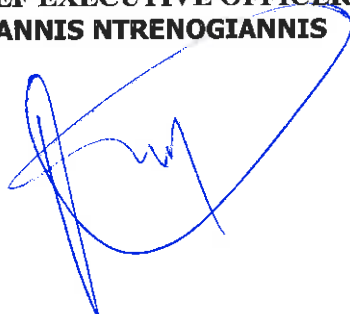


**ETPA PACKAGING S.A.  
CORPORATE FINANCIAL STATEMENTS  
FOR FY ENDING AS AT DECEMBER 31, 2015  
UNDER THE INTERNATIONAL FINANCIAL  
REPORTING STANDARDS (IFRS),  
ADOPTED BY THE EUROPEAN UNION**

The attached Financial Statements were approved by the Board of Directors of ETPA PACKAGING S.A. as of July 12<sup>th</sup>, 2016 and have been published on the Company's website [www.etpapackaging.com](http://www.etpapackaging.com). It is noted that the condensed financial statements which have been published aim at providing the reader with a general view on the Company's financial position and results, but do not provide the reader with a complete picture of the financial position and developments as well as cash flows of the Company and the Group, according to the IFRS.

**THE CHAIRMAN OF THE BoD AND  
CHIEF EXECUTIVE OFFICER  
IOANNIS NTRENOGIANNIS**




**THE CHIEF  
FINANCIAL OFFICER**

**PANAGIOTIS  
SKOPLAKIS**



**THE CHIEF  
ACCOUNTANT**

**AGAMEMNON  
STAVROPOULOS**



**TABLE OF CONTENTS**

<b>TABLE OF CONTENTS</b> .....	2
<b>Independent Auditor's Report</b> .....	3
<b>Annual Report of the Board of Directors of ETPA PACKAGING S.A. for FY 1/1/-31/12/2015</b> .....	5
<b>Statement of Financial Position</b> .....	9
<b>Income Statement</b> .....	10
<b>Statement of Changes in Equity</b> .....	12
<b>Statement of Cash Flows</b> .....	13
<b>1. Brief Description of the Company</b> .....	14
<b>2. Notes to Financial Statements</b> .....	16
<b>2.1 NotestoFinancial Statements</b> .....	16
<b>2.2 Application of newly issued and revised accounting standards</b> .....	16
<b>2.2.1 New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union</b> .....	16
<b>2.2.2 New Standards and Interpretations that have not been applied yet or have not been adopted by the European Union</b> .....	18
<b>2.2.3 Use of Estimates</b> .....	20
<b>2.3 Summary of Basic Accounting Policies</b> .....	20
<b>2.4 Significant Accounting Estimates and Judgements of the Management</b> .....	24
<b>2.4.1 Judgements</b> .....	24
<b>2.4.2 Estimates and assumptions</b> .....	25
<b>3. Property, plant and equipment</b> .....	26
<b>4. Intangible assets</b> .....	28
<b>5. Other long-term receivables</b> .....	28
<b>6. Inventory</b> .....	29
<b>7. Trade receivables</b> .....	29
<b>8. Other current assets</b> .....	29
<b>9. Cash available</b> .....	30
<b>10. Share Capital</b> .....	30
<b>11. Other reserves</b> .....	30
<b>12. Deferred tax assets/liabilities</b> .....	30
<b>13. Employee end of service benefit obligations</b> .....	30
<b>14. Grants</b> .....	32
<b>15. Other short-term liabilities</b> .....	32
<b>16. Long-term/Short-term loan liabilities</b> .....	32
<b>17. Long-term/Short-term provisions</b> .....	33
<b>18. Suppliers and other liabilities</b> .....	34
<b>19. Other short-term liabilities</b> .....	34
<b>20. Sales</b> .....	34
<b>21. Analysis of expenses</b> .....	35
<b>22. Payroll cost</b> .....	35
<b>23. Other income</b> .....	35
<b>24. Other expenses</b> .....	35
<b>25. Other financial results</b> .....	36
<b>26. Financial income / (expenses)</b> .....	36
<b>27. Income tax</b> .....	36
<b>28. Key executives benefits</b> .....	38
<b>29. Related parties transactions</b> .....	38
<b>30. Contingent assets, liabilities and commitments</b> .....	39
<b>A) Contingent liabilities from legal cases or arbitration differences</b> .....	39
<b>B) Commitments, guarantees and liens</b> .....	39
<b>31. Risk management policies</b> .....	39
<b>32. Post financial statements events</b> .....	41
<b>33. First Implementation of IFRS</b> .....	41

## **Independent Auditor's Report**

To the Shareholders of ETPA PACKAGING S.A.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Company ETPA PACKAGING S.A., which comprise the statement of financial position as at December 31, 2015, the income statement and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and a summary of significant accounting policies and methods and other explanatory notes.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards that have been adopted by the European Union as well as for internal control procedures the management defines as necessary to ensure the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in compliance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control procedures relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control procedures. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the abovementioned financial statements present fairly, in all material respects, the financial position of the Company TOP ELECTRONIC COMPONENTS S.A. as of December 31, 2015, its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

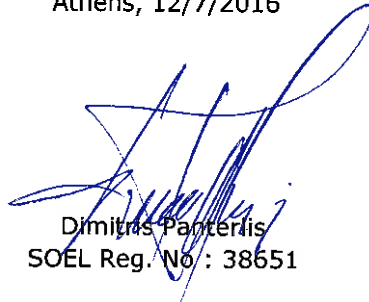
### **Report on Other Legal and Regulatory Requirements**

**ETPA PACKAGING S.A.**

**NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015**

We verified the agreement and correspondence of the content of the Board of Directors' Report with the abovementioned financial statements, in the context of the requirements of Articles 43a (par. 3a) and 37 of the Law 2190/1920.

Athens, 12/7/2016



Dimitris Panterlis  
SOEL Reg. No : 38651



**Grant Thornton**

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Chartered Accountants Management Consultants  
56, Zefirou str., 175 64 Palaio Faliro, Greece  
Registry Number SOEL 127

## ETPA PACKAGING S.A.

### NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015

#### Annual Report of the Board of Directors of ETPA PACKAGING S.A. for FY 1/1/-31/12/2015

Dear Shareholders,

According to the provisions of Law 2190/1920, we are submitting to your attention the current Annual Report of the Board of Directors for the 19<sup>th</sup> fiscal year of the Company and the Group of Companies ETPA PACKAGING S.A. (1/1/2015-31/12/2015). The present financial year is the first year when the Company publishes the financial statements in accordance with the International Financial Reporting Standards (IFRS).

The current Report provides a summary of financial information about the financial position and results of the Company ETPA PACKAGING S.A., a description of the significant events that took place during the closing financial year, a description of significant events that occurred after the date of preparation of the statement of financial position, a description of the projected course of the Company's operations, information regarding the management of significant financial risks faced by the Company, a presentation of significant transactions between the Company and its related parties as well as other information about the Company.

#### **A. Summary financial information about the Company**

The development of the Company's operations for FY 2015 and the summarized financial results are as follows:

**Sales:** The Company's sales during FY 2015 amounted to € 11,46 million versus € 11,04 million in 2014, recording an increase of 3,87%.

**Gross Profit:** Gross Profit of the Company amounted during FY 2015 stood at € 4,1 million versus € 3,8 million, recording an increase of 7,80 %.

**Administrative expenses:** The administrative expenses of the Company amounted to € 1,8 million in 2015, recording a decrease of 9,62%.

**Distribution expenses:** Distribution expenses increased by 5,13 % from € 795k in 2014 to € 836 k in 2015.

**EBITDA:** Earnings before interest, taxes depreciation and amortization amounted to € 1,75 million compared to € 1,1 million during the previous year.

**Profit before taxes:** Profit before tax for FY 2015 amounted to € 1,1 million versus € 0,5 million during the previous year.

**Net profit after taxes:** The Company recorded profit after tax in 2015 amounting to € 952k versus € 309 k in the previous year.

#### **Other financial ratios**

The following tables present the Company's key financial ratios:

## ETPA PACKAGING S.A.

### NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015

	31/12/2015	31/12/2014
<b>LIQUIDITY RATIOS</b>		
Current Ratio	1,03	1,06
Average Collection Period (days)	156,12	168,00
Average payment period (days)	102,15	123,77
Inventory turnover (days)	73,06	75,92
Asset Turnover	0,57	0,60
<b>EFFICIENCY RATIOS</b>		
Gross Margin	36,05%	34,74%
Profit Margin	8,29%	2,80%
Return on equity	17,96%	7,11%
<b>Capital Structure</b>		
Equity to Total Assets	26,48%	23,55%
Debt to Equity	36,02%	30,81%
Equity to Assets	45,58%	43,10%

#### **B. Significant events that occurred during the current year**

The following events took place within the closing FY:

- Increase in operating result of the company by almost 59 % due to the increased gross profit by 4% in the company's income statement and increase in other income of the company due to depreciation of the received grants.
- In the beginning of 2015, the company adopted the International Financial Reporting Standards for the preparation of the Financial Statements.
- The absorption of the subsidiary company ETPAKAT was completed in June 2015.

#### **C. Prospects and objectives for FY 2016**

Regarding the prospects and objectives for 2016, the company Management expects that:

- In 2016, the company in the year 2016 will proceed with the investment in renewing production equipment. Moreover, within the same year, the company will start and complete scheduling a big new investment in the renewal of hardware and software in all the company facilities and installation of a new integrated information enterprise resource planning system (ERP). These investments will be performed in the context of the new development law.

#### **D. Risks and uncertainties**

##### **Financial risks management**

The Company is exposed to various financial risks, the main of which have to do with the price fluctuation risk, credit risk, liquidity risk and cash flows risk. The relevant risk management policies of the Group aim at minimizing the negative effects that such risks may have on the company's financial position and performance.

Risk management is carried out by the Finance Department of the Company and the relevant policies are approved by the Board of Directors. The financial risk management involves recognition, assessment and hedging financial risks in close cooperation with the operating units of the Company.

##### **Price fluctuation risk:**

There are contracts with customers and suppliers of 1-1,5 years maturity. Changes in the suppliers price can be directly passed on to customers as long as the differences in basic Raw Material are substantial, such as the global oil prices.

## **ETPA PACKAGING S.A.**

### **NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015**

#### *Credit risk:*

New clients credit rating is examined, while as far as the existing clients are concerned, their credit ranking is periodically assessed in cooperation with Tiresias and ICAP. Moreover, the Company collaborates with the DAS regarding the issues of small and medium customers' past due balances as well as with the lawyer regarding the issues of large customers' past due balances.

#### *Liquidity risk*

Stocks of both - raw materials and finished goods - are liquid within 12 months given that they are based on the customers' orders under annual contracts. The company neither produces, nor purchases raw materials for stock.

The company's working capital is positive and amounts to € 191 k.

The customers' payment terms range between 3 and 6 months in respect of the customers with positive credit rating. As far as the other customers are concerned, prepayment of the consideration is required.

#### *Cash flows risk:*

The company capitalizes its assets earlier in respect of customers cheques in the context of financing lines for working capital and by assigning invoices to a factoring company under the relative contract.

