human rights is a key issue for the Company with a view to ensuring the equality, equal treatment of every client and preventing all forms of racist behaviour.

The Company ensures that there is an excellent and safe working environment in which non-discrimination policies and equal opportunities are applied regardless of gender, age, nationality or religion. Workers' labour rights are respected.

9. Financial Performance (NSI) and Non-Financial Performance Indicators (NFA)
The Company does not currently use financial performance (NFR) and non-financial performance (NFR) indicators. For the sole purpose of informing the users of the financial statements, we present in note 2 of this Board of Directors wide-ranging performance indicators of the Company's performance, profitability and financial structure.

10. Properties

They are wholly owned by the Company:

Mandra Attica, location Mikro Katerini or Tsakali basement sq.m. 1.535
Mandra Attica, location Mikro Katerini or Tsakali ground floor office sq.m. 336
Mandra Attica, location Mikro Katerini or Tsakali ground floor sq.m. 1.200
Mandra Attica, location Mikro Katerini or Tsakali first floor office sq.m. 336
Mandra Attica, location Mikro Katerini or Tsakali ground floor sq.m. 24
Mandra Attica, location Mikro Katerini or Tsakali plot sq.m. 5.699
Mandra Attica, location Mikro Katerini or Tsakali plot sq.m. 4.544

There are mortgages on the Company's property amounting to Euro 1.275.000,00 in favor of the National Bank to secure loans which were fully repaid on 31/12/2017

11. Occupied securities
ETE shares: 621 pieces with price per piece 31/12/2017 Euro 0,319 and Euro 198,10 value.

12. Own shares
No treasury shares were acquired from 01/01/2017 to 31/12/2017 by the Company.

13. Currency available
There is no currency in the Company's possession.

14. Research and development
There was no activity of the Company during the year 2017 in the areas of research and development.

15. Company Branches
The Company does not maintain any branches.

16. Company's anticipated course and evolution for the year 2018
Given the adverse economic environment of Greece in which the Company operates, sales and profits have increased and are satisfactory. However, as is evident from the data we have available to date in the next fiscal year, we will create a more profitable result after significant steps have already been taken, such as the good organization of the Company.

17. Conclusion

Believing that the Company's performance is satisfactory, taking into account both the economic downturn and the changing market conditions, we urge the General Assembly to approve the financial statements for the year ended December 31, 2017, to relieve the Board of Directors and the Auditors from any responsibility and designate auditors for fiscal year 2018.

Finally, thank you for the trust you have shown in the Board.

Exact copy of the book
Board minutes

Mandra, 31 July 2018

THE PRESIDENT OF THE BOARD OF DIRECTORS
TSIRIVAS EUTHIMIOS

Metamorphoses 1 &
Pentelis Avenue 104
P.C.15234 Halandri
Tel: +30 210 60 47 075
E-mail: info@auditplus.gr
Web site: www.auditplus.gr

THIS REPORT IS A FREE TRANSLATION OF THE ORIGINAL VERSION IN GREEK LANGUAGE

Independent Auditor's Report

To the Shareholders of CELLCO CHEMICALS S.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the CELLCO CHEMICALS S.A. (the "Company"), which comprise the statement of financial position as at December 31, 2017, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly in all material respects the financial position of the CELLCO CHEMICALS S.A. as at December 31, 2017 and its financial performance and 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 International Standards on Auditing (ISAs), as incorporated in Greek Law. 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 remained independent of the Company and its subsidiaries throughout the period of our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated in Greek Law, together with the ethical requirements that are relevant to the audit of the financial statements in Greece, and we have fulfilled our 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

Management is responsible for the other information. The other information includes the Board of Directors' Report, for which reference is also made in section Report on Other Legal and Regulatory Requirements, 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 identified above 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 Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

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 as incorporated in Greek Law, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as incorporated in Greek Law, 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 management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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.

Report on Other Legal and Regulatory Requirements

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

a) In our opinion, the Board of Directors' Report has been prepared in accordance with the legal requirements of articles 43a and 107A of the Codified Law 2190/1920 and its content is consistent with the accompanying financial statements for the year ended December 31, 2017.

b) Based on the knowledge obtained in the course of our audit for the CELLCO CHEMICALS S.A. and its environment, no material inconsistencies in the Directors' report have been identified.

Athens, 31 July 2018

THE CERTIFIED AUDITOR ACCOUNTANT

KONSTANTINOS MAR. ANTAKIS
SOEL REG. No 21271

AUDIT PLUS S.A.
METAMORFOSEOS 1 &
LEOFOROS PENTELIS 104
POST CODE 15234 CHALANDRI
SOEL REG.No 172

It is certified that the accompanied Financial Statements, are those that have been approved by the Board of Directors of **"CELLCO CHEMICALS S.A."** on 31 July 2018 and they have been disclosed on the Company's website: http://www.cellco.gr/.

On behalf of
CELLCO CHEMICALS S.A.

THE PRESIDENT OF THE BOARD OF DIRECTORS
TSIRIVAS EUTHIMIOS
ID No AE 604126

THE MANAGING DIRECTOR
PARASKEVOPOULOS NIKOLAOS
ID No T 504598

THE CHIEF FINANCIAL OFFICER
ISARIS DIMITRIOS
ID No AM 083547
License No O.E.E. 35068 A' Class

Statement of Comprehensive Income for the year ended 31st December 2017

	Note	Year ended 31/12/2017	Year ended 31/12/2016
Revenue	7	9.082.809,23	8.688.849,93
Cost of sales	8	(6.419.471,44)	(6.092.674,15)
Gross Margin		2.663.337,79	2.596.175,78
Administrative expenses	8	(793.599,98)	(804.193,31)
Selling and distribution expenses	8	(209.259,67)	(181.479,09)
Other operating income	9	2.153,99	3.117,96
Other operating expenses	9	(68.808,15)	(9.326,84)
Operating profit		1.593.823,98	1.604.294,50
Finance income	10	1.216,09	-
Finance costs	10	(9.814,54)	(18.866,71)
Profit before tax		1.585.225,53	1.585.427,79
Income tax expense	12	(416.762,92)	(472.344,04)
Profit for the year		1.168.462,61	1.113.083,75
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Actuarial profit	25	1.097,14	(2.354,06)
Income tax effect	15	(318,17)	682,68
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**778,97**	**(1.671,38)**
Other comprehensive loss for the year, net of tax		**778,97**	**(1.671,38)**
Total comprehensive income for the year, net of tax		**1.169.241,58**	**1.111.412,37**

The accompanying notes on pages 16 to 43 are an integral part of these financial statements.

Statement of Financial Position as at 31st December 2017

	Note	31 DECEMBER 2017	31 DECEMBER 2016
Assets			
Non-current assets			
Property, plant and equipment	13	903.014,21	1.063.888,94
Intangible Assets	14	195,87	586,87
Deferred tax assets	15	62.840,59	56.776,14
Other long-term receivables	17	2.686,32	3.241,32
		968.736,99	1.124.493,27
Current assets			
Inventories	16	1.817.416,47	1.989.250,83
Trade and other receivables	17	4.437.726,35	3.926.256,71
Financial assets at fair value through profit or loss	18	198,10	219,28
Cash and short-term deposits	19	660.869,45	330.470,32
		6.916.210,37	6.246.197,14
TOTAL ASSETS		7.884.947,36	7.370.690,41
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the company			
Issued share capital	20	962.100,00	962.100,00
Reserves	21	349.369,57	349.369,57
Retained earnings		4.457.763,95	3.288.522,37
Total Equity		5.769.233,52	4.599.991,94
Non-current liabilities			
Provisions	24	74.249,90	131.017,83
Employee defined benefit liabilities	25	51.753,71	48.834,48
		126.003,61	179.852,31
Current liabilities			
Trade and other payables	26	1.986.417,57	2.440.882,12
Interest-bearing loans and borrowings	23	-	112.222,22
Income tax payable		3.292,66	37.741,82
		1.989.710,23	2.590.846,16
Total liabilities		2.115.713,84	2.770.698,47
TOTAL EQUITY AND LIABILITIES		7.884.947,36	7.370.690,41

The accompanying notes on pages 16 to 43 are an integral part of these financial statements.

Statement of statement of changes in equity for the year ended 31 December 2017

	Issued capital (Note 20)	Reserves (Note 21)	Retained earnings	Total equity
As at, 1 January 2016	**962.100,00**	**349.369,57**	**2.777.110,00**	**4.088.579,57**
Profit for the period	-	-	1.113.083,75	1.113.083,75
Other comprehensive income/(outcome)	-	-	(1.671,38)	(1.671,38)
Total comprehensive income	-	-	1.111.412,37	1.111.412,37
As at, 31 December 2016	**962.100,00**	**349.369,57**	**3.288.522,37**	**4.599.991,94**
Profit for the period	-	-	1.168.462,61	1.168.462,61
Other comprehensive income	-	-	778,97	778,97
Total comprehensive income	-	-	1.169.241,58	1.169.241,58
As at, 31 December 2017	**962.100,00**	**349.369,57**	**4.457.763,95**	**5.769.233,52**

The accompanying notes on pages 16 to 43 are an integral part of these financial statements.

Statement of cash flows for the year ended 31 December 2017

	Note	Financial year ended 31/12/2017	Financial year ended 31/12/2016
Cash flows from Operating Activities			
Profit before tax		1.585.225,53	1.585.427,79
Adjustment to reconcile losses before tax to net cash flows			
Non-cash items:			
Depreciation of property, plant and equipment	8,13	98.569,02	94.242,10
Amortisation of intangible assets	8,14	391,00	2.976,02
Loss/(profit) from the sale of tangible fixed assets	9	59.077,99	(3.109,97)
Change in fair value (profit) / loss	9	21,18	40,34
Impairment of trade accounts receivables	8	13.278,94	-
Finance income	10	(6,73)	-
Finance costs	10	9.814,54	18.856,84
Movements in provisions and provisions for employee benefits	25	4.016,37	4.016,37
Working capital adjustments:			
Increase/(decrease) in inventories		171.834,36	(211.680,89)
(Increase)/decrease in trade and other accounts receivable		(524.193,58)	(1.133.897,09)
Increase/(decrease) in trade and other accounts payable		(329.519,96)	334.635,33
Income tax paid		(514.362,63)	(547.448,20)
Net cash flows from operating activities		**574.146,03**	**144.058,64**
Cash flows from Investing Activities			
Purchase of property, plant and equipment	13	(71.143,91)	(168.305,59)
Purchase of Intangible assets		-	(1.870,00)
Proceeds from sale of property, plant and equipment		74.371,63	3.110,00
Interest received		6,73	-
Net cash flow from / to investment activities		**3.234,45**	**(167.065,59)**
Cash flows from financing activities			
Repayment of borrowings		(112.222,22)	(134.444,45)
Interest paid		(9.814,54)	(18.856,84)
Dividends paid to equity holders of the company		(124.944,59)	(81.584,44)
Net cash flow to financing activities		**(246.981,35)**	**(234.885,73)**
Net increase in cash and cash equivalents		**330.399,13**	**(257.892,68)**
Cash and cash equivalents as of January 1		330.470,32	588.363,00
Cash and cash equivalents at year-end	19	**660.869,45**	**330.470,32**

Profits from the sale of property, plant and equipment include:

	2017	2016
Amortized cost	133.449,62	0,03
(Loss)/profit from the sale of tangible fixed assets	(59.077,99)	3.109,97
Proceeds from sales of property, plant and equipment	**74.371,63**	**3.110,00**

The accompanying notes on pages 16 to 43 are an integral part of these financial statements.

Notes to the company's financial statements for the financial year ended 31 December 2017

1. Corporate information

The main activity of the Company is the trading of raw materials, additives chemicals and other specialized products, which are mainly used as raw materials for preparing cosmetic products by the Greek and international companies.

The Company was established in November 1991 as a Limited Liability Company (Ltd.) and converted into a Societe Anonyme (SA) in July 2012.

Company's website is http://www.cellco.gr/

The Company has been incorporated and established in Greece and its registered offices and central facilities are in the town of Mandra, Makrigianni Street. The Company's duration, according to the Articles of Association, is on hundred years (100) from the registration date in the Companies register.

The Company's total number of employees as at 31 December 2017 amounted to 22. At 31 December 2016 the Company's total number of employees was 16.

2. Basis of presentation of financial statements

Basis of preparation of financial statements
The accompanying financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (E.U.) up to 31 December 2017. These financial statements have been prepared under the historical cost.

The preparation of financial statements according to the IFRS requires estimations and assumptions to be made by the management. It also requires management to exercise judgment in the process of applying the Company's accounting policies.

Estimations and assumptions made by the management influencing the assets and liabilities amounts, the disclosure of contingent assets and liabilities as at the financial statement's date, as well as the revenue and expenditure amounts, during the financial period.

Although these estimates are based on the best possible knowledge of Management taking into account current conditions and activities, actual results may ultimately differ from those estimates. Areas with a higher degree of estimation or complexity, or where estimates and assumptions are important for the preparation of the financial statements, are set out in Note 5.

Financial statements according to Greek Accounting Standards
The Company maintains each accounting books and records and prepares each financial statements for statutory purposes in accordance with Greek Company's Law 2190/1920 (Greek GAAP) and Greek tax legislation. For the preparation of the accompanying financial statements, the Companies statutory financial statements have been appropriately adjusted and reclassified to conform with the IFRSs.

Approval of financial statements
The financial statements of "Cellco Chemicals S.A. for the year ended 31 December 2017 were authorised for issue in accordance with a resolution of the on 31 July 2018.The financial statements of "Cellco Chemicals S.A. for the year ended 31 December 2015 are subject to approval by the Annual General Assembly of shareholders that will take place on 31 July 2018.

3. Significant accounting policies

a) Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;

- Held primarily for the purpose of trading; and
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading; and,
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

b) Fair value of financial instruments

The fair value of financial instruments actively traded in organised financial markets is determined by reference to quoted active market bids, and in particular bid prices for assets and ask prices for liabilities, at the close of business on the balance sheet date, without any deduction in transaction costs.

Where there is no active market for a financial instrument, its fair value is determined by using appropriate valuation techniques. The valuation techniques include the method of discounted cash flows, comparison with similar instruments where market observable values exist, rights valuation models, credit models and other relevant valuation models.

For discounted cash flow techniques, the estimated future cash flows are based on the management’s best possible estimates and the discount rate used is a rate indicated in the market for similar instruments. The use of different valuation models and assumptions could generate substantially different estimates of fair values.

Where the fair value cannot be measured in a reliable manner, such financial instruments are measured at cost, which is the fair value of the price paid to acquire the investment or the amount received when the financial liability is issued. All transaction costs directly attributable to acquisition are included in the cost of the investment.

The fair value of a financial asset or liability is the amount received to sell an asset or paid to settle a liability in a transaction under normal conditions between two contracting parties on the date of its valuation. The fair value of the financial assets or liabilities in the financial statements has been determined, where necessary, by the Management’s best possible estimate. In cases where there are no available data or these are limited from active financial markets, valuations of fair values are derived from the Management’s estimate according to the available information.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following methods and assumptions were used to estimate the fair value for each category of financial asset and liability:

Cash equivalents, trade and other receivables, trade payables and other short-term liabilities and accrued expenses: Their carrying values approximate to fair values due to short-term maturity.

c) Revenue recognition

Revenue includes the fair value of sales of goods and services, net of value-added tax, rebates and discounts and after eliminating sales returns and allowances. Revenue is recognized as follows:

Sale of goods

Sale of goods are recognized when the Company delivers the goods to customers, the goods are accepted by them, and the recovery of the asset is reasonably assured.

Rendering of services

Revenue from the provision of services is accounted for in the period in which the services are rendered, based on the stage of completion of the service rendered in relation to all services rendered.

Interest income

Interest income is recognized on a time-proportion basis using the effective interest method.

Dividend income

Dividends are recognized as income when the right to receive payment is established.

d) Government grants

Grants related to assets are government grants, which according to IAS 20 “Accounting for Government Grants” whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets

Government grants relating to assets must be presented in the statement of financial position, either as deferred income or as a deduction from the carrying amount of the related assets.

e) Taxes

Current income tax

Current income tax assets and liabilities, for the current and for the prior financial years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the country where the Company operates and generates taxable income.

Current income tax is recognised in the statement of comprehensive income. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of comprehensive income.

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

Deferred income tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

f) Foreign currencies

The items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements are presented in Euros, which is also the Company’s functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Foreign exchange gains and losses arising from the year-end valuation of monetary assets and liabilities are reflected in the accompanying statements of comprehensive income. Gains or losses resulting from transactions are also reflected in the statement of comprehensive income.

g) Cash dividend

Dividend distribution to the Company’s shareholders is recognised as a liability in the Company’s financial statements in the period in which the dividends are approved by the General Meeting of the Company’s Shareholders.

h) Property plant and equipment

Property plant and equipment are stated in the financial statements at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company higher than the initially expected according to the initial return of the financial asset and under the assumption that the cost of the item can be measured reliably. Repairs and maintenance costs and expenses are charged to the statement of comprehensive income during the financial period in which they are incurred.