#### **E. Related parties transactions**

Significant transactions between the Company and related parties within the meaning of IAS 24 during the current year are as follows:

**ETPA PACKAGING S.A.****NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015***Amounts in Euro '000*

	<b>Company</b>	
	<b>1/1-31/12/2015</b>	<b>1/1-31/12/2014</b>
Salaries and Social security costs	154.284	171.797
Fees to members of the BoD	909.343	952.200
Termination benefits	0	0
Other long-term benefits	0	0
Stock option	0	0
<b>Total</b>	<b>1.063.627</b>	<b>1.123.997</b>

**Transactions with related parties***Amounts in Euro '000*

	<b>Company</b>	
	<b>31/12/2015</b>	<b>31/12/2014</b>
<b>a) Asset accounts</b>		
Other Receivables	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>b) Liability accounts</b>		
Loans	140.475	311.019
Other liabilities	1.184	1.430
<b>Total</b>	<b>141.659</b>	<b>312.450</b>
<b>c) Income</b>		
Inventory sales	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>d) Expenses</b>		
Third party expenses	1.063.627	1.123.997
Financial expenses	27.036	44.395
<b>Total</b>	<b>1.090.664</b>	<b>1.168.392</b>

All kinds of remuneration of members of the Management and Key Executives of the Group and the Company during FY 1/1-31/12/2015 amounted to € 1.063.627. As at 31/12/2015, the Group has no receivables to the members of the Board of Directors and Key Executives.

Metamorphossi, July12, 2016

As and on behalf of the Board of Directors,  
The Chairman and the CEO

  
Ioannis Ntrenogiannis

**ETPA PACKAGING S.A.**

**NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015**

**Statement of Financial Position**

	Notes	31/12/2015	31/12/2014	31/12/2013
<b>Assets</b>				
<b>Non-Current Assets</b>				
Tangible assets	3	11.607.658	10.072.659	10.266.571
Investment property		0	0	0
Goodwill		0	0	0
Other Intangible Assets	4	14.273	8.618	11.063
Investments in Subsidiaries		0	0	0
Investments accounted for using the equity method		0	0	0
Other non current assets	12	393.570	13.421	13.421
Deferred tax asset		549.604	474.587	544.394
<b>Non-Current Assets</b>		<b>12.565.105</b>	<b>10.569.284</b>	<b>10.835.449</b>
<b>Current Assets</b>				
Inventories	6	1.389.664	1.545.532	1.451.267
Trade and other receivables	7	4.720.452	5.087.326	5.073.604
Other current assets	8	935.430	983.218	936.736
Trading portfolio and financial assets measured at fair value through P&L		0	0	0
Cash, cash equivalents & restricted cash	9	367.534	246.625	116.860
<b>Current Assets</b>		<b>7.413.081</b>	<b>7.862.701</b>	<b>7.578.468</b>
<b>Total Assets</b>		<b>19.978.186</b>	<b>18.431.985</b>	<b>18.413.916</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
Share capital	10	2.434.070	2.434.070	2.434.070
Share premium	10	724.644	724.644	724.644
Other reserves	11	1.495.809	1.495.984	1.481.056
Retained earnings		-313.278	-622.150	-622.150
Profit for the period		950.187	308.872	0
<b>Equity attributable to owners of the Parent</b>		<b>5.290.431</b>	<b>4.341.420</b>	<b>4.017.620</b>
<b>Total Equity</b>		<b>5.290.431</b>	<b>4.341.420</b>	<b>4.017.620</b>
<b>Non-current liabilities</b>				
Deferred tax liability	12	842.326	697.463	648.623
Accrued pension and retirement obligations	13	196.655	179.616	202.371
Government grants	14	1.697.598	1.332.827	1.253.068
Long-term borrowings	16	3.742.323	3.317.396	3.867.362
Non-Current Provisions	17	55.000	55.000	55.000
Other long-term liabilities	15	930.212	1.076.766	0
<b>Non-current liabilities</b>		<b>7.464.114</b>	<b>6.659.068</b>	<b>6.026.424</b>
<b>Current Liabilities</b>				
Trade and other payables	18	1.813.079	2.290.940	2.594.473
Tax payable	16	111.016	100.437	110.405
Short-term debt	17	4.479.142	4.036.705	4.394.085
Current portion of non-current provisions	17	0	0	36.719
Other current liabilities	19	820.404	1.003.416	1.234.191
<b>Current Liabilities</b>		<b>7.223.641</b>	<b>7.431.497</b>	<b>8.369.872</b>
<b>Total Liabilities</b>		<b>14.687.755</b>	<b>14.090.565</b>	<b>14.396.296</b>
<b>Total Equity and Liabilities</b>		<b>19.978.186</b>	<b>18.431.985</b>	<b>18.413.916</b>

**ETPA PACKAGING S.A.**

**NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015**

**Income Statement**

**Income Statement**

	<b>Note</b>	<b>Company</b>	
		<b>1/1- 31/12/2015</b>	<b>1/1- 31/12/2014</b>
Sales	20	11.465.208	11.037.756
Cost of sales	21	-7.331.956	-7.203.413
<b>Gross profit</b>		<b>4.133.251</b>	<b>3.834.343</b>
Administrative expenses	21	-1.621.929	-1.794.536
Distribution expenses	21	-836.848	-795.998
Other income	23	349.312	79.785
Other expenses	24	-262.626	-217.505
<b>Operating profit</b>		<b>1.761.161</b>	<b>1.106.090</b>
Other financial results	25	-4.490	-6.071
Financial expenses	26	-625.312	-592.290
Financial income	26	169	100
Income from dividends		0	0
Share in net profit (loss) of companies accounted for by the equity method		0	0
<b>Profit before income tax</b>		<b>1.131.528</b>	<b>507.828</b>
Income tax	27	-181.342	-198.956
<b>Profit for the period from continuing operations</b>		<b>950.187</b>	<b>308.872</b>

**ETPA PACKAGING S.A.**

**NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015**

**Statement of Comprehensive Income**

	<b>Company</b>	
	<b>1/1- 31/12/2015</b>	<b>1/1- 31/12/2014</b>
	<b>951.915</b>	<b>308.872</b>
<b>Net profit for the period</b>		
<b>Other comprehensive income:</b>		
<b>Amounts that will not be reclassified in the Income Statement</b>		
Remeasurements of defined benefit pension plans	-1.656	20.174
Deferred tax on revaluation of accrued pensions	480	-5.245
	<b>-1.176</b>	<b>14.929</b>
<b>Amounts that may be reclassified in the Income Statement</b>	<b>0</b>	<b>0</b>
<b>Other comprehensive income for the period after tax</b>	<b>-1.176</b>	<b>14.929</b>
<b>Total comprehensive income for the period after tax</b>	<b>950.739</b>	<b>323.801</b>

ETPA PACKAGING S.A.

NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015

Statement of Changes in Equity

	Note	Number of shares	Share capital	Share premium	Other reserves	Retained earnings
Balance at 31/12/2013		83.645	2.434.070	724.644	1.481.056	-622.150
<b>Transactions with owners</b>		0	0	0	0	0
<b>Profit for the period</b>						
<b>Other comprehensive income:</b>						
Remeasurements of defined benefit pension plans	13				20.174	
Deferred tax on revaluation of accrued pensions	12				-5.245	
<b>Other comprehensive income after tax</b>					14.929	
<b>Total comprehensive income for the period after tax</b>					14.929	
Balance at 31/12/2014		83.645	2.434.070	724.644	1.495.984	-313.278
<b>Balance at 31/12/2014</b>		83.645	2.434.070	724.644	1.495.984	-313.278
<b>Transactions with owners</b>		0	0	0	0	0
<b>Profit for the period</b>						
<b>Other comprehensive income:</b>						
Remeasurements of defined benefit pension plans	13				-1.656	
Deferred tax on revaluation of accrued pensions	12				480	
<b>Other comprehensive income after tax</b>					-1.176	
<b>Total comprehensive income for the period after tax</b>					-1.176	
Balance at 31/12/2015		83.645	2.434.070	724.644	1.494.809	638.637

## Statement of Cash Flows

	Company	
Note	1/1-31/12/2015	1/1-31/12/2014
<b>Cash flows from operating activities</b>		
<b>Profit (loss) before tax from continuing operation</b>	<b>1.131.528,22</b>	<b>507.828,15</b>
<b>Adjustments for:</b>		
Depreciation	3,4 472.162,07	444.964,84
Changes in pension obligations	13 15.382,25	-2.580,82
Provisions	6 24.819,74	-13.669,00
Impairment of assets and other investments	3,4 644,18	233,42
Unrealized Exchange gains		
Unrealized Exchange losses		
(Profit) loss on sale of property, plant and equipment	3,4 6.536,33	-324,10
(Profit) loss on sale of intangible assets		
Share in net (profit) loss of companies accounted for by the equity method		
Income from reversal of prior year's provisions		
Profit / Loss from fair value valuation of financial assets at fair value through profit and loss		
Grants amortization	14 -293.394,31	-70.241,09
Profit / Loss from sale of financial assets at fair value through profit and loss		
Profit/Loss from sale part of subsidiaries		
Profit / Loss from derivatives expiry		
Non-cash compensation (income)/expense		
Deferred income taxes		
Interest and similar income	26 -169,10	-99,74
Interest similar expenses	26 625.311,90	592.290,36
Dividends		
Employee benefits in the form of stock options		
Profit/Loss from sale of subsidiary		
Profit/Loss from sale of associates		
<b>Total Adjustments</b>	<b>851.293,06</b>	<b>950.573,87</b>
<b>Cash flows from operating activities before working capital changes</b>	<b>1.982.821,28</b>	<b>1.458.402,02</b>
<b>Changes in Working Capital</b>		
(Increase) / Decrease in inventories	131.048,26	-80.595,77
(Increase)/Decrease in trade receivables	-13.275,26	-13.722,23
(Increase)/Decrease in other receivables	47.788,44	-46.481,66
Increase / (Decrease) in liabilities (excluding banks)	330.800,01	811.471,28
Net (Increase) / Decrease of trading portfolio	-477.860,65	-303.532,86
	<b>18.500,80</b>	<b>367.138,76</b>
<b>Cash flows operating activities</b>	<b>2.001.322,08</b>	<b>1.825.540,78</b>
Interest paid	-520.690,20	-798.555,28
Income tax paid	-102.636,73	-97.722,91
<b>Net Cash flows operating activities</b>	<b>1.377.995,15</b>	<b>929.262,59</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	3,4 -2.012.447,55	-255.517,32
Purchase of intangible assets	3,4 -8.100,06	0,00
Proceeds from disposal of property, plant and equipment	3,4 550,00	7.000,00
Proceeds from disposal of intangible assets		
Increase in capital and additional paid-in capital of subsidiaries		
Dividends received		
Sale of financial assets of trading portfolio		
Sale of financial assets at fair value through profit and loss		
Acquisition of subsidiaries (less cash)		
Sale of subsidiaries (less cash)		
Acquisition of associates		
Interest received	169,10	99,74
Grants received	16 150.000,00	150.000,00
Loans to related parties		
Loans to third parties		
Receivables from loans to related parties		
Investments in associates		
Investments in subsidiaries		
<b>Net Cash flow from investing activities</b>	<b>-2.019.828,51</b>	<b>-98.417,58</b>
<b>Cash flow from financing activities</b>		
Proceeds from issuance of ordinary shares		
Advances for SCI		
Additional equity offering costs		
Changes in ownership interests in existing subsidiaries		
Proceeds from borrowings	16 1.317.661,13	-701.080,50
Payments for borrowings	16 -170.544,48	-701.080,50
Payments for share capital decrease to owners of the parent		
Payments for share capital decrease to non-controlling interests of subsidiaries		
Dividends payed to owners of the parent		
Dividends paid to non-controlling interests		
Payment of finance lease liabilities	16 -384.374,20	-384.374,20
Sale/(Acquisition) of treasury shares		
Capital return to shareholders		
Loans from related parties		
<b>Net Cash flow financing activities</b>	<b>762.742,53</b>	<b>-701.080,50</b>
<b>Net (decrease) / increase in cash, cash equivalents and restricted cash</b>	<b>120.909,17</b>	<b>129.764,51</b>
Cash, cash equivalents and restricted cash at beginning of the period from continuing operations	246.624,97	116.860,23
Exchange differences in cash, cash equivalents and restricted cash from continuing operations	0,00	0,00
<b>Net cash, cash equivalents and restricted cash at the end of the period from continuing operations</b>	<b>367.534,14</b>	<b>246.624,74</b>

## **1. Brief Description of the Company**

ETPA Packaging is the largest Greek company in the field of self-adhesive labels and one of the major companies operating in the field of flexible packaging materials.