Land is not depreciated. Depreciation on properties plant and equipment is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life, in order to write down the cost in its residual value. The expected useful life of property, plant and equipment is as follows:

Classification	Depreciation method
Buildings	25 years
Transportation means	6 to 7 years
Software	5 to 10 years
Furniture and other equipment	5 to 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. When the carrying amount of on properties plant and equipment is higher than its recoverable amount, the resulting difference (impairment loss) is recognized immediately as an expense in the statement of comprehensive income.

In case of sale of property, plant and equipment, the difference between the sale proceeds and the carrying amount is recognized as profit or loss in the statement of comprehensive income. Repairs and maintenances costs are recognized as an expense in the statement of comprehensive income.

i) Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

The corresponding lease liabilities, net of financial expenses, are shown in the liabilities. The portion of finance expense related to leases is recognized in the statement of comprehensive income over the period of the lease. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. There are no finance leases for the presented financial year.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

j) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

k) Intangible assets

Intangible assets are mainly including software licenses, which are shown at historical cost less subsequent amortization. Amortization is calculated using the straight-line method over the useful economic lives of the assets, which varies between 1 – 5 years.

Expenses required to maintain the software are recognized as an expense in the statement of comprehensive income.

l) Financial instruments - initial recognition and subsequent measurement

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

A. Financial assets

Initial recognition and measurement

Financial assets of the Company are classified, at initial recognition, as subsequently measured at amortised cost, loans and receivables, fair value through other comprehensive income, and fair value through profit or loss. At initial measurement, financial assets are recognized at fair value plus, in the case of a financial asset that is not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement

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

- Financial assets at fair value through profit or loss
- Loans and receivables
- Financial assets held to maturity
- Available for sale financial assets

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented as losses from investing activities (negative net changes in fair value) or profit from investing activities (positive net changes in fair value) in the statement of comprehensive income.

Loans and receivables

This category is the most relevant to the Company. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate (EIR). The EIR amortisation is included in finance income in the statement of comprehensive income. The losses arising from impairment are recognised in the statement of comprehensive income in finance costs for loans and in cost of sales or other operating expenses for receivables.
Loans and receivables subsequently from the initial recognition are measured at amortized cost using the effective interest method. This category generally applies to trade and other receivables. For more information on receivables, please refer to Note 17.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity.

In case that the Company sell a significant part of financial assets held to maturity, the entire portfolio of financial assets held to maturity is reclassified to financial assets available for sale. Financial assets held to maturity are classified as non-current assets, except for those whose maturity is less than twelve months from the reporting date of the financial information, which are classified as current assets.
Financial assets held to maturity subsequently from the initial recognition are measured at amortized cost using the effective interest method.

Available for sale financial assets

Available for sale financial assets include equity investments and debt securities. Equity investments classified as AFS are those that are neither classified as held for trading, nor designated at fair value through profit or loss.

After initial measurement, AFS financial assets are subsequently measured at fair value with unrealised gains or losses recognised in other comprehensive income and credited in the AFS reserve until the investment is derecognised, at which time, the cumulative gain or loss is recognised in other operating income, or the investment is determined to be impaired, when the cumulative loss is reclassified from the AFS reserve to the statement of other comprehensive income in finance costs. Interest earned whilst holding AFS financial assets is reported as interest income using the EIR method.

The Company evaluates whether the ability and intention to sell its AFS financial assets in the near term is still appropriate. When, in rare circumstances, the Company is unable to trade these financial assets due to inactive markets, the Company may elect to reclassify these financial assets if the management has the ability and intention to hold the assets for foreseeable future or until maturity.

For a financial asset reclassified from the AFS category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on the asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of comprehensive income.

Derecognition of financial asset

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

Or

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

The Company transfers a financial asset if, and only if, it either:

- transfers the contractual rights to receive the cash flows of the financial asset

Or

- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement.

When the Company transfers a financial asset, it shall evaluate the extent to which retains the risks and rewards of ownership of the financial asset.

In this case:

- if the Company transfers substantially all the risks and rewards of ownership of the financial asset, the entity shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

- if the Company retains substantially all the risks and rewards of ownership of the financial asset, the Company shall continue to recognise the financial asset.

- if the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, the Company shall determine whether it has retained control of the financial asset. In this case:

  (i) if the Company has not retained control, it shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.
  (ii) if the Company entity have retained control, it shall continue to recognise the financial asset to the extent of its continuing involvement in the financial asset.

Impairment of financial assets

The Company assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company first assesses whether impairment exists. Serious customer problems, the likelihood of customer's bankruptcy and the failure to make regular payments are all indications that the asset has been impaired. The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original EIR.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the statement of comprehensive income. Trade and other receivables, together with the related allowance are written off when there is no realistic prospect of future recovery. If, in a subsequent fiscal year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is recognised in the statement of comprehensive income.

Available for sale financial assets

For AFS financial assets, the Company assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired. In the case of equity investments classified as AFS, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. f impairment is recognized, the cumulative loss that is the difference between the acquisition cost and the fair value is transferred to the statement of other comprehensive income.

B. Financial liabilities

Initial recognition and measurement

Financial liabilities of the Company are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, trade and other payables.
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the effective interest rate amortisation process. Loan expenses paid on the signing of new credits are recognized as loan expense if part or all of the new credit line is withdrawn. Loans and borrowings are classified as current liabilities unless the Company has the right to defer settlement for at least twelve months from the date of financial position date. More information on loans and borrowings is mentioned to note 23.

Trade and other payables

Trade payables are obligations for goods or services that have been acquired in the ordinary course of business by suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade account payables subsequent to the initial recognition are measured at amortized cost using the effective interest method. For more information on trade and other payable, please refer to Note 26.

Derecognition of financial liabilities

A financial liability (or part of it) is derecognised when the obligation under the liability is discharged or cancelled or expires.

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 the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

C. Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

m) Inventories

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less any related selling costs.

The cost of inventories is determined using the annual weighted average method, which is consistently followed. The cost of inventories does not include financial expenses. Provision is made for slow moving or impaired inventories, if necessary.

n) Impairment of non-financial assets

Except for goodwill and other intangible assets with indefinite useful life which are tested for impairment on an annual basis, the carrying values of other non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Whenever the carrying value of an asset exceeds its recoverable amount an impairment loss is recognised in the statement of comprehensive income. The recoverable amount is measured as the higher of fair value less cost to sell and value in use.
Fair value less cost is the amount for which the asset could be exchanged in an arm's length transaction between knowledgeable, willing parties, after deducting any direct incremental selling costs, while value in use is the present value of estimated future cash flows expected to arise from continuing use of the asset and from its disposal at the end of its useful life.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Impairment losses which were accounted for in prior years are reversed only when there is sufficient evidence that the assumptions used in determining the recoverable amount have changed. In these circumstances, the related reversal is recognised as income. Probable impairment of goodwill is not reversed.

o) Cash and short-term deposits

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with low risk and with original maturities of three months or less.

p) Share capital

The share capital includes the Company's ordinary shares that are included in equity.

Expenses incurred for the issue of shares are recognized after deduction of the relevant income tax, net of the issue proceeds. Expenses related to the issue of shares for the acquisition of business are included in the acquisition cost of the business acquired.

Upon acquisition of treasury shares, the consideration paid, including the related expenses, is shown as a deduction from equity (share premium).

q) 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 embodying economic benefits will be required to settle this obligation and a reliable estimate of the amount of the obligation can be made.

Provisions are reviewed at each statement of financial position date and adjusted to reflect the present value of the expenditure expected to be required to settle the obligation. When the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate the risks specific to the liability.

Contingent liabilities are not recognised in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognised in the financial statements but are disclosed when an inflow of economic benefits is probable.

r) Pensions and other post-employment benefits

Post-employment benefits

Staff retirement obligations are calculated at the present value of the future retirement benefits accumulated as at year-end, based on the employees earning retirement benefit rights steadily throughout the working period. The aforementioned obligations are calculated on the basis of financial and actuarial assumptions and are determined using the projected unit credit actuarial valuation method.

The Company has applied the revised IAS 19 "Employee Benefits", as from January 1, 2013, on immediate recognition of unrecognized actuarial gains in other comprehensive income of the respective years. The revised IAS 19 initiates a number of amendments in the accounting for defined benefit plans, including actuarial gains and losses, which are now recognized in other comprehensive income (OCI) and are permanently excluded from profit and loss.