The Company operates offices in Athens and Thessaloniki and its production unit is located in the INDUSTRIAL AREA of Komotini. Thus, the Company stays in constant contact with new international trends and technologies in the packaging and printing sector.

The products bearing ETPA PACKAGING prints can be found on the shelves of the largest stores not only in Greek but also in the wider European market.

Each member of the company staff is specialized in his/her field and aims at providing the best possible service to the customers, from the initial conception of a proposal for packaging, to final implementation and after sales support.

Feasibility studies for achieving the best packing costs, creating printed images, pre-pressed tips and updates to avoid problems during printing, information about various printing methods and analysis of the respective materials, after sales service are some of the benefits enjoyed by the customer of ETPA PACKAGING. The main goal of the company's executives is to achieve close cooperation with the respective departments of its customers in order to create attractive packaging products, which will improve the final product and increase sales.

The continuous development of staff and close monitoring of advanced technologies ensure continued progress and development of the company and make it the major player in its domain.

### **Significant Dates**

#### **1982**

The company began its course of development in 1982 in Patras, where it started as a small adhesive label production manufacturer. Restless spirit and creative abilities of its founder led the company to continuously develop, thus surpassing the narrow boundaries of a provincial city like Patras.

#### **1992**

Thus, in 1992 the company was transferred to Athens and established its production facility in Kryoneri. The growth continued at a fast pace and the company quickly stood out and gained a leading position in the field.

#### **1995**

In 1995, the associate PROMOTION LABELS S.A. was founded in Komotini and a parallel course of the two companies started, lasting for almost 6 years.

#### **2001**

The need to reduce operating costs and improve the control of production processes has led to the merger of the two previously mentioned companies during the summer of 2001. Thus the company ETPA - PROVOLI has been created, a company that absolutely dominated in the domain of self-adhesive labels sector and has recorded an on-going upward development till currently.

#### **2011**

In 2007, the Company entered the wider area of printed packaging materials, and the rapid empowerment in this area led to its being renamed into ETPA PACKAGING in September 2011 .

In its current format, the Company continues its development and remains strong and sound within the difficult business environment currently domination in our country.

## **BOARD OF DIRECTORS**

The Board of Directors of ETPA PACKAGING S.A. comprises the following members:

Ioannis Georgios Ntrenogiannis	Chairman &CEO
Panagiotis Simos Skoplakis	BoD Member
Nikolaos Antonios Chatziantoniou	BoD Member
Georgios Ioannis Oikonomou	BoD Member
Athanasios Georgios Gkoumopoulos	BoD Member

## **KEY EXECUTIVES**

The Company's Key Executives are as follows:

1. Ioannis Ntrenogiannis, BoD Chairman, CEO, General manager, Legal Representative
2. Athanasios Gkoumopoulos, BoD Member
3. Nikolaos Chatziantoniou , BoD Member
4. Panagiotis Skoplakis, BoD Member, Chief Financial Officer
5. Georgios Oikonomou,BoD Member, Marketing Director

## **Quality**

Quality is ingrained in the culture of ETPA PACKAGING and ensures its compliance with new and constantly evolving methodologies and standards.

Values such as cooperation and mutual trust regarding all our customers define and express the way the Company operates.

The company is certified to implement a Quality Management System according to the International Standard EN ISO 9001: 2008, Environmental Management according to EN ISO 14001: 2004 + Cor 2009 and is a member of SEDEX for social responsibility, committed through its operating system to provide:

- Traceability throughout the range of prepress, production and distribution.
- Quality Control Procedures defined , executed and controlled by highly qualified personnel 24 hours a day.
- Attention to detail.
- Strict compliance with standards.
- Automatic 100% control of the characteristics of printed products through system Automatic Vision Control, which detects any possible deviation from the standard sample while giving full report on the individual qualities of each work.
- Environmentally friendly production processes and operations to reduce the environmental footprint.
- The only company in Greece with certified packaging products for the German market in compliance with Deutsche Pfand System (DPG).
- Safe and pleasant workplace and strict observance of safety rules in the workplace.
- Fully equipped packaging materials testing laboratory.
- Special process for labels and medical packaging materials in accordance with GMP and GHP regulations, and
- Separate isolated production site for the primary medical materials packaging.

Research and Development department is one of the major advantages of ETPA PACKAGING. Its operation makes it possible for the Company to meet every need of its customers and help them design and develop innovative packaging using specific materials so that the product could gain both - significant competitive advantage and market share.

## **Services**

Apart from printing the visuals delivered ready-made to the customers, ETPA PACKAGING highly specialised staff offers a range of other services, such as:

Guiding customers during the visuals creation, collaborating with them, correcting potential errors, optimizing models and thus, paving the way for perfect printed final product.

Creating models from the very beginning, always in cooperation with the customers.

Amending the existing visuals in a fast, flexible and cost effective way.

Implementing the ideas and meeting the customer needs through proposing new improved packaging products.

Monitoring the developments in the packaging sector in Europe, informing and guiding its customers.

ETPA PACKAGING always stands by its customer during the and after sale procedures, monitoring the sound application of labels and other packaging materials and directly providing solutions when

necessary.

#### **Products**

- Adhesive basic packaging labels
- Booklet Labels
- Multilevel labels
- Security Labels
- Labels Open-close
- Tags without glue rolls
- Shrink sleeves on rolls or pieces
- Flexible packaging
- Aluminum caps and aluminum foil

#### **Facilities**

##### Central Management

Samou Str., 22  
Metamorfosi, 144 51  
Athens, Greece

##### Thessaloniki Branch

P . Karolidis str. 36  
Kalamaria , 551 33  
Thessaloniki, Greece

##### Factory of Komotini

14TH Block  
Industrial Area Komotini 69 100  
Komotini, Greece

## **2. Notes to Financial Statements**

### **2.1 Notes to Financial Statements**

The accompanying financial statement of 31/12/2015 have been prepared based on the historical cost principle, the going concern principle and are in accordance with the International Financial Reporting Standards (IFRS) which have been issued by the International Accounting Standards Board (IASB) and the interpretations which have been issued by the International Financial Reporting Interpretations Committee (IFRIC).

The preparation of the financial statements according to IFRS requires the use of estimates and judgments on applying the Company's accounting policies. Significant estimates of the Management regarding the application of the Group accounting methods have been pointed out where deemed necessary.

The Company's Board of Directors approved the aforementioned financial statements on July 12, 2016.

### **2.2 Application of newly issued and revised accounting standards**

#### **2.2.1 New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union**

The following amendments and interpretations of the IFRS have been issued by IASB and their application is mandatory from or after 01/01/2015.

#### **Annual Improvements cycle 2011-2013 (effective for annual periods starting on or after 01/01/2015)**

In December 2013, the IASB issued Annual Improvements to IFRSs 2011-2013 Cycle, a collection of amendments to IFRSs, in response to four issues addressed during the 2011-2013 cycle. The amendments are effective for annual periods beginning on or after 1 July 2014, although entities

are permitted to apply them earlier. The issues included in this cycle are the following: **IFRS 1**: Meaning of effective IFRSs, **IFRS 3**: Scope exceptions for joint ventures; **IFRS 13**: Scope of paragraph 52 (portfolio exception); and **IAS 40**: Clarifying the interrelationship of IFRS 3 Business Combinations and IAS 40 Investment Property when classifying property as investment property or owner-occupied property. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any.

**Defined Benefit Plans: Employee Contributions (Amendments to IAS 19) (effective for annual periods starting on or after 01/07/2014)**

In November 2013, the IASB published narrow scope amendments to IAS 19 "Employee Benefits" entitled Defined Benefit Plans: Employee Contributions (Amendments to IAS 19). The narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any.

**Annual Improvements cycle 2010-2012 (effective for annual periods starting on or after 01/07/2014)**

In December 2013, the IASB issued Annual Improvements to IFRSs 2010-2012 Cycle, a collection of amendments to IFRSs, in response to eight issues addressed during the 2010-2012 cycle. The amendments are effective for annual periods beginning on or after 1 July 2014, although entities are permitted to apply them earlier. The issues included in this cycle are the following: IFRS 2: Definition of 'vesting condition', IFRS 3: Accounting for contingent consideration in a business combination, IFRS 8: Aggregation of operating segments, IFRS 8: Reconciliation of the total of the reportable segments' assets to the entity's assets, IFRS 13: Short-term receivables and payables, IAS 7: Interest paid that is capitalised, IAS 16/IAS 38: Revaluation method—proportionate restatement of accumulated depreciation and IAS 24: Key management personnel. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any.

**Amendment to IAS 27: "Equity Method in Separate Financial Statements" (effective for annual periods starting on or after 01/01/2016)**

In **August** 2014, the IASB published narrow scope amendments to IAS 27 "Equity Method in Separate Financial Statements". Under the amendments, entities are permitted to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate Financial Statements – an option that was not effective prior to the issuance of the current amendments. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any.

**Annual Improvements cycle 2012-2014 (effective for annual periods starting on or after 01/01/2016)**

In September 2014, the IASB issued Annual Improvements to IFRSs 2012-2014 Cycle, a collection of amendments to IFRSs, in response to four issues addressed during the 2012-2014 cycle. The amendments are effective for annual periods beginning on or after 1 January 2016, although entities are permitted to apply them earlier. The issues included in this cycle are the following: **IFRS 4**: Changes in methods of disposal, **IFRS 7**: Servicing Contracts and Applicability of the amendments to IFRS 7 to Condensed Interim Financial Statements, IAS 19: Discount rate: regional market, and **IAS 34**: Disclosure of information "elsewhere in the interim financial report". The

Company will examine the impact of the above on its Financial Statements, though it is not expected to have any.

**Amendments to IAS 16 and IAS 41: "Agriculture: Bearer Plants" (effective for annual periods starting on or after 01/01/2016)**

In June 2014, the IASB published amendments that change the financial reporting for bearer plants. The IASB decided that bearer plants should be accounted for in the same way as property, plant and equipment in IAS 16. Consequently, the amendments include bearer plants within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any.