Also, the expected returns on plan assets are no longer recognized in profit or loss, whereas there is a requirement to recognize interest on the net defined benefit liability (or asset) in profit or loss, calculated using the discount rate used to measure the defined benefit obligation. The unvested past service costs are now recognized in profit or loss at the earlier of when the amendment occurs or when the related restructuring or termination costs are recognized.

Staff termination benefits

Staff termination benefits are payable when employment is terminated before the normal retirement date. The Company recognizes these benefits when committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or when it provides such benefits as an incentive for voluntary redundancy. Staff termination benefits that are due 12 months after the date of the statement of financial position are discounted.

In the case of an employment termination where it is impossible to determine which employees will make use of these benefits, the Company does not account for them, but discloses of a contingent liability.

Short-term employee benefits

Short-term employee benefits in cash or in kind are recognized as expenses when accrued.

4. Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year except for the following amended IFRSs which have been adopted by the Company as of 1 January 2017:

IAS 12: Recognition of Deferred Tax Assets for Unrealized Losses (Amendments)

The objective of the amendments is to clarify the requirements of deferred tax assets for unrealized losses in order to address diversity in practice in the application of IAS 12 Income Taxes. The specific issues where diversity in practice existed relate to the existence of a deductible temporary difference upon a decrease in fair value, to recovering an asset for more than its carrying amount, to probable future taxable profit and to combined versus separate assessment. The amendments had no impact in the accounting policies, financial position or performance of the Company.

IAS 7: Disclosure Initiative (Amendments)
The objective of the amendments is to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments specify that one way to fulfil the disclosure requirement is by providing a tabular reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities, including changes from financing cash flows, changes arising from obtaining or losing control of subsidiaries or other businesses, the effect of changes in foreign exchange rates, changes in fair values and other changes. The amendments had no impact in the accounting policies, financial position or performance of the Company.

The **IASB has issued the Annual Improvements to IFRSs 2014 – 2016 Cycle**, which is a collection of amendments to IFRSs. This improvement did not have an effect on the Company's financial statements.

- **IFRS 12 Disclosure of Interests in Other Entities:** The amendments clarify that the disclosure requirements in IFRS 12, other than those of summarized financial information for subsidiaries, joint ventures and associates, apply to an entity's interest in a subsidiary, a joint venture or an associate that is classified as held for sale, as held for distribution, or as discontinued operations in accordance with IFRS 5.

Standards issued but not yet effective and not early adopted by The Company:

IFRS 9 Financial Instruments: Classification and Measurement
The standard is effective for annual periods beginning on or after 1 January 2018, with early application permitted. The final version of IFRS 9 Financial Instruments reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. The Company is in the process of examining the impact of this standard in its financial statements. In accordance with the new model and impairment model of expected credit losses, the Company will apply the simplified approach and, based on future indicators, the recovery of customer balances is not expected to have a material impact on the application of the new standard. It is estimated that the effect will not be significant. Moreover, the Company does not have securities and financial instruments that require a change in the business models of its financial assets and liabilities and therefore no different method of calculation is provided.

IFRS 15 Revenue from Contracts with Customers
The standard is effective for annual periods beginning on or after 1 January 2018. IFRS 15 establishes a five-step model that will apply to revenue earned from a contract with a customer (with limited exceptions), regardless of the type of revenue transaction or the industry. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities (e.g., sales of property, plant and equipment or intangibles). Extensive disclosures will be required, including disaggregation of total revenue; information about performance obligations; changes in contract asset and liability account balances between periods and key judgments and estimates. The Company are in the process of completing the impact of this Standard on the Company's financial position or performance. Based on the nature of its products, its transaction prices and revenue recognition in relation to its income obligations, the Company expect that the impact on the new financial statements of the Company will be insignificant.

IFRS 15: Revenue from Contracts with Customers (Clarifications)
The clarifications apply for annual periods beginning on or after 1 January 2018 with earlier application permitted. The objective of the clarifications is to clarify the IASB's intentions when developing the requirements in IFRS 15 Revenue from Contracts with Customers, particularly the accounting of identifying performance obligations amending the wording of the "separately identifiable" principle, of principal versus agent considerations including the assessment of whether an entity is a principal or an agent as well as applications of control principle and of licensing providing additional guidance for accounting of intellectual property and royalties. The clarifications also provide additional practical expedients for entities that either apply IFRS 15 fully retrospectively or that elect to apply the modified retrospective approach. Management has made an assessment of the effect of this clarification and considers that it will not affect the accounting policies, financial position or performance of the Company.

IFRS 16: Leases
The standard is effective for annual periods beginning on or after 1 January 2019. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). The new standard requires lessees to recognize most leases on their financial statements. Lessees will have a single accounting model for all leases, with certain exemptions. Lessor accounting is substantially unchanged. Management of the Company is in the process of examining the impact of this Standard on its financial statements

Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU. Management has made an assessment of the effect of the amendment and considers that it will not affect the accounting policies, financial position or performance of the Company.

IFRS 2: Classification and Measurement of Share based Payment Transactions (Amendments)
The amendments are effective for annual periods beginning on or after 1 January 2018 with earlier application permitted. The amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, for share-based payment transactions with a net settlement feature for withholding tax obligations and for modifications to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. These amendments have not yet been endorsed by the EU. Management has made an assessment of the effect of the amendments and considers that it will not affect the accounting policies, financial position or performance of the Company.

IAS 40: Transfers to Investment Property (Amendments)
The amendments are effective for annual periods beginning on or after 1 January 2018 with earlier application permitted. The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. These amendments have not yet been endorsed by the EU. Management has made an assessment of the effect of the amendments and considers that it will not affect the accounting policies, financial position or performance of the Company.

IFRS 9: Prepayment features with negative compensation (Amendment)
The amendment is effective for annual reporting periods beginning on or after 1 January 2019 with earlier application permitted. The amendment allows financial assets with prepayment features that permit or require a party to a contract either to pay or receive reasonable compensation for the early termination of the contract (so that, from the perspective of the holder of the asset there may be 'negative compensation'), to be measured at amortized cost or at fair value through other comprehensive income. These amendments have not yet been endorsed by the EU. Management has made an assessment of the effect of the amendment and considers that it will not affect the accounting policies, financial position or performance of the Company.

IAS 28: Long-term Interests in Associates and Joint Ventures (Amendments)
The amendments are effective for annual reporting periods beginning on or after 1 January 2019 with earlier application permitted. The amendments relate to whether the measurement, in particular impairment requirements, of long term interests in associates and joint ventures that, in substance, form part of the 'net investment' in the associate or joint venture should be governed by IFRS 9, IAS 28 or a combination of both. The amendments clarify that an entity applies IFRS 9 Financial Instruments, before it applies IAS 28, to such long-term interests for which the equity method is not applied. In applying IFRS 9, the entity does not take account of any adjustments to the carrying amount of long- term interests that arise from applying IAS 28. These amendments have not yet been endorsed by the EU. Management has

made an assessment of the effect of the amendments and considers that it will not affect the accounting policies, financial position or performance of the Company.

IFRIC INTERPRETATION 22: Foreign Currency Transactions and Advance Consideration
The interpretation is effective for annual periods beginning on or after 1 January 2018 with earlier application permitted. The interpretation clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency. The interpretation covers foreign currency transactions when an entity recognizes a non-monetary asset or a non-monetary liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income. The interpretation states that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, then the entity must determine a date of the transactions for each payment or receipt of advance consideration. This interpretation has not yet been endorsed by the EU. Management has made an assessment of the effect of the interpretation and considers that it will not affect the accounting policies, financial position or performance of the Company.

The **IASB has issued the Annual Improvements to IFRSs 2014 – 2016 Cycle**, which is a collection of amendments to IFRSs. The amendments are effective for annual periods beginning on or after 1 January 2018 for IFRS 1 First-time Adoption of International Financial Reporting Standards and for IAS 28 Investments in Associates and Joint Ventures. Earlier application is permitted for IAS 28 Investments in Associates and Joint Ventures. Management has made an assessment of the improvements of the interpretation and considers that it will not affect the accounting policies, financial position or performance of the Company.

- **IFRS 1 First-time Adoption of International Financial Reporting Standards:** This improvement deletes the short-term exemptions regarding disclosures about financial instruments, employee benefits and investment entities, applicable for first time adopters.

- **IAS 28 Investments in Associates and Joint Ventures:** The amendments clarify that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is venture capital organization, or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition.

IFRIC INTERPETATION 23: Uncertainty over Income Tax Treatments
The Interpretation is effective for annual periods beginning on or after 1 January 2019 with earlier application permitted. The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12. The interpretation provides guidance on considering uncertain tax treatments separately or together, examination by tax authorities, the appropriate method to reflect uncertainty and accounting for changes in facts and circumstances. This interpretation has not yet been endorsed by the EU. Management has made an assessment of the effect of the interpretation and considers that it will not affect the accounting policies, financial position or performance of the Company.