**Amendments to IFRS 11: "Accounting for Acquisitions of Interests in Joint Operations" (effective for annual periods starting on or after 01/01/2016)**

In May 2014, the IASB issued amendments to IFRS 11. The amendments add new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business and specify the appropriate accounting treatment for such acquisitions. The Standard is not applicable to the Company's operations. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any.

**Amendments to IAS 1: "Disclosures Initiative" (effective for annual periods starting on or after 01/01/2016)**

In December 2014, the IASB issued amendments to IAS 1. The aforementioned amendments address settling the issues pertaining to the effective presentation and disclosure requirements as well as the potential of entities to exercise judgment under the preparation of financial statements. The Company will examine the impact of the above on its Financial Statements though it is not expected to have any.

**Amendments to IAS 16 and IAS 38: "Clarification of Acceptable Methods of Depreciation and Amortisation" (effective for annual periods starting on or after 01/01/2016)**

In May 2014, the IASB published amendments to IAS 16 and IAS 38. IAS 16 and IAS 38 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The Company will examine the impact of the above on its Financial Statements though it is not expected to have any.

**2.2.2 New Standards and Interpretations that have not been applied yet or have not been adopted by the European Union**

The following new Standards and Revisions to Standards, as well as Interpretations of the effective Standards, have been issued by either have not been effective yet or have not been adopted by the European Union. In particular:

**IFRS 14 "Regulatory Deferral Accounts" (effective for annual periods starting on or after 01/01/2016)**

In January 2014, the IASB issued a new standard, IFRS 14. The aim of this interim Standard is to enhance the comparability of financial reporting by entities that are engaged in rate-regulated activities. Many countries have industry sectors that are subject to rate regulation, whereby

governments regulate the supply and pricing of particular types of activity by private entities. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

**Amendments to IFRS 10 and IAS 28: "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" (effective for annual periods starting on or after 01/01/2016)**

In September 2014, the IASB published narrow scope amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture". The amendments will be applied by entities prospectively in respect of sales or contribution of assets performed in the annual periods starting on or after 01/01/2016. Earlier application is permitted, given that this fact is relatively disclosed in the financial Statements. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

**Amendments to IFRS 10, IFRS 12 and IAS 28: "Investment Entities: Applying the Consolidated Exception effective for annual periods starting on or after 01/01/2016)**

In December 2014, the IASB published narrow scope amendments to IFRS 10, IFRS 11 and IAS 28. The aforementioned amendments introduce explanation regarding accounting requirements for investment entities, while providing exemptions in particular cases, which decrease the costs related to the implementation of the Standards. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

**Amendment to IAS 12 Income Taxes: "Recognition of Deferred Tax Assets for Unrealised Losses" (effective for annual periods starting on or after 01/01/2017)**

In January 2016, the IASB published narrow scope amendments to IAS 12. The objective of this amendment is to clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

**IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods starting on or after 01/01/2017)**

In May 2014, the IASB issued a new standard, IFRS 15. The Standard fully converges with the requirements for the recognition of revenue in both IFRS and US GAAP. The new standard will supersede IAS 11 "Construction Contracts", IAS 18 "Revenue" and several revenue related interpretations. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

**IFRS 9 "Financial Instruments" (effective for annual periods starting on or after 01/01/2018)**

In July 2014, the IAB issued the final version of IFRS 9. This version brings together the classification and measurement, impairment and hedge accounting models and presents a new expected loss impairment model and limited amendments to classification and measurement for financial assets. The Company will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

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

In January 2016, the IASB issued a new standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties to a contract, ie the customer ('lessee') and the supplier ('lessor'), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognise assets and liabilities arising from a lease. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any.

### **2.2.3 Use of Estimates**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may ultimately differ from those estimates. The segments in need of the highest degree of judgment as well as the segments where the estimates are particularly significant to the financial statements are presented in the par. Significant accounting estimates and judgments of the Management in Note 2.4.

### **2.3 Summary of Basic Accounting Policies**

The key accounting policies adopted under the preparation of the annual financial statements for the year ended December 31, 2015 are as follows:

#### **Functional and Presentation Currency and Foreign Currency Translation**

The functional and presentation currency of the Company is Euro (€). Transactions involving other currencies are converted into Euro using the exchange rates applicable at the time of the transactions. At the balance sheet date, all monetary assets and liabilities, which are denominated in other currencies, are adjusted to reflect the current exchange rates.

Any gains or losses arising from transactions in foreign currency during the period, as well as from translation of monetary assets denominated in foreign currency are recognized in the accompanying statement of comprehensive income.

#### **Property, plant and equipment**

Tangible Fixed Assets are stated at historical cost less accumulated depreciation and any impairment in value.

The initial cost of property, plant or equipment consists of its acquisition cost, including import duties and non-refundable purchase taxes, as well as any necessary costs for rendering the asset operational and ready for its intended use.

Subsequent expenses incurred in relation property, plant or equipment are capitalized only when they increase the future economic benefits expected to arise from the operation of the affected assets. All other repair and maintenance expenses etc. are charged to expenses when incurred.

Upon withdrawal or disposal of an asset, the related cost and accumulated depreciation are eliminated from the accounts at the time of withdrawal or disposal and the related gains or losses are recognized in the statement of comprehensive income.

Depreciation is charged to the statement of comprehensive income using the straight-line method throughout the estimated useful life of fixed assets. Land is not depreciated. The estimated useful life of every category of assets is presented below as follows:

Buildings	Up to 40 years
Machinery	12 - 29 years
Vehicles	10 - 15 years
Furniture and other equipment	5 - 10 years

Residual values and useful lives of tangible assets are annually reviewed at every date of preparation of the Statement of Financial Position. When the book value of tangible assets exceeds their recoverable value, the difference (impairment) is recognized as an expense in the statement of comprehensive income.

#### **Intangible Fixed Assets** **Software**



**Financial assets available for sale**

Such assets include non-derivative financial assets that are either designated in this category or cannot be classified in any of the previous three categories of financial instruments.

Investment transactions in this category are recorded at acquisition cost at the trade date, which is the date when the company commits to purchase or sell the asset. The cost of purchase includes transaction costs. Available for sale financial assets are measured at fair value. Unrealized gains (losses) arising from changes in fair value of securities classified as available-for-sale are recognized in equity.

The fair value of investments is based on bid price or amounts derived from cash flow models. The fair values of equity securities of unlisted companies is calculated using price indices to earnings or price to cash flows, which is adapted to the specific circumstances of the issuer. The shares, whose fair value cannot be accurately calculated are recognized at cost less any impairment of their value. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains or losses from investment securities.

**Offsetting financial assets and equity and liabilities**

Where there is a legally enforceable right to offset recognized financial assets and equity and liabilities and there is an intention to settle the liability and realize the asset or settle on a net basis, all the related financial effects are offset.

**Trade and other receivables**

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less impairment losses. Impairment losses (losses from bad debts) are recognized when there is objective evidence that the company is unable to collect all amounts due according to the contractual terms. The impairment loss is the difference between the carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The impairment loss is recognized as an expense in the statement of comprehensive income.

**Cash available**

Cash available also includes cash equivalents such as sight and short term deposits. Bank overdrafts that are repayable on demand and form an integral part of the management of the company's cash are included, for the purposes of the preparation of the cash flow statement, as a component of cash available.

**Share capital**

Common shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are recorded in equity as a deduction from the proceeds.

During the acquisition of equity shares, the consideration paid, including relevant expenses, is deducted from share capital.

**Loans**

All loans are initially recognized at cost, which is the fair value of the loan less loan acquisition costs. Borrowings are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement during the loan period.

**Finance and operating leases**

Finance leases, which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are recognized as assets at amounts which at the inception of the lease equal the fair value of the leased asset or if lower, the present value of the minimum lease payments. Lease payments are allocated to financial expenses and reduction of the lease liability so as to produce a constant periodic rate of interest on the remaining balance of the liability. Finance expenses are charged directly to the statement of comprehensive income. The leased assets are amortized over their useful lives.

Leases where the lessor retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. The operating lease payments are recognized as an expense in the statement of comprehensive income on a consistent basis during the lease term.

**Income tax (current and deferred)**

Current and deferred income tax is calculated based on the relevant financial statements in

accordance with the tax laws effective in Greece. Current income tax refers to the tax on the taxable profits of the Group as adjusted according to the provisions of tax legislation and is calculated using the current tax rate.

Deferred tax is calculated using the liability method on all temporary tax differences at the date of preparation of the statement of financial position between the tax base and the book value of assets and liabilities.

The expected tax consequences from the temporary tax differences are determined and presented either as future (deferred) tax liabilities or as deferred tax assets.

Deferred tax assets for all deductible temporary differences and tax losses, are carried forward to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.

The carrying amount of deferred tax assets is reviewed at each date of preparation of the statement of financial position and is reduced to the extent where it is probable that there will be sufficient taxable profits against which part or all of the deferred tax assets will be used.

Current tax assets and liabilities for the current and prior periods are measured as the amount expected to be paid to the tax authorities (or recovered from the tax authorities), using tax rates (and tax legislation) that have been enacted or substantively enacted by the date of preparation of the statement of financial position.

### **Dividends**

Payable dividends are recognized as a liability at the time of their approval by the General Meeting of Shareholders.

### **Employee benefits provisions**

The Company's obligations towards employees in respect of the future payment of benefits depending on the length of service of every employee is calculated and recorded based on the expected vested benefit of every employee at the date of preparation of the statement of financial position, discounted to present value, in relation to the anticipated time of payment.

The relative liability is calculated based on the financial and actuarial assumptions analytically presented in Note 16 and is determined under the Projected Unit Method. Net pension costs for the period are included in payroll in the accompanying statement of comprehensive income and include the present value of the benefits earned during the period, interest cost on the benefit obligation, past service cost, actuarial gains or losses and any other additional retirement costs. Past service costs are recognized on a consistent basis over the average period until the benefits become vested. Actuarial gains or losses are recognized directly in the total comprehensive income of the period in which they occur and are not transferred to the income statement in subsequent periods. Retirement obligations are not financed.

### **State insurance plans**

The Group's employees are covered by the main State Social Insurance Organization of the private sector (IKA) that provides pension and medical benefits. Every employee is required to contribute part of his/her monthly salary to the fund, while part of the total contribution is covered by the Company. Upon retirement, the pension fund is responsible for paying retirement benefits to the employees. Consequently, the Company has no legal or constructive obligation to pay future benefits under this plan.

### **Government grants**

Government grants are recognized initially at their nominal value when there is reasonable assurance that the grant will be received and that the Company will comply with all the effective terms. Government grants relating to costs are recognized in the statement of comprehensive income over the period necessary to match them with the costs they are intended to compensate. Government grants pertaining to the acquisition of property, plant and equipment are included in current liabilities as deferred income and are recognized as income and transferred to the statement of comprehensive income during the useful life of the subsidized asset.

### **Provisions and contingent assets and liabilities**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources and the liabilities can be estimated reliably.

Provisions are reviewed at each statement of financial position preparation date and are adjusted so that they should reflect the present value of the expenditure expected to be disbursed to settle the

obligation. Regarding the provisions that are expected to be settled in the long term, when the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pretax 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 recognized in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

### **Revenue recognition**

Revenue from sale of goods is recognized when the significant risks and rewards of ownership are transferred to the buyer. Revenue from rendering services is based on the completion stage, determined by reference to the aforementioned services, as a percentage of total services rendered.

Franchising fees relate to the creation and development of fast-food restaurants and points through the use of the trademark transfer. These fees are recognized as revenue in the period concerned.

Interest income is recognized on a time proportion basis, taking into account the balance of the initial amount and the applicable rate of the period until the end, when it is determined that such income will be payable to the Company.

Income from dividends is recognized as revenue at the date of approval of dividends distribution.

### **Finance leases**

Finance leases are addressed as loan agreements, resulting in the leased assets being recorded as assets of the Company (and depreciated accordingly) with a corresponding financial liability being attributed to the lessor. The finance cost is recognized in the statement of comprehensive income as an expense when it accrues.

### **Operating leases**

Payments made under operating leases are recognized in the statement of comprehensive income as expenses during the lease term.

### **Cost of financing**

Net cost of financing includes accrued interest on borrowings calculated under the effective interest method.

## **2.4 Significant Accounting Estimates and Judgments of the Management**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may ultimately differ from those estimates. Judgments and estimates are periodically reviewed and are based on the management's prior experience as well as on other factors, including future expectations deemed reasonable under the particular circumstances.

### **2.4.1 Judgments**

Under applying accounting principles, judgments of the management, apart from those involving estimations, which are determined by the management and have the most significant effect on the amounts recognized in the financial statements mainly relate to:

- Classification of investments

Management decides at investment acquisition, whether it should be classified as held to maturity, held for trading, carried at fair value through profit or loss or available for sale. Regarding the investments held to maturity, the management examines whether the investment complies with the criteria defined under IAS 39 and the Company has the intention and the ability to hold the investment to its maturity. The Company classifies investments as held for trading if they are acquired primarily for the purposes of generating short-term profit. Classification of investments as carried at the fair value through profit or loss depends on the way according to which the management monitors the performance of these investments. When investments are not classified as held for trading purposes but there are readily available reliable fair values and the changes in fair value are included in profit or loss in the management accounts, the investments are classified as carried fair value through profit or loss. All the other investments are classified as

available for sale.

#### **2.4.2 Estimates and assumptions**

Certain amounts included in or affecting the financial statements and related disclosures shall be estimated through making assumptions with respect to values or conditions which can not be known with certainty at the time of preparation of the financial statements. Significant accounting estimates are defined as the estimates significant to the financial position and results of the company and those requiring the management's most difficult, subjective or complex judgments, often as a result of the need to make estimates regarding the effect of matters that are uncertain. The company assesses such estimates on an ongoing basis, based upon historical results and experience, consultation with experts, trends and other methods considered reasonable in the particular circumstances, as well as the projections for the future changes.

##### **Recoverability of receivables**

Trade receivables are initially recognized at fair value and are subsequently measured at amortized cost less provision for impairment, using the effective interest method. When the Company has objective evidence that it will not collect all amounts due according to the terms of each contract, it makes provision for impairment of trade receivables. The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows, which are prepaid at the effective interest rate. The amount of the provision is recognized in other expenses in the income statement.

##### **Inventory obsolescence**

Appropriate provisions are made for damaged, obsolete and slow moving inventory. Decrease in the value of inventory in the net realizable value and other losses from inventories are expensed in the period when they occur.

##### **Leases classification**

Leases under which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. The amounts paid for the repayment of installments under operating leases are recognized in the income statement. Leases of tangible assets for which the Company has substantially all the risks and rewards of leased assets, are classified as finance leases.

##### **Income tax**

The Company is subject to income tax applied in various tax regimes. Significant estimates are required under determining provisions for income tax. There are a lot of transactions and calculations for which the accurate tax determination is uncertain in the ordinary course of business. The Company recognizes liabilities for expected tax audit issues based on the regarding the extent to which additional taxes will be due. When the final tax outcome of these matters is different from the amounts that had been initially recorded, such differences will affect the income tax and deferred tax provisions in the period in which such amounts have been determined.

##### **Provisions**

Doubtful accounts are reported at the amounts likely to be recoverable. Once it becomes known that a specific account is subject to a higher than normal credit risk (eg, low creditworthiness of customer, dispute as to the existence of the claim or the amount thereof etc.), then the account is analyzed and recorded if the circumstances indicate the receivable is uncollectible.

##### **Contingent assets and contingent liabilities**

The company is involved in litigations and compensation claims in the ordinary course of its business. The Management estimates that no resulting settlements would materially affect the financial position of the Company on December 31, 2015. However, determination of contingent liabilities relating to litigation and claims is a complex process that involves judgments related to the outcomes and interpretation of laws and regulations. Changes in judgments or interpretations may result in an increase or a decrease in the Company's contingent liabilities in the future.

### 3. Property, plant and equipment

#### 3.1. The Company's tangible assets

The Company's tangible assets are analysed as follows:

	Company							
	Land	Buildings	Machinery	Vehicles	Furniture & Fittings	Construction in progress	Total	
Cost of valuation at 1/1/2014	480,162,57	8,011,756,61	6,789,949,16	137,532,36	673,386,51		16,092,787,21	
Accumulated depreciation	0,00	(1,366,484,52)	(3,932,754,43)	(65,858,33)	(461,118,92)		(5,826,216,20)	
<b>Net book value 1/1/2014</b>	<b>480,162,57</b>	<b>6,645,272,09</b>	<b>2,857,194,73</b>	<b>71,674,03</b>	<b>212,267,59</b>	<b>0,00</b>	<b>10,266,571,01</b>	
Additions	0,00	89,786,98	105,195,43	39,500,00	21,034,91	0,00	255,517,32	
Disposals	0,00	0,00	0,00	(6,675,90)	0,00	0,00	(6,675,90)	
Reclassifications								
Impairment of intangible assets								
Revaluation of assets	0,00	0,00	0,00	0,00	(233,42)	0,00	(233,42)	
Disposals from transfer to assets under finance lease								
Other transfers								
Depreciation charge	0,00	(202,074,64)	(181,087,01)	(13,085,24)	(46,273,33)	0,00	(442,520,22)	
Accumulated depreciation of assets transfer to finance lease								
Other adjustments								
Reclassifications								
Cost of valuation at 31/12/2014	480,162,57	8,101,543,59	6,895,144,59	170,356,46	694,188,00	0,00	16,341,395,21	
Accumulated depreciation	0,00	(1,568,559,16)	(4,113,841,44)	(78,943,57)	(507,392,25)	0,00	(6,268,736,42)	
<b>Net book value 31/12/2014</b>	<b>480,162,57</b>	<b>6,532,984,43</b>	<b>2,781,303,15</b>	<b>91,412,89</b>	<b>186,795,74</b>	<b>0,00</b>	<b>10,072,658,79</b>	
Cost of valuation at 1/1/2015	480,162,57	8,101,543,59	6,895,144,59	170,356,46	694,188,00	0,00	16,341,395,21	
Accumulated depreciation	0,00	(1,568,559,16)	(4,113,841,44)	(78,943,57)	(507,392,25)	0,00	(6,268,736,42)	
<b>Net book value 1/1/2015</b>	<b>480,162,57</b>	<b>6,532,984,43</b>	<b>2,781,303,15</b>	<b>91,412,89</b>	<b>186,795,74</b>	<b>0,00</b>	<b>10,072,658,79</b>	
Additions	549,529,94	23,374,01	93,586,78	0,00	28,295,69	0,00	694,786,42	
Disposals	0,00	0,00	0,00	(7,086,83)	0,00	0,00	(7,086,83)	
Reclassifications								
Impairment of intangible assets								
Revaluation of assets	0,00	0,00	0,00	0,00	(644,18)	0,00	(644,18)	
Disposals from transfer to assets under finance lease								
Other transfers								
Depreciation charge								
Accumulated depreciation of assets transfer to finance lease	0,00	(202,951,60)	(185,660,28)	(12,874,19)	(43,265,32)	0,00	(444,751,40)	
Other adjustments								
Reclassifications								
Cost of valuation at 31/12/2015	1,029,692,51	8,124,917,60	6,988,731,37	163,269,63	721,839,51	0,00	17,028,450,61	
Accumulated depreciation	0,00	(1,771,510,77)	(4,299,501,72)	(91,817,76)	(550,657,58)	0,00	(6,713,487,82)	
<b>Net book value 31/12/2015</b>	<b>1,029,692,51</b>	<b>6,353,406,83</b>	<b>2,689,229,65</b>	<b>71,451,87</b>	<b>171,181,93</b>	<b>0,00</b>	<b>10,314,962,79</b>	

### 3.2. Property, plant and equipment under finance lease

The Company's tangible assets are analysed as follows:

#### Tangible assets

	Company	
	Machinery	Total
Cost of valuation at:1/1/2015	0,00	0,00
Accumulated depreciation	0,00	0,00
<b>Net book value1/1/2015</b>	<b>0,00</b>	<b>0,00</b>
Additions	1.317.661,13	1.317.661,13
Depreciation charge	(24.966,05)	(24.966,05)
Cost of valuation at31/12/2015	1.317.661,13	1.317.661,13
Accumulated depreciation	(24.966,05)	(24.966,05)
<b>Net book value31/12/2015</b>	<b>1.292.695,08</b>	<b>1.292.695,08</b>

The Company's fixed assets are burdened with liens amounting to € 6,2million.

#### 4. Intangible assets

	Company		
	Computer Software	Other	Total
Cost of valuation at1/1/2014	24.446,18		24.446,18
Accumulated depreciation	(13.383,37)		(13.383,37)
<b>Net book value1/1/2014</b>	<b>11.062,81</b>	<b>0,00</b>	<b>11.062,81</b>
Additions			0,00
Disposals			0,00
Reclassifications			0,00
Impairment			0,00
Other transfers			0,00
Depreciation charge	(2.444,62)		(2.444,62)
Other adjustments			0,00
Reclassifications			0,00
Cost of valuation at31/12/2014	24.446,18	0,00	24.446,18
Accumulated depreciation	(15.827,99)	0,00	(15.827,99)
<b>Net book value31/12/2014</b>	<b>8.618,19</b>	<b>0,00</b>	<b>8.618,19</b>

	Company		
	Computer Software	Other	Total
Cost of valuation at1/1/2015	24.446,18		24.446,18
Accumulated depreciation	(15.827,99)		(15.827,99)
<b>Net book value1/1/2015</b>	<b>8.618,19</b>	<b>0,00</b>	<b>8.618,19</b>
Additions	8.100,06		8.100,06
Disposals			0,00
Reclassifications			0,00
Impairment			0,00
Other transfers			0,00
Depreciation charge	(2.444,62)		(2.444,62)
Other adjustments			0,00
Reclassifications			0,00
Cost of valuation at31/12/2015	32.546,24	0,00	32.546,24
Accumulated depreciation	(18.272,61)	0,00	(18.272,61)
<b>Net book value31/12/2015</b>	<b>14.273,63</b>	<b>0,00</b>	<b>14.273,63</b>

#### 5. Other long-term receivables

The Company's long-term receivables mainly concern the PPC and operating leases guarantees.