The **IASB has issued the Annual Improvements to IFRSs 2015 – 2017 Cycle**, which is a collection of amendments to IFRSs. The amendments are effective for annual periods beginning on or after 1 January 2019 with earlier application permitted. These annual improvements have not yet been endorsed by the EU. Management has made an assessment of the improvements of the interpretation and considers that it will not affect the accounting policies, financial position or performance of the Company.

- **IFRS 3 Business Combinations and IFRS 11 Joint Arrangements:** The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.

- **IAS 12 Income Taxes:** The amendments clarify that the income tax consequences of payments on financial instruments classified as equity should be recognized according to where the past transactions or events that generated distributable profits has been recognized.

- **IAS 23 Borrowing Costs:** The amendments clarify paragraph 14 of the standard that, when a qualifying asset is ready for its intended use or sale, and some of the specific borrowing related to that qualifying asset remains outstanding at that point, that borrowing is to be included in the funds that an entity borrows generally.

IAS 19: Plan Amendment, Curtailment or Settlement (Amendments)
The amendments are effective for annual periods beginning on or after 1 January 2019 with earlier application permitted. The amendments require entities to use updated actuarial assumptions to determine current service cost and net interest for the remainder of the annual reporting period after a plan amendment, curtailment or settlement has occurred. The amendments also clarify how the accounting for a plan amendment, curtailment or settlement affects applying the asset ceiling requirements. These amendments have not yet been endorsed by the EU. Management has made an assessment of the effect of the amendments and considers that it will not affect the accounting policies, financial position or performance of the Company.

5. Significant accounting judgements, estimates and assumptions

Estimates and assumptions

Provision for income tax
The Company and its subsidiaries are subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the provision for income taxes at Company level. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. In cases 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.

Depreciation rates
The Company's fixed assets are depreciated over their estimated useful lives. These remaining useful lives are periodically reassessed to determine whether they continue to be appropriate. The actual useful lives of fixed assets may be differentiated by factors such as technological innovation and maintenance programs.

Impairment of property, plant and equipment
Property, plant and equipment are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. In calculating the value in use, Management estimates the future cash flows from the asset or cash flow unit and selects the appropriate discount rate to calculate the present value of future cash flows.

Deferred tax assets
Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that there will be sufficient tax profits to offset those tax losses (Note 15). The determination of the amount of deferred tax assets that may be recognized requires significant judgments and estimates of the Company's Management, which are based on future tax profits in combination with future tax strategies to be followed.

Provision for doubtful debts
The value of trade accounts receivables is impaired, whenever indicators exist, which reveal that the specific amounts or parts of them will not be recoverable. The Company Management periodically reassesses the adequacy of the allowance for doubtful accounts receivable in conjunction with its credit policy and taking into consideration reports from its legal department, which are prepared following the processing of historical data and recent developments of the cases they are handling, as well as their judgement / estimation on the impact of other factors on the receivables' collectability.

Provisions for slowly moving and depreciated stocks
The Management of the Company periodically reassesses the adequacy of the provision regarding slowly moving and depreciated inventories. The provision is calculated on the basis of the aging of the stocks and previous experience. For stocks that remain immovable, a long-term provision is made which amounts to 100% of the acquisition value.

Provision for staff leaving indemnity
The liabilities for the employees' indemnities are calculated using actuarial methods, which require the Management's assumptions in relation to the future increase in employees' compensation, the discount rate of these obligations, some of which are the staff turnover rates. The Company's Management reviews the parameters at each reporting date, when the provision is revised.

Going concern
Management taking into account: a) the financial position of the Company, b) the risks faced by the Company that could have a negative impact on the Company's business model and capital adequacy and c) the fact that no significant uncertainties are identified regarding the ability of the Company to continue operating as a "going concern" for the foreseeable future and in any case for at least 12 months from the date of approval of the financial statements, declares that the appropriate basis for the preparation of the financial statements the principle of the "going concern" and that there are no significant uncertainties regarding the Company's ability to continue applied as a proper basis for the preparation of financial statements the principle of "going concern" for the foreseeable future and in any case for at least 12 months from the date of approval of the financial statements.

6. Capital management

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value
The Company manages the capital structure and makes adjustments in the light of changes in financial conditions. In order to maintain or adjust the capital structure, the Company may adjust the payment of dividends to shareholders, return capital to shareholders or issue new shares. The Company monitors equity based on the leverage ratio, which is net debt divided by equity plus net debt. The Company's policy is to maintain a leverage ratio of between 20% and 35%. The Company includes net debt, interest-bearing loans, trade and other liabilities, reduced by cash and short-term deposits.

	31/12/2017	**31/12/2016**
Interest-bearing loans and borrowings (Note 23)	-	112.222,22
Trade and other payables (Note 26)	1.986.417,57	2.440.882,12
Less: cash and short-term deposits (Note 19)	(660.869,45)	(330.470,32)
Net debt	1.325.548,12	2.222.634,02
Equity attributable to the shareholders of the Company	5.769.233,52	4.599.991,94
Total capital	5.769.233,52	4.599.991,94
Capital and net debt	**7.094.781,64**	**6.822.625,96**
Gearing ratio	**19%**	**33%**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2017 and 2016

7. Revenue by category

The Company's revenue is analysed as follows:

	1/1/2017 - 31/12/2017	**1/1/2016 - 31/12/2016**
Sales of goods	9.075.435,93	8.685.089,15
Rendering of services	7.373,30	3.760,78
Total	**9.082.809,23**	**8.688.849,93**

8. Expenses by nature

The Company's expenses are analysed as follows:

	Note.	1/1/2017 - 31/12/2017	1/1/2016 - 31/12/2016
Employee benefit expenses	11	539.804,47	507.472,75
Cost of goods recognised as an expense		6.414.778,90	6.078.506,98
Depreciation of property plant and equipment	13	98.569,02	94.242,10
Amortization of intangible assets	14	391,00	2.976,02
Third parties' fees		84.535,81	94.587,43
Third parties' facilities		16.696,08	20.247,63
Transportation expenses		23.933,36	24.259,03
Repairs and maintenance of property plant and equipment		31.101,60	66.437,44
Operating leases		8.901,88	8.838,08
Insurance expenses		15.248,11	13.587,16
Telecommunication expenses		11.760,87	9.532,21
Travel expenses		13.844,14	12.789,89
Consumables		47.639,39	47.736,03
Impairment of doubtful accounts receivables	17	13.278,94	-
Provision of slowly moving stocks		4.692,54	14.167,17
Taxes & fees (except income tax)		33.824,49	36.081,42
Other operating expenses		63.330,49	46.885,21
Total		**7.422.331,09**	**7.078.346,55**

The allocation of expenses by category is analysed as follows:

	1/1/2017 - 31/12/2017	1/1/2016 - 31/12/2016
Cost of sales	6.419.471,44	6.092.674,15
Administration expenses	793.599,98	804.193,31
Selling and distribution expenses	209.259,67	181.479,09
	7.422.331,09	**7.078.346,55**

Depreciation and amortization by category are analysed as follows:

	1/1/2017 - 31/12/2017	1/1/2016 - 31/12/2016
Administration expenses	98.960,02	97.218,12
	98.960,02	**97.218,12**

9. Other operating income / (expenses)

Other operating income of the Company is analysed as follows:

	1/1/2017 - 31/12/2017	1/1/2016 - 31/12/2016
Profit from the sale of property, plant and equipment	399,99	3.109,97
Other operating incomes	1.754,00	7,99
Total other operating income	**2.153,99**	**3.117,96**

Other operating expenses of the Company is analysed as follows:

	1/1/2017 - 31/12/2017	1/1/2016 - 31/12/2016
Profit from the sale of property, plant and equipment	(59.477,98)	-
Net loss on financial instruments at fair value through profit or loss (Note 18)	(21,18)	(40,34)
Other operating expenses	(9.308,99)	(9.286,50)
Total other operating expenses	**(68.808,15)**	**(9.326,84)**

10. Finance income/ (expense)

Finance expenses of the Company is analysed as follows:

	1/1/2017 - 31/12/2017	1/1/2016 - 31/12/2016
Interest expense from bank loan	(2.443,69)	(7.618,21)
Losses from exchange differences	-	(9,87)
Other finance expense	(7.370,85)	(11.238,63)
Total finance expense	**(9.814,54)**	**(18.866,71)**

Finance income of the Company is analysed as follows:

	1/1/2017 - 31/12/2017	1/1/2016 - 31/12/2016
Interest income from cash at banks	6,73	-
Foreign exchange gains	1.209,36	-
Total finance income	**1.216,09**	**-**