	Company	
	31/12/2015	31/12/2014
Guarantees	18.070	13.421
Government Grants	375.499	0
<b>Net book value</b>	<b>393.569,66</b>	<b>13.421,03</b>

## 6. Inventory

The Company's inventory is analysed as follows:

	<b>Company</b>	
	<b>31/12/2015</b>	<b>31/12/2014</b>
Merchandise	50.420	40.725
Finished goods	356.365	317.595
Semi-finished products		
Raw materials and other consumables	1.027.813	1.141.769
Work in process	45.906	111.831
Packaging Materials	12.696	12.329
<b>Total</b>	<b>1.493.200</b>	<b>1.624.248</b>
Less: Provisions for scrap,slow moving and/or destroyed inventories for the period	-103.536	-78.716
<b>Net book value</b>	<b>1.389.664</b>	<b>1.545.532</b>

## 7. Trade receivables

The Company's total trade receivables are analysed as follows:

	<b>Company</b>	
	<b>31/12/2015</b>	<b>31/12/2014</b>
Trade receivables	3.230.281	3.143.537
Intercompany accounts receivable	0	0
Notes receivable	0	0
Checks receivable	2.578.771	3.039.321
Trade Receivables from the State	0	0
Less:Impairment Provisions	-1.088.599	-1.095.532
<b>Net trade Receivables</b>	<b>4.720.452,45</b>	<b>5.087.325,82</b>
Advances from suppliers		
Less:Impairment Provisions		
<b>Total</b>	<b>4.720.452,45</b>	<b>5.087.325,82</b>

## 8. Other current assets

The Company's total other assets are analysed as follows:

	<b>Company</b>	
	<b>31/12/2015</b>	<b>31/12/2014</b>
Receivables from the State	367.739,59	67.962,82
Other Receivables from related parties	165.184,86	358.710,10
Intercompany Loans	0,00	0,00
Advances and loans to personnel	37.240,35	80.589,15
Accrued income	0,00	0,00
Prepaid expenses	350.029,74	475.443,04
Receivables from insurers	0,00	0,00
Other Receivables	15.235,13	513,00
<b>Total</b>	<b>935.429,67</b>	<b>983.218,11</b>
Less:Impairment Provisions		
<b>Net receivables</b>	<b>935.429,67</b>	<b>983.218,11</b>

## 9. Cash available

Cash available includes cash in hand and the Company's readily available bank deposits analysed as follows:

	Company	
	31/12/2015	31/12/2014
Cash in hand	12.795	12.795
Cash equivalent balance in bank	354.739	354.739
<b>Total cash, cash equivalents and restricted cash</b>	<b>367.534</b>	<b>367.534</b>
Cash, cash equivalents and restricted cash in €	358.605	246.625
Cash, cash equivalents and restricted cash in foreign currency	8.930	0
<b>Total cash and cash equivalents</b>	<b>367.534</b>	<b>246.625</b>

## 10. Share Capital

As at 31/12/2015, the Company's share capital amounted to € 2.434.070 and consisted of 83.645 common nominal shares of nominal value 29 Euro each.

## 11. Other reserves

The Company's reserves are analysed as follows:

	Company					Total
	Statutory Reserve	Special reserves	Tax-free reserves	Other reserves	Translation reserves	
<b>Balance as of 1/1/2014</b>	<b>77.726,55</b>	<b>0,00</b>	<b>1.553.084,04</b>	<b>-149.754,86</b>	<b>0,00</b>	<b>1.481.055,73</b>
Remeasurements of defined benefit pension plans				14.928,85		14.928,85
<b>Balance as of 31/12/2014</b>	<b>77.726,55</b>	<b>0,00</b>	<b>1.553.084,04</b>	<b>-134.826,01</b>	<b>0,00</b>	<b>1.495.984,58</b>
<b>Balance as of 1/1/2015</b>	<b>77.726,55</b>	<b>0,00</b>	<b>1.553.084,04</b>	<b>-134.826,01</b>	<b>0,00</b>	<b>1.495.984,58</b>
Remeasurements of defined benefit pension plans				-1.175,76		-1.175,76
<b>Balance as of 31/12/2015</b>	<b>77.726,55</b>	<b>0,00</b>	<b>1.553.084,04</b>	<b>-136.001,77</b>	<b>0,00</b>	<b>1.494.808,82</b>

## 12. Deferred tax assets/liabilities

	Balance as of 1/1/2015	(Debit)/Credit to P&L of continuing operations	(Debit)/Credit to equity	Company		(Debit)/Credit to P&L of continuing operations	(Debit)/Credit to equity	Balance as of 31/12/2014
				Balance as of 31/12/2015	Balance as of 1/1/2014			
<b>Non-Current Assets</b>								
Tangible assets	-697.463,54	-144.862,87		-842.326,40	-648.623,00	-48.840,54		-697.463,54
Investment property	0,00	0,00		0,00	0,00	0,00		0,00
Goodwill	0,00	0,00		0,00	0,00	0,00		0,00
Other Intangible Assets	7.144,50	-393,42		6.751,07	13.194,00	-6.049,50		7.144,50
Investments in Subsidiaries	0,00	0,00		0,00	0,00	0,00		0,00
Investments accounted for using the equity method	0,00	0,00		0,00	0,00	0,00		0,00
Other non current assets	0,00	0,00		0,00	0,00	0,00		0,00
<b>Current Assets</b>								
Inventories	20.466,16	9.559,20		30.025,36	16.912,00	3.554,16		20.466,16
Trade and other receivables	197.750,80	-99.694,01		98.056,79	270.656,00	-72.905,20		197.750,80
Other current assets	0,00	0,00		0,00	0,00	0,00		0,00
Trading portfolio and financial assets measured at fair value through P&L	0,00	0,00		0,00	0,00	0,00		0,00
<b>Non-current liabilities</b>								
Accrued pension and retirement obligations	46.700,29	10.809,83	-480,24	57.029,87	52.617,00	-11.161,96	5.245,24	46.700,29
Government grants	202.524,96	155.216,16		357.741,11	191.015,00	11.509,96		202.524,96
Long-term borrowings	0,00	0,00		0,00	0,00	0,00		0,00
Non-Current Provisions	0,00	0,00		0,00	0,00	0,00		0,00
Other long-term liabilities	0,00	0,00		0,00	0,00	0,00		0,00
<b>Net deferred tax asset / (liability)</b>	<b>-222.876,84</b>	<b>-69.365,12</b>	<b>-480,24</b>	<b>-292.722,20</b>	<b>-104.229,00</b>	<b>-123.693,08</b>	<b>5.245,24</b>	<b>-222.876,84</b>

	Company			
	31/12/2015	31/12/2015	31/12/2014	31/12/2014
Tangible assets	0,00	842.326,40	0,00	697.463,54
Other Intangible Assets	6.751,07	0,00	7.144,50	0,00
Inventories	30.025,36	0,00	20.466,16	0,00
Trade and other receivables	98.056,79	0,00	197.750,80	0,00
Accrued pension and retirement obligations	57.029,87	0,00	46.700,29	0,00
Government grants	357.741,11	0,00	202.524,96	0,00
<b>Total</b>	<b>549.604,21</b>	<b>842.326,40</b>	<b>474.586,70</b>	<b>697.463,54</b>
<b>Offsetting deferred tax assets and liabilities</b>				
<b>Total</b>	<b>549.604,21</b>	<b>842.326,40</b>	<b>474.586,70</b>	<b>697.463,54</b>

## 13. Employee end of service benefit obligations

Changes in the net pension obligation as at 31.12.2015 and 31.12.2014 are as follows:

	Company			
	31/12/2015		31/12/2014	
	Defined benefit plans (Non financed)	Total	Defined benefit plans (Non financed)	Total
Defined benefit obligation	196.655	196.655	179.616	179.616
Fair value of plan assets	-	-	-	-
	<b>196.655</b>	<b>196.655</b>	<b>179.616</b>	<b>179.616</b>

Classified as :  
**Non-Current Liability**  
**Current liability**

Changes in the present value of the defined benefit obligation are as follows:

	31/12/2015		31/12/2014	
	Defined benefit plans (Non financed)	Total	Defined benefit plans (Non financed)	Total
	<b>Defined benefit obligation 1 January</b>	<b>179.617</b>	<b>179.617</b>	<b>202.371</b>
Current Service cost	11.543	11.543	13.089	13.089
Interest expense	4.490	4.490	6.071	6.071
Remeasurement - Actuarial losses (gains) from changes in demographic assumptions	1.523	1.523	(20.296)	(20.296)
Remeasurement - actuarial losses (gains) from changes in financial assumptions	133	133	122	122
Benefits paid	(4.832)	(4.832)	(76.919)	(76.919)
Κόστος (ονορέλεγμα) Διακοινωνισιών	4.181	4.181	55.178	55.178
<b>Defined benefit obligation 31 December</b>	<b>196.655</b>	<b>196.655</b>	<b>179.617</b>	<b>179.617</b>

The significant actuarial assumptions used for the valuation are as follows :

	31/12/2015	31/12/2014
Discount rate at 31 December	2,00%	2,50%
Expected rate of salary increases	2,00%	2,50%
Inflation	2,00%	2,00%
Average life expectancy	EVK 2000	EVK 2000

The amounts recognized in profit or loss related are :

	31/12/2015		31/12/2014	
	Defined benefit plans (Non financed)	Total	Defined benefit plans (Non financed)	Total
	Current service costs	11.543	11.543	13.089
Past service costs	4.181	4.181	55.178	55.178
Net Interest on the defined obligation	4.490	4.490	6.071	6.071
<b>Total expenses recognized in profit or loss</b>	<b>20.214</b>	<b>20.214</b>	<b>74.338</b>	<b>74.338</b>

The amounts recognized in other comprehensive income in the Statement of Other Comprehensive Income are :

	31/12/2015		31/12/2014	
	Defined benefit plans (Non financed)	Total	Defined benefit plans (Non financed)	Total
	Actuarial gains /(losses) from changes in demographic assumptions	1.523	1.523	(20.296)
Actuarial gains /(losses) from changes in financial assumptions	133	133	122	122
<b>Total income /(expenses) recognized in other comprehensive income</b>	<b>1.656</b>	<b>1.656</b>	<b>(20.174)</b>	<b>(20.174)</b>

The effect of changes in the significant actuarial assumptions is as follows :

	discount rate	discount rate
		<b>0,5%</b>
Increase (decrease) in the defined liability	(17.719)	19.990
	<b>Expected rate of salary increases</b>	<b>Expected rate of salary increases</b>
	<b>0,5%</b>	<b>0,5%</b>
Increase (decrease) in the defined liability	19.742	(17.677)

## 14. Grants

	Company	
	Investment grants	Total
<b>Balance as of 1/1/2014</b>	<b>1.253.067,92</b>	<b>1.253.067,92</b>
New amounts granted	150.000,00	150.000,00
Amortization	-70.241,09	-70.241,09
Derecognition of grants	0,00	0,00
Transfer to current liabilities	0,00	0,00
Grants return	0,00	0,00
Recognition of grants	0,00	0,00
Other changes	0,00	0,00
<b>Balance as of 31/12/2014</b>	<b>1.332.826,83</b>	<b>1.332.826,83</b>
<b>Balance as of 1/1/2015</b>	<b>1.332.826,83</b>	<b>1.332.826,83</b>
New amounts granted		0,00
Amortization	-293.394,31	-293.394,31
Derecognition of grants		0,00
Transfer to current liabilities		0,00
Grants return		0,00
Recognition of grants	658.165,01	658.165,01
Other changes	0,00	0,00
<b>Balance as of 31/12/2015</b>	<b>1.697.597,53</b>	<b>1.697.597,53</b>