11. Employee benefits expenses

Employee benefits expenses of the Company is analysed as follows:

	1/1/2017 - 31/12/2017	1/1/2016 - 31/12/2016
Wages and salaries	420.618,50	411.459,65
Social security costs and other employer contributions (Note 25)	99.309,70	83.459,75
Other personnel expenses	15.859,90	8.536,98
Pension cost defined benefit plans (Note 25)	4.016,37	4.016,37
Total	**539.804,47**	**507.472,75**

12. Income tax

The income tax of the Company, reported in the financial statements is analysed as follows:

	1/1/2017 - 31/12/2017	1/1/2016 - 31/12/2016
Current income tax	479.913,47	477.628,96
Deferred income tax (Note 15)	(6.382,62)	(5.284,92)
Revaluation of Income Tax Provision (Note 24)	(56.767,93)	-
Income tax expenses reported in the statement of comprehensive income	**416.762,92**	**472.344,04**

The effective income tax rate differs from the nominal income tax rate due to various factors. The most significant ones are certain non-deductible expenses and the change in tax rates. The difference between effective and nominal income tax rate is as follows:

	1/1/2017 - 31/12/2017	1/1/2016 - 31/12/2016
Accounting profit before tax	**1.585.225,53**	**1.585.427,79**
Income tax calculated at tax applicable rates (2017: 29%, 2016: 29%)	459.715,40	459.774,06
Non-deductible expenses for taxation purposes	13.815,45	12.569,98
Effect from differences in income tax rates	(56.767,93)	-
Total	**416.762,92**	**472.344,04**

The statutory income tax rate applicable to the Company, for its activities in Greece, for the fiscal year 2017 is 29% and 29% for the fiscal year 2016.

The Company has been tax audited until the year ended December 31, 2009. The unaudited tax years of the Company are the years 2010 to 2013. However, the Company's tax liabilities for the years 2010 and 2011 have become final as decided by The plenary of the Council of State 1738/2017 the right of the Greek State to impose fines and taxes expired on December 31, 2016 and December 31, 2017 for the fiscal year 2010 and 2011 respectively.
Based on the above decision of the Council of State, the Company reversed in the current year the provision for contingent tax liabilities for the fiscal years 2010 and 2011 amounting to Euro 56,767.93. The amount of Euro 56.767,93 is deducted from income tax in the statement of comprehensive income for the current year.

During the financial year 2018, relevant audits were initiated by the tax authorities for the years 2012 and 2013. Until the publication of the financial statements, the results of the audits had not been finalized by the tax authorities. A provision for contingent tax liabilities of Euro 74,249.90 has been made for the years 2012 and 2013 (Note 24).

Tax Compliance certificate:

From the financial year 2011 and onwards, all Greek Societe Anonyme and Limited Liability Companies that are required to have their statutory financial statements audited must in addition obtain an “Annual Tax Certificate” as provided for by paragraph 5 of Article 82 of L.2238/1994 for the fiscal years 2011-2013 and Article 65A of L. 4174/2013 for the fiscal year 2014 and after. This “Annual Tax Certificate” must be issued by the same statutory auditor or audit firm that issues the audit opinion on the statutory financial statements. Upon completion of the tax audit, the statutory auditor or audit firm must issue to the entity a "Tax Compliance Report" which will subsequently be submitted electronically to the Ministry of Finance. This "Tax Compliance Report" must be submitted by the statutory auditor or audit firm within ten days from the date of the approval of the financial statements by the General Meeting of Shareholders.

For the Company the tax compliance certificate for the financial year 2016 was concluded by its auditors, based on the provisions of article 65a of L.4174/2013.

For the year 2017, the Company is placed under the tax audit, which is already under process, in accordance with the provisions of Article 65A L. 4174/2013. This tax audit is conducted by the same statutory auditor or audit firm that issues the audit opinion on the statutory financial statements. Upon the completion of the aforementioned tax audit, no significant, additional tax liabilities are expected to arise, in excess of those provided for and disclosed in the financial statements.

13. Property plant and equipment

Property plant and equipment of the Company are analysed as follows:

	Freehold land and buildings	Transportation means	Furniture and other equipment	Total
Cost				
At 1 January 2016	1.751.909,02	142.895,44	550.335,83	2.445.140,29
Additions	-	152.330,06	15.975,53	168.305,59
Disposals	-	(13.005,32)	(880,41)	(13.885,73)
At 31 December 2016	1.751.909,02	282.220,18	565.430,95	2.599.560,15
At 1 January 2017	1.751.909,02	282.220,18	565.430,95	2.599.560,15
Additions	-	37.590,21	33.553,70	71.143,91
Disposals	-	(163.076,94)	-	(163.076,94)
At 31 December 2017	1.751.909,02	156.733,45	598.984,65	2.507.627,12
Accumulated depreciation				
At 1 January 2016	844.230,16	108.733,13	502.351,52	1.455.314,81
Depreciation	60.407,27	12.616,95	21.217,88	94.242,10
Disposals	-	(13.005,30)	(880,40)	(13.885,70)
At 31 December 2016	904.637,43	108.344,78	522.689,00	1.535.671,21
At 1 January 2017	904.637,43	108.344,78	522.689,00	1.535.671,21
Additions	60.407,27	16.920,23	21.241,52	98.569,02
Disposals	-	(29.627,32)	-	(29.627,32)
At 31 December 2017	965.044,70	95.637,69	543.930,52	1.604.612,91
Net book value at 31.12.2016	**847.271,59**	**173.875,40**	**42.741,95**	**1.063.888,94**
Net book value at 31.12.2017	**786.864,32**	**61.095,76**	**55.054,13**	**903.014,21**

Tangible assets with indefinite useful life (land) are not subject to depreciation and are annually assessed for impairment. The higher amount between the fair value of the asset less the cost to sell it and the value in use consists of the recoverable amount of the asset.

The property that operates the Company is subject to a first mortgage in favour of National Bank of Greece to secure a construction loan of a total amount Euro 1.275.000,00.

14. Intangible assets

Intangible assets of the Company are analysed as follows:

	Software	Total
Cost		
At 1 January 2016	18.191,45	18.191,45
Additions	1.870,00	1.870,00
At 31 December 2016	20.061,45	20.061,45
At 1 January 2017	20.061,45	20.061,45
Additions	-	-
At 31 December 2017	20.061,45	20.061,45
Accumulated amortization		
At 1 January 2016	16.498,56	16.498,56
Amortization	2.976,02	2.976,02
At 31 December 2016	19.474,58	19.474,58
At 1 January 2017	19.474,58	19.474,58
Amortization	391,00	391,00
At 31 December 2017	19.865,58	19.865,58
Net book value at 31.12.2016	**586,87**	**586,87**
Net book value at 31.12.2017	**195,87**	**195,87**

15. Deferred tax

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

	31/12/2017	31/12/2016
Deferred income tax assets:		
To be recovered after more than 12 months	49.562,20	43.503,89
To be recovered within 12 months	15.809,39	15.803,25
Total	65.371,59	59.307,14
Deferred income tax liabilities:		
To be settled after more than 12 months	(2.531,00)	(2.531,00)
To be settled within 12 months	-	-
Total	(2.531,00)	(2.531,00)
Net deferred tax assets	**62.840,59**	**56.776,14**

Reconciliation of deferred tax liabilities, net is as follows:

	31/12/2017	31/12/2016
As of 1 January	56.776,14	50.808,54
Tax income during the period recognised in statement of comprehensive income (Note 12)	6.382,62	5.284,92
Tax income during the period recognised in OCI	(318,17)	682,68
As at 31 December	**62.840,59**	**56.776,14**

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdictions, relates to the following:

	Statement of financial position		Statement of comprehensive income	
	31/12/2017	31/12/2016	1/1/2017 - 31/12/2017	1/1/2016 - 31/12/2016
Depreciation of property plant and equipment for tax purposes	971,26	971,26	-	(320,75)
Amortization of intangible assets for tax purposes	170,19	170,19	-	320,75
Provision for doubtful accounts receivable	12.839,42	8.988,53	(3.850,89)	-
Provision for obsolete and slow-moving inventories	20.572,75	19.211,91	(1.360,84)	(4.108,48)
Pensions and other post-employment benefit plans	15.008,58	14.162,00	(1.164,75)	(1.164,74)
Financial assets at fair value through profit or loss	13.489,39	13.483,25	(6,14)	(11,70)
Amortization of government grants	2.320,00	2.320,00	-	-
Accrued expenses	(2.531,00)	(2.531,00)	-	-
Net deferred tax assets			**(6.382,62)**	**(5.284,92)**
Deferred tax benefit	**62.840,59**	**56.776,14**		