## 15. Other short-term liabilities

	Company	
	31/12/2015	31/12/2014
Other liabilities	827.726,84	985.734,61
Social security insurance	102.485,52	91.030,92
<b>Total</b>	<b>930.212,36</b>	<b>1.076.765,53</b>

## 16. Long-term/Short-term loan liabilities

Long-term borrowings	3.742.323	3.317.396
Short-term debt	4.479.142	4.036.705

	31/12/2015	31/12/2014
<b>Long-term borrowings</b>		
Obligations under finance lease	811.472	0
Bank loans with securities	3.964.967	3.850.590
Intercompany loan		140.475
Less: Long-term loans payable in next 12 months	-1.034.116	-673.669
<b>Total of long-term loans</b>	<b>3.742.323</b>	<b>3.317.396</b>

	31/12/2015	31/12/2014
<b>Short-term debt</b>		
Obligations under finance lease	121.346	0
Bank Overdrafts	3.183.206	3.192.492
Intercompany loan	140.475	170.544
More: Long-term loans payable in next 12 months	1.034.116	673.669
<b>Total of short-term loans</b>	<b>4.479.142</b>	<b>4.036.705</b>

<b>Borrowings</b>	<b>31/12/2015</b>	<b>31/12/2014</b>
Within 1year	4.479.142	4.036.705
After 1year but not more than 2 years	701.043	1.071.357
After 2 years but not more than 3 years	634.100	325.779
After 3 years but not more than 4 years	586.132	343.812
After 4 years but not more than 5 years	589.699	362.833
More than five years	1.231.349	1.213.616
	<b>8.221.465</b>	<b>7.354.101</b>

The effective interest rates that affect the Income Statement are as follows:

	<b>31/12/2015</b>
	<b>€</b>
Long-term borrowings	5,4%
Bank Overdrafts	7,2%
	<b>31/12/2014</b>
	<b>€</b>
Long-term borrowings	5,2%
Bank Overdrafts	7,9%

**Obligations under finance lease**

	<b>31/12/2015</b>		<b>31/12/2014</b>	
	<b>Future minimum lease payments</b>	<b>Present value of future minimum lease payments</b>	<b>Future minimum lease payments</b>	<b>Present value of future minimum lease payments</b>
Within 1year	121.345,51	67.767,99	0,00	0,00
After 1year but not more than 5 years	566.827,73	433.963,30	0,00	0,00
More than five years	244.644,71	111.780,29	0,00	0,00
<b>Total of Future minimum lease payments</b>	<b>932.817,96</b>	<b>613.511,58</b>	<b>0,00</b>	<b>0,00</b>
Less: Interest expenses	-319.306,38	0,00	0,00	0,00
<b>Total of Present value of future minimum lease payments</b>	<b>613.511,58</b>	<b>613.511,58</b>	<b>0,00</b>	<b>0,00</b>

**17. Long-term/Short-term provisions**

	Provision of affairs sub judice	Company Provision for Tax expense for unaudited fiscal years	Other Provisions	Total
<b>Balance as of 1/1/2014</b>	<b>0,00</b>	<b>55.000,00</b>	<b>36.719,00</b>	<b>91.719,00</b>
Additional provisions				0,00
Utilised provisions			-36.719,00	-36.719,00
Reversal of provisions				0,00
Reclassification				0,00
Provision for Tax expense for unaudited fiscal years				0,00
Exchange differences				0,00
<b>Balance as of 31/12/2014</b>	<b>0,00</b>	<b>55.000,00</b>	<b>0,00</b>	<b>55.000,00</b>
Short Term Provisions				0,00
Long Term Provisions		55.000,00		55.000,00
	<b>0,00</b>	<b>55.000,00</b>		<b>55.000,00</b>

	Provision of affairs sub judice	Company Provision for Tax expense for unaudited fiscal years	Other Provisions	Total
<b>Balance as of 1/1/2015</b>	<b>0,00</b>	<b>55.000,00</b>		<b>55.000,00</b>
Additional provisions				0,00
Utilised provisions				0,00
Reversal of provisions				0,00
Reclassification				0,00
Provision for Tax expense for unaudited fiscal years				0,00
Exchange differences				0,00
<b>Balance as of 31/12/2015</b>	<b>0,00</b>	<b>55.000,00</b>		<b>55.000,00</b>
Short Term Provisions				0,00
Long Term Provisions		55.000,00		55.000,00
	<b>0,00</b>	<b>55.000,00</b>		<b>55.000,00</b>

## 18. Suppliers and other liabilities

The Company's total liabilities to suppliers and other third parties are analysed as follows:

	Company	
	31/12/2015	31/12/2014
Suppliers	1.495.098,38	1.677.527,62
Notes payable	0,00	0,00
Checks Payable	317.980,94	613.412,35
Customers' Advances	0,00	0,00
Intercompany accounts payable	0,00	0,00
Other liabilities	0,00	0,00
<b>Total</b>	<b>1.813.079,32</b>	<b>2.290.939,97</b>

## 19. Other short-term liabilities

Accrued and other short-term liabilities are analysed as follows:

	Company	
	31/12/2015	31/12/2014
Social security insurance	143.641	164.535
Other Tax liabilities	584.069	761.482
Salaries and wages payable	57.920	55.081
Accrued expenses	25.891	18.566
Others Liabilities	2.465	3.752
Accrued Interest expenses	6.417	0
<b>Total</b>	<b>820.403,78</b>	<b>1.003.415,70</b>

## 20. Sales

	<u>1/1-31/12/2015</u>	<u>1/1-31/12/2014</u>
Sales of goods	10.454.959	9.939.831
Income from services provided	1.010.249	1.097.925
<b>Total</b>	<b>11.465.208</b>	<b>11.037.756</b>

## 21. Analysis of expenses

	<u>1/1-31/12/2015</u>			Total	<u>1/1-31/12/2014</u>			Total
	Cost of sales	Administrative expenses	Distribution expenses		Cost of sales	Administrative expenses	Distribution expenses	
Wages and Other employee benefits	1.836.989	356.195	403.798	<b>2.596.982</b>	1.815.181	445.882	408.657	<b>2.669.719</b>
Inventory cost	4.684.161	384	1.000	<b>4.685.546</b>	4.480.174	2.619	3.081	<b>4.485.874</b>
Tangible Assets depreciation	245.918	113.324	110.475	<b>469.717</b>	261.749	104.410	76.361	<b>442.520</b>
Intangible Assets depreciation	0	2.445	0	<b>2.445</b>		2.445		<b>2.445</b>
Third party expenses	84.684	1.004.122	22.329	<b>1.111.135</b>	84.684	1.069.301	10.883	<b>1.164.868</b>
Third party benefits	345.890	53.238	62.778	<b>461.905</b>	418.478	66.076	63.995	<b>548.548</b>
Taxes & Duties	4.356	33.694	3.275	<b>41.325</b>	2.233	32.315	6.486	<b>41.034</b>
Transportation and Other Expenses	129.958	58.527	233.193	<b>421.678</b>	140.914	71.468	226.535	<b>438.937</b>
<b>Total</b>	<b>7.331.956</b>	<b>1.621.929</b>	<b>836.848</b>	<b>9.790.733</b>	<b>7.203.413</b>	<b>1.794.536</b>	<b>795.998</b>	<b>9.793.946</b>

## 22. Payroll cost

	<u>1/1-31/12/2015</u>	<u>1/1-31/12/2014</u>
Wages and salaries	2.021.178,55	2.026.490,20
Social security costs	514.899,29	542.157,22
Post employment benefits: defined benefit plans	15.724,00	68.266,75
Post employment benefits: defined contribution plans	0,00	0,00
Other staff costs	45.180,11	32.805,30
Termination indemnities	0,00	0,00
<b>Total Staff Costs</b>	<b>2.596.981,95</b>	<b>2.669.719,47</b>

<b>Number of employees</b>	<u>1/1-31/12/2015</u>	<u>1/1-31/12/2014</u>
workers	76	72
employees	45	44
<b>Total</b>	<b>121</b>	<b>116</b>

## 23. Other income

	<u>1/1-31/12/2015</u>	<u>1/1-31/12/2014</u>
Grants amortization	293.394,29	70.241,09
Income from reversal of unrealized provisions	35.481,05	0,00
Other income	20.386,97	9.544,07
Profit on sale of property, plant and equipment	49,99	0,00
<b>Total other operating income</b>	<b>349.312,30</b>	<b>79.785,16</b>

## 24. Other expenses

	<u>1/1-31/12/2015</u>	<u>1/1-31/12/2014</u>
Other fines & augmentation	40.386,50	15.128,55
Inventory Disposal	184.057,64	130.120,91
Provisions	24.819,74	54.548,37
Other Expenses	13.362,15	17.706,72
<b>Total other operating expenses</b>	<b>262.626,03</b>	<b>217.504,55</b>

## 25. Other financial results

	<u>1/1-31/12/2015</u>	<u>1/1-31/12/2014</u>
Other financial results	4.490,00	6.071,14
<b>Total other financial results</b>	<b>4.490,00</b>	<b>6.071,14</b>

## 26. Financial income / (expenses)

Financial income/expenses are analysed as follows:

	<u>1/1-31/12/2015</u>	<u>1/1-31/12/2014</u>
Interest expenses from long-term loans	232.079,50	258.193,59
Interest expenses from short-term loans	246.444,22	233.192,85
Finance charges payable under finance leases and hire purchase contracts	39.017,56	0,00
Other interest related expenses	107.770,62	100.903,92
<b>Total financial expenses</b>	<b>625.311,90</b>	<b>592.290,36</b>

	<u>1/1-31/12/2015</u>	<u>1/1-31/12/2014</u>
Bank interest	169,10	99,74
<b>Total financial income</b>	<b>169,10</b>	<b>99,74</b>

## 27. Income tax

Under the effective tax legislation, the tax rate applicable to Greek entities for FY 2015 is 29% versus 26% effective in the previous FY (under provisions of Law 4334/2015, published on 16/07/2015).