16. Inventories

The inventories of the Company are analysed as follows:

	31/12/2017	31/12/2016
Merchandises	1.888.356,98	1.919.192,85
Merchandises in transit	-	135.131,87
Spare parts	-	1.174,08
Total	**1.888.356,98**	**2.055.498,80**

Minus: Provisions for slow moving and obsolete inventories

	31/12/2017	31/12/2016
Merchandises	70.940,51	66.247,97
	70.940,51	**66.247,97**
Total net realisable value	**1.817.416,47**	**1.989.250,83**

17. Trade and other receivables

Trade accounts receivables and other receivables of the Company are analysed as follows:

	31/12/2017	31/12/2016
Trade accounts receivable	1.628.024,36	1.495.308,43
Minus: Provisions for impairment	(111.667,40)	(98.388,46)
Total trade accounts receivables	1.516.356,96	1.396.919,97
Advances from suppliers	50.106,20	-
Receivables from Greek states	2.375,19	2.321,26
Post-dated cheques	2.859.984,34	2.518.662,07
Other receivables	11.589,98	11.594,73
Total	**4.440.412,67**	**3.929.498,03**
Current assets	2.686,32	3.241,32
Non-current assets	4.437.726,35	3.926.256,71
Total	**4.440.412,67**	**3.929.498,03**

The movement of the provision for impairment of trade receivables for the financial years ended December 31, 2017 and December 31, 2016 for the Company is as follows:

Balance 1 January 2016	**(98.388,46)**
Provisions for impairment of trace accounts receivable (Note 8)	-
balance 31 December 2016	**(98.388,46)**
Balance 1 January 2017	**(98.388,46)**
Provisions for impairment of trace accounts receivable (Note 8)	(13.278,94)
Balance 31 December 2017	**(111.667,40)**

As at 31 December 2017 and 2016, the ageing analysis of trade receivables of the Company is, as follows:

			Past due but not impaired				
	Total	Neither past due nor impaired	< 30 days	31 - 60 days	61 - 90 days	91 - 120 days	>120 days
2017	4.376.341,30	3.630.008,12	351.795,47	233.938,13	59.861,52	33.088,47	67.649,59
2016	3.915.582,04	3.008.266,39	880.554,50	3.216,25	4.810,59	13,50	18.720,81

18. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss of the Company is analysed as follows:

	31/12/2017	31/12/2016
Opening balance	219,28	259,62
Net loss on financial instruments at fair value through profit or loss (Note 9)	(21,18)	(40,34)
Closing balance	**198,10**	**219,28**

Financial assets at fair value through profit or loss include the followings:

	31/12/2017	31/12/2016
Listed equity instruments	**198,10**	**219,28**

The Company used the level 1 for determining and disclosing the fair value of these financial instruments.

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

19. Cash and short-term deposits

Cash and short-term deposits of the Company is analysed as follows:

	31/12/2017	31/12/2016
Cash in hand	3.047,18	3.047,18
Cask in banks and short-term bank deposits	657.822,27	327.423,14
Total	**660.869,45**	**330.470,32**

The Company has no cash and short-term foreign currency deposits. Cash and short-term deposits are denominated in Euro.

Bank deposits are accrued at floating rates based on monthly bank interest rates. Interest income on sight and time deposits with banks is accounted for using the accruals method.

20. Share capital

	Number of shares	Ordinary shares	Total
Balance 1 January 2016	32.070	962.100,00	962.100,00
Balance 31 December 2016	**32.070**	**962.100,00**	**962.100,00**
Balance 1 January 2017	32.070	962.100,00	962.100,00
Balance 31 December 2017	**32.070**	**962.100,00**	**962.100,00**

On December 31, 2017 and December 31, 2016, the authorized, issued and fully paid up share capital of the Company amounts to 32 070 shares of nominal value Euro 30.00 each.

21. Reserves

The Company's reserves are analyzed as follows:

	Statutory reserve	Other reserves	Total
Balance 1 January 2016	349.344,05	25,52	349.369,57
Balance 31 December 2016	**349.344,05**	**25,52**	**349.369,57**
Balance 1 January 2017	349.344,05	25,52	349.369,57
Balance 31 December 2017	**349.344,05**	**25,52**	**349.369,57**

(a) Statutory reserve
A statutory reserve is created under the provisions of Greek law (Law 2190/20, articles 44 and 45) according to which, an amount of at least 5% of the profit (after tax) for the year must be transferred to the reserve until it reaches one third of the paid share capital. The legal reserve can only be used, after approval of the Annual General meeting of the shareholders, to offset accumulated losses and therefore cannot be used for any other purpose.

(b) Tax free reserves
This account includes reserves created from profits, which were used for the acquisition of new fixed assets employed in the production process and are therefore regarded as tax-free under special provisions of incentive laws in force each time. Therefore, this reserve is created from profits for which no tax is calculated or paid.

According to the Greek Tax Law tax free reserves are non-taxable provided that they remain undistributed. In the case of distribution, tax is calculated at the current tax rate. Since the Company has no intention of distributing part or whole of these reserves in the near future it has not provided for deferred income tax.

22. Dividends

Under Greek corporate law, companies are required each year to distribute in cash, to the shareholders at least 35% of net profit, after allowing for the legal reserve and certain profits from the sale of shares described under par. 1 of art. 3, of Law 148/1967. The above provisions do not apply, if the General Shareholders Meeting by a majority of at least 65% resolves not to distribute profits. In this case, the non-distributed - profits are transferred to a “special reserves account”. The Company is obliged within four years from the formation of reserves to capitalize these reserves by the issuance of new shares which it grants free to the beneficiaries (par. 2 art. 3 of the Law 148/1967). The above provisions of par. 1 and 2 do not apply, if approved by the General Shareholders Meeting by a majority of at least 70% of the paid-up share capital.
Pursuant to paragraph 1 of section 44a of Law 2190/1920 on Societe Anonyme, it is prohibited to distribute dividends to shareholders if, at the end of the last fiscal year, all of the company's equity as shown in the statement of financial position is or, after such distribution, it shall be less than the amount of the share capital, plus the reserves for which their distribution is prohibited by law or the Articles of Association. The amount of this share capital is reduced by the amount that has not yet been paid.

For the fiscal year 2017 no dividend was proposed by the Board of Directors of the Company. The distribution, whether or not, of the dividend is subject to the approval of the Annual Ordinary General Meeting of Shareholders which will take place by September 10, 2018.

For the fiscal year 2016, the Annual General Meeting of Shareholders of July 31, 2017 approved the non-distribution of dividend.

The Annual Ordinary General Meeting of Shareholders of July 30, 2016 approved the distribution of dividend for the fiscal year 2015 amounting to Euro 600.000,00.

23. Loans and borrowings

Interest bearing loans and borrowings of the Company is analysed as follows:

	31/12/2017	31/12/2016
Non-current interest-bearing loans and borrowings		
Floating rates bank loans	-	112.222,22
Total non-current	-	112.222,22
Total	**-**	**112.222,22**

All of the Company's loans as at 31 December 2016 were denominated in Euro.

24. Provisions for liabilities and expenses

Provisions for liabilities and expenses of the Company is analysed as follows:

	31/12/2017	31/12/2016
Current liabilities	74.249,90	131.017,83
Total	**74.249,90**	**131.017,83**

	Audited fiscal tax years	Total
Balance 1 January 2016	131.017,83	131.017,83
Balance 31 December 2016	**131.017,83**	**131.017,83**
Balance 1 January 2017	131.017,83	131.017,83
Reversal of forecasts for the year	(56.767,93)	(56.767,93)
Balance 31 December 2017	**74.249,90**	**74.249,90**

For more information on unaudited tax years see Note 12.

25. Pensions and other post-employment benefit plans

State pension: The Company's employees are covered by one of several Greek State sponsored pension funds. Each employee is required to contribute a portion of their monthly salary to the fund, with the Company also contributing a portion. Upon retirement, the pension fund is responsible for paying the employees retirement benefits. As such, the Company has no legal or constructive obligation to pay future benefits under this plan. The contributions to the pension funds for the years ended 31 December 2017 and 2016 amounted to Euro 99.309,70 and Euro 83.459,75 respectively (Note 11).

Staff leaving indemnities: Under Greek labour law, employees and workers are entitled to termination payments in the event of dismissal or retirement with the amount of payment varying in relation to the employee's or worker's compensation, length of service and manner of termination (dismissed or retired). Employees or workers who resign or are dismissed with cause are not entitled to termination payments. The indemnity payable in case of retirement is equal to 40% of the amount which would be payable upon dismissal without cause. In Greece, local practice is that pension plans are not funded.

In accordance with this practice, the Company does not fund these plans. The Company charges in the statement of comprehensive income for benefits earned in each period with a corresponding increase in retirement indemnity liability. Benefits payments made each period to retirees are charged against this liability.

An international firm of independent actuaries evaluated the Company's liabilities arising from the obligation to pay retirement indemnities. The details and principal assumptions of the actuarial study as at December 31, 2017 and 2016 are as follows:

	31/12/2017	31/12/2016
Liability in the statement of financial position for:		
Employee defined benefit liabilities	**51.753,71**	**48.834,48**

Benefit expense that has been recognized in the statement of comprehensive income is analysed as follows:

	1/1/2017-31/12/2017	1/1/2016-31/12/2016
Current service cost	3.239,86	3.239,86
Interest cost on benefit obligation	776,51	776,51
Curtailment/Settlement/Termination Benefits	-	-
Total included in employee benefits (Note 11)	**4.016,37**	**4.016,37**

Changes in the present value of the defined benefit obligations:

	31/12/2017	31/12/2016
Present value of the defined benefit obligations	**48.834,48**	**42.464,05**
Current service cost	3.239,86	3.239,86
Cost of interest	776,51	776,51
Actuarial (profit)/loss	(1.097,14)	2.354,06
Present value of the defined benefit obligations	**51.753,71**	**48.834,48**

The principal assumptions used in determining pension and post-employment medical benefit obligations for the Company's plans are shown below:

	31/12/2017	31/12/2016
Discount rate	2,03%	1,82%
Future salary increases	1,00%	1,00%
Future consumer price index increases	1,00%	1,00%

26. Trade and other payables

Trade and other receivables of the Company are analyzed as follows:

	31/12/2017	31/12/2016
Trade accounts payables	975.447,58	1.212.037,55
Post-dated checks payable	1.674,00	5.000,00
Customers advances	30.014,57	8.379,34
Accrued expenses	8.000,00	10.296,11
Social security and other taxes	116.709,46	174.293,38
Dividend payables	796.994,67	921.939,26
Other short-term liabilities	57.577,29	108.936,48
Total	**1.986.417,57**	**2.440.882,12**
Current liabilities	1.986.417,57	2.440.882,12
Total	**1.986.417,57**	**2.440.882,12**

27. Commitments

Operating lease commitments
Future minimum rentals payable under non-cancellable operating leases as at 31 December 2017 and 2016 are, as follows:

	31/12/2017	31/12/2016
Within one year	11.048,28	11.038,36
After one year but not more than five years	11.048,28	22.096,56
	22.096,56	**33.134,92**

28. Contingent liabilities - assets

As at 31 December 2017 and 2016 there are no contingent liabilities.

Contingent assets

The Company has a claim from the company named “Athanasopoulos Ch. & Sia EE” amount of Euro 38.203,02 For this claim the Company has undergone legal proceedings and a lawsuit against the management of the above company has been submitted due to issuance post-dated check that were not collected on expire date.

29. Related party disclosures

The compensation of Board of Directors members for the financial years 2017 and 2016 is analysed as follows:

	1/1/2017 - 31/12/2017	1/1/2016 - 31/12/2016
Salaries and wages of key management personnel	-	60.000,00
	-	**60.000,00**

30. Financial instruments risk management objectives and policies

Financial risk factors

The Company is exposed to a variety of financial risks, including foreign currency exchange risk, and interest rate risk, credit risk, liquidity risk and cash flow risk.

The Company’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company as a whole.

Market risk

Foreign currency risk
The Company is active internationally and is exposed to variations in foreign currency exchange rate. This type of risk arises mainly from future transactions, as well as receivables and liabilities in foreign currency.
The Company’s main foreign currency taking into account volume of transactions is USD. The Company mainly manages its exposure to foreign currency risk via physical hedging of liabilities – receivables and input – output in USD.
The Company’s policy is to not maintain foreign reserves higher than the necessary amounts that are expected to be used in its commercial activities.

Price risk
The Company is exposed to raw materials price variations. Part of this risk is compensated by incorporating change in cost to the final selling price of the products.

Credit risk
Exposure to credit risk mainly arises from cash, bank deposits, as well as due to the failure of counter parties to fulfil their obligations, in relation to its class of recognized financial assets in the Financial Statements. The Company has a significant concentration of its receivables, mainly due to the fact that most of its receivables relate to a limited number of customers.

37.91% of the Company's turnover is carried out by two customers (31.12.2016: 35,23%) whose balance as of December 31, 2017 was Euro 1.824.783,78 (31.12.2016: 1.866.361,94).

Liquidity risk
The Company manages liquidity risk by monitoring its cash flow and ensuring that adequate banking facilities and reserve borrowing facilities are maintained. The Company has sufficient undrawn committed and uncommitted borrowing facilities that can be utilized to fund any potential shortfall in cash resources.

The table below summarizes the maturity profile of the Company's financial liabilities at 31 December 2017 and 31 December 2016 based on contractual undiscounted payments.

31 December 2017	**Less than 6 Months**	**6 to 12 months**	**1 to 5 years**	**Total**
Trade and other accounts payable	1.986.417,57	-	-	-
Total	1.986.417,57	-	-	-

31 December 2016	**Less than 6 Months**	**6 to 12 months**	**1 to 5 years**	**Total**
Interest bearing loans and borrowings	67.222,22	45.000,00	-	112.222,22
Trade and other accounts payable	2.440.882,12	-	-	2.440.882,12
Total	2.508.104,34	45.000,00	-	2.553.104,34

Cash flow risk and risk relating to change of fair value due to change in interest rates
The Company's operating income and cash flows are influenced by changes in interest rates. The interest rate risk essentially affects floating rate borrowings. Company's policy is to monitor interest rate trends and to decide on the combination of fixed – floating interest rates according to prevailing market conditions and its financial needs. During the current period the sum of Company's debt is with variable interest rate, as it was considered that this risk is limited, as the Euro interest rates are expected to remain stable or decrease in the medium-term future.

Determination of fair values
The fair value of financial instruments that are traded in active markets (stocks) (e.g. derivatives, equities, bonds) is determined by the quoted market prices at the date of the statement of financial position. Bid value is used for financial assets and Bid value is used for financial liabilities.

The fair value of financial instruments that are not quoted in active markets is determined using valuation techniques and assumptions that are based on market data at the financial position date.

The face value less provisions for trade receivables and liabilities is estimated to approximate their fair value. The fair values of financial liabilities for the purpose of presenting them in the financial statements are calculated based on the present value of future cash flows arising from specific contracts using the current interest rate available to the Company for the use of similar financial instruments.

31. Changes in liabilities arising from financing activities

	1 January 2017	Cash flow	Other	31 December 2017
Short-term variable rate bank loans	112.222,22	(112.222,22)	-	-
Total liabilities from financing activities	**112.222,22**	**(112.222,22)**	**-**	**-**

	1 January 201	Cash flow	Other	31 December 2016
Long-term variable rate bank loans	112.222,22	-	(112.222,22)	-
Short-term variable rate bank loans	134.444,45	(134.444,45)	112.222,22	112.222,22
Total liabilities from financing activities	**246.666,67**	**(134.444,45)**	**-**	**112.222,22**

The "Other" column includes the effect of reclassifying the non-current portion of the interest-bearing loans, including leasing liabilities, on the time-share due to the effect.

32. Financial instruments

The amounts presented in the accompanying statement of financial position regarding cash, trade receivables and advances and other receivables, suppliers and accrued and other current liabilities approximate their respective fair values because of short-term maturity of these financial instruments.

The fair value of floating rate interest bearing loans and borrowings approximates the amounts present in the statement of financial position.

The Company used the level 1 for determining and disclosing the fair value of financial assets at fair value through profit or loss.

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Comparison of fair values against carrying amounts, as presented in the financial statements, for each category of financial assets and liabilities for the years ending on 31 December 2017 and 2016 are as follows:

	Carrying amount		**Fair value**	
	31/12/2017	**31/12/2016**	**31/12/2017**	**31/12/2016**
Financial assets				
Cash and short-term deposits	660.869,45	330.470,32	660.869,45	330.470,32
Financial assets at fair value through profit or loss	198,10	219,28	198,10	219,28
Financial liabilities				
Interest bearing loans and borrowings	-	112.222,22	-	112.222,22

33. Events after the statement of financial position date

There were no events after the financial position date of 31 December 2017, that relate to the Company, which can materially affect the understanding of those financial statements and should be reported or differentiate the amounts of published financial statements.