	<b>Company</b>	
	1/1- <b>31/12/2015</b>	1/1- <b>31/12/2014</b>
Current income tax	111.015,51	85.555,00
Deferred income tax	70.326,09	113.401,39
Tax audit differences	0,00	0,00
Income tax provision	0,00	0,00
Income tax from previous financial years	0,00	0,00
Other taxes	0,00	0,00
<b>Total income tax</b>	<b>181.341,60</b>	<b>198.956,39</b>
Profit before income tax	1.131.528,22	507.828,15
Nominal Tax rate	29%	26%
<b>Presumed Tax on Income</b>	<b>328.143,18</b>	<b>132.035,32</b>
<b>Adjustments for non taxable income</b>		
- Non taxable income	-268.899,10	-28.600,47
- Offset due to accumulated losses from previous financial years		
- Tax corresponding to non-taxed reserves		
- Additional taxes and increases from preceding years		
- Damage of the year for which was not recognized deferred tax asset		
- Dividends or profits from participations		
- Other		
<b>Adjustments for non deductible expenses for tax purposes</b>		
- Goodwill impairment		
- Non tax deductible expenses	33.799,14	91.053,26
- Effect on opening deferred income tax of reduction in income tax rates	-8.114,54	
- Tax differences of preceding financial years		
- Tax pertaining to distribution of reserves		
- Other expenses non deductible for tax purposes	96.412,92	4.468,78
- Additional taxes and surcharges		
- Stock options granted to employees		
- Additional property tax		
- Special contribution		
- Change due to revaluation of property		
- Effect from differences in tax coefficients of foreign subsidiaries		
- Other		
<b>Total tax</b>	<b>181.341,60</b>	<b>198.956,88</b>

## 28. Key executives benefits

	<u>1/1-31/12/2015</u>	<u>1/1-31/12/2014</u>
Salaries & other employees benefits	110.239,64	125.677,03
Social security costs	44.044,52	46.119,99
B.O.D. Remuneration	909.343,21	952.199,52
<b>Total</b>	<b><u>1.063.627,37</u></b>	<b><u>1.123.996,54</u></b>

	<b>Company</b>	
	<u>1/1-31/12/2015</u>	<u>1/1-31/12/2014</u>
Number of key management personnel	5	5

## 29. Related parties transactions

Significant transactions between the Company and its related parties within the meaning of IAS 24, recorded in the current FY, are as follows (amounts in thousand euro):

*Amounts in Euro '000*

	<b>Company</b>	
	<u>1/1-31/12/2015</u>	<u>1/1-31/12/2014</u>
Salaries and Social security costs	154.284	171.797
Fees to members of the BoD	909.343	952.200
Termination benefits	0	0
Other long-term benefits	0	0
Stock option	0	0
<b>Total</b>	<b><u>1.063.627</u></b>	<b><u>1.123.997</u></b>

### Transactions with related parties

*Amounts in Euro '000*

	<b>Company</b>	
<b>a) Asset accounts</b>	<u>31/12/2015</u>	<u>31/12/2014</u>
Other Receivables	-	-
<b>Total</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>b) Liability accounts</b>	<u>31/12/2015</u>	<u>31/12/2014</u>
Loans	140.475	311.019
Other liabilities	1.184	1.430
<b>Total</b>	<b><u>141.659</u></b>	<b><u>312.450</u></b>
<b>c) Income</b>	<u>31/12/2015</u>	<u>31/12/2014</u>
Inventory sales	-	-
<b>Total</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>d) Expenses</b>	<u>31/12/2015</u>	<u>31/12/2014</u>
Third party expenses	1.063.627	1.123.997
Financial expenses	27.036	44.395
<b>Total</b>	<b><u>1.090.664</u></b>	<b><u>1.168.392</u></b>

There are guarantees of the key shareholder regarding the Company's loans amounting to € 960.000,00.

### 30. Contingent assets, liabilities and commitments

#### A) Contingent liabilities from legal cases or arbitration differences

For financial years from 2011 to 2014 inclusively, the Company, under the provisions of par. 5, Article 82, Law 2238/1994, was subject to tax inspection of Certified Public Accountants, while since 1/1/2014, Article 65A § 1, Law 4174/2013, has been effective. The Company has not been tax inspected only for FY 2010. As far as FY 2015 is concerned, the tax audit is currently in progress and the relevant Tax Compliance Certificate is expected to be issued following the publication of financial statements for 2015. Should any additional tax obligation arise following the finalization of tax inspection, it is estimated that they will not significantly affect the financial statements.

#### B) Commitments, guarantees and liens

	<b>Company</b>	
	<b>1/1- 31/12/2015</b>	<b>1/1- 31/12/2014</b>
<b>Finance lease commitments</b>		
Within one year	121.346	0
After one year but not more than five years	412.022	0
More than five years	278.105	0
<b>Total finance lease commitments</b>	<b>811.472</b>	<b>0</b>
<b>Operating lease commitments</b>		
Within one year	6.837	16.041
After one year but not more than five years	4.582	11.420
More than five years	0	0
<b>Total operating lease commitments</b>	<b>11.420</b>	<b>27.460</b>
<b>Encumbrances</b>		
Mortgages on tangible assets	5.660.000	5.660.000
<b>Total encumbrances</b>	<b>5.660.000</b>	<b>5.660.000</b>

### 31. Risk management policies

#### Financial risks management

The Company is exposed to various financial risks, the main of which have to do with the price fluctuation risk, credit risk, liquidity risk and cash flows risk. The relevant risk management policies of the Group aim at minimizing the negative effects that such risks may have on the company's financial position and performance.

Risk management is carried out by the Finance Department of the Company and the relevant policies are approved by the Board of Directors. The financial risk management involves recognition, assessment and hedging financial risks in close cooperation with the operating units of the Company.

#### Price fluctuation risk:

There are contracts with customers and suppliers of 1-1,5 years maturity. Changes in the suppliers price can be directly passed on to customers as long as the differences in basic Raw Material are substantial, such as the global oil prices.

#### **Cash flows risk:**

The company capitalizes its assets earlier in respect of customers cheques in the context of financing lines for working capital and by assigning invoices to a factoring company under the relative contract.

#### **Interest rate sensitivity**

The company faces the risk arising from interest rate fluctuations as far as its loan liabilities are concerned. As at 31/12/2015, total loan liabilities pertain to floating rate loans. The Management constantly monitors interest rates fluctuations and the Company's financial needs and assesses, on case basis, the term of loans and the balance between fixed and adjusted interest rates.

#### **Credit risk:**

Credit risk, to which the Company is exposed, arises from cash available and bank deposits as well as from credit exposures to the clients, including significant receivables and transactions. New clients credit rating is examined, while as far as the existing clients are concerned, their credit ranking is periodically assessed in cooperation with Tiressias and ICAP. Moreover, the Company collaborates with the DAS regarding the issues of small and medium customers' past due balances as well as with the lawyer regarding the issues of large customers' past due balances.

	<b>Company</b>	
	<u>1/1-31/12/2015</u>	<u>1/1-31/12/2014</u>
<i>Financial Assets</i>		
Cash, cash equivalents & restricted cash	367.534	246.625
Trade and other receivables	4.720.452	5.087.326
<b>Total</b>	<b>5.087.987</b>	<b>5.333.951</b>

#### **Financial assets past due but not impaired**

	<u>1/1-31/12/2015</u>	<u>1/1-31/12/2014</u>
Not more than 3 months	2.208.483	1.957.708
More than 3 months but not more than 6 months	2.469.107	3.129.618
More than 6 months but not more than 1 year	-	-
More than 1 year	42.862	-
<b>Total</b>	<b>4.720.452</b>	<b>5.087.326</b>

Moreover, the Company allocates part of its receivables (factoring) to ensure immediate liquidity through risk reduction and without it.

#### **Liquidity risk**

Liquidity risk is related to the need for sufficient financing of the Company's operations and development. The relative liquidity needs are managed through monitoring transactions on daily basis.

The company's working capital is positive and amounts to € 191 k.

The following table presents maturity of financial liabilities as at December 31, 2015 and 2014 respectively.

	Company							
	1/1-31/12/2015				1/1-31/12/2014			
	Short-term		Long-term		Short-term		Long-term	
	Less than 6 months	6 -12 months	6 με 12 μήνες	Over 5 years	Less than 6 months	6 -12 months	6 με 12 μήνες	Over 5 years
Long-term borrowing	517.058	517.058	1.977.607	953.244	336.834	336.834	1.963.305	1.213.616
Liabilities relating to operating lease agreements	60.673	60.673	533.367	278.105				
Trade payables	1.813.079				2.290.940			
Other short-term-long-term liabilities	820.404		849.472	80.741	1.003.416		849.472	227.294
Sort-term borrowing	3.253.443	70.238			3.277.764	85.272		
<b>Total</b>	<b>6.464.657</b>	<b>647.968</b>	<b>3.360.446</b>	<b>1.312.090</b>	<b>6.908.954</b>	<b>422.107</b>	<b>2.812.777</b>	<b>1.440.909</b>

### Equity management policies and procedures

The Company's objectives in respect of equity management are as follows:

- 1) To facilitate the Company's going concern,
- 2) to ensure satisfactory return for its shareholders,
- 3) to apply pricing policies proportionally with the risk level.

The Company monitors the equity based on the amount of equity plus subordinated loans less cash and cash equivalents, as presented in the Statement of Financial Position. Regarding FYs 2015 and 2014, equity is analysed as follows:

	Company	
	1/1-31/12/2015	1/1-31/12/2014
Total equity	5.292.160	4.341.420
Subordinated loans	3.183.206	3.192.492
Less: Cash and cash equivalents	(367.534)	(246.625)
<b>Capital</b>	<b>8.107.831</b>	<b>7.287.287</b>
Total equity	5.292.160	4.341.420
Plus Total Debt	8.221.465	7.354.101
<b>Total Funds</b>	<b>13.513.625</b>	<b>11.695.521</b>
Capital to Funds	1,67	1,60

### 32. Post financial statements events

Apart from the aforementioned, there are no other events regarding the Company, subsequent to the financial statements as of December 31, 2015, that should be reported under the International Financial Reporting Standards.

### 33. First Implementation of IFRS

The current financial statements constitute the first annual financial statements of the Company prepared under IFRS. Transition date has been defined as that of January 1, 2014.

The company's accounting policies presented above in Note 2.3 have been applied under the preparation of Financial Statements for FY ended as at December 31, 2015, the comparative FY and the transition date opening Statement of Financial Position.

As till December 31, 2014, the Company used to prepare its financial statements under the provisions of CL 2190/1920 (HUCA). The Company adopted IFRS as adopted by the EU for FY ended as at December 31, 2015.



## **E) Notes to the Effects**

### **E.1 Deferred tax recognition**

The Company's deferred tax assets and obligations arise from accounting and tax based differences regarding employees end of services compensation obligation, provisions for bad receivables, impairment of inventory, tangible and intangible assets and amortization of grants. As at 31/12/2014, deferred tax assets and obligations stood at € 474.587 and € 697.464 respectively, burdening the income statement for the FY with the amount of € 113.401.

### **E.2 Recognition of employee accrued pension benefits**

Under the new accounting principles, the Company recognizes as a liability the present value of the legal commitment it has undertaken regarding the provision of a lump sum compensation to the employees under the beginning of their pension scheme. As at the transition date, the relative liability stood at € 202.371,31, calculated based on the independent actuary study.

In particular, the study focused on examination and calculation of actuarial sizes required under IAS 19 that have to be recognised in the Statement of Financial Position and the Income Statement of the Company.

Regarding the FY ended as at 31/12/2014, the Income Statement benefited by an amount of € 2.581, while the relative liability in the Statement of Financial Position amounted to € 179.616.

### **E.3 Recognition of property, plant and equipment under the transition FY at fair value and redefinition of their useful life.**

Regarding certain categories of machinery belonging to property, plant and equipment items and making use of IFRS, the Company recognised their fair value as imputed cost based on the independent actuary estimate made as at the transition date 1/1/2014, proceeding with the relative adjustments to their useful life. As at 1/1/2014, the total revaluation amount stood at € 2.537.000 for assets of unamortized value of 1.449.857 under the previous accounting standards.

**Metamorphossi, July 12, 2016**

**THE CHAIRMAN OF THE BoD AND  
CHIEF EXECUTIVE OFFICER  
IOANNIS NTRENOGIANNIS**

**THE CHIEF  
FINANCIAL OFFICER**

**PANAGIOTIS  
SKOPLAKIS**

**THE CHIEF  
ACCOUNTANT**

**AGAMEMNON  
STAVROPOULOS**

