

MACEDONIAN THRACE BREWERY S.A.

Registered Office: Industrial Area of Komotini, GR-69100 Komotini

Public Companies (S.A.) Reg. No. 35100/67/B/96/003

G.E.MI. No. 014029110000

FINANCIAL STATEMENTS

Year 2016

1 January to 31 December 2016

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of the Company "MACEDONIAN THRACE BREWERY S.A."

Report on the Financial Statements

We have audited the accompanying financial statements of the Company "MACEDONIAN THRACE BREWERY S.A.", which comprise the balance sheet as at 31 December 2016, the statements of income and changes in equity for the year then ended, as well as the relevant notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Greek Accounting Standards and for such internal controls as management determines is necessary to enable 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 accordance with International Standards on Auditing that have been incorporated into Greek legislation (G.G./B'/2848/23.10.2012). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 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 system of internal control. 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.

Basis for Qualified Opinion

As a result of our audit arose that the tax return of the company for the year 2010 has not been examined by the tax authorities as yet. Therefore, the tax results for this year have not been made final. The company has not proceeded to estimation of additional taxes and penalties that may be assessed at a future tax audit and has not made relevant provision in respect of this contingent liability. From our audit reasonable assurance has not been obtained in respect of the estimation of the amount of provision that may be required.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Company "MACEDONIAN THRACE BREWERY S.A." as at 31 December 2016, and of its financial performance for the year then ended in accordance with the Greek Accounting Standards.

Report on Other Legal and Regulatory Requirements

Whereas management is responsible for the preparation of the Report of the Board of Directors, pursuant to the provisions of paragraph 5, article 2 (part B') of L. 4336/2015, we note that:

- a) In our opinion the Report of the Board of Directors has been prepared in accordance with the applicable legal requirements of the article 43a of cod. L. 2190/1920 and its content corresponds with the accompanying financial statements for the year ended 31/12/2016.
- b) Based on our understanding obtained when performing our audit of the Company "MACEDONIAN THRACE BREWERY S.A." and its environment, we have not identified any material misstatements in the Report of the Board of Directors.

Athens, 17 July 2017



PANAGIOTIS I. KOROVESIS

**Certified Public Accountant Auditor
Institute of CPA (SOEL) Reg. No. 16071**

**Associated Certified Public Accountants s.a.
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Institute of CPA (SOEL) Reg. No. 125**

BALANCE SHEET at 31 DECEMBER 2016

| ASSETS | Note | 2016 | 2015 |
|--|-------|-----------------------------|-----------------------------|
| <u>Non-current assets</u> | | | |
| <i>Tangible assets</i> | | | |
| Land-Buildings | 6.1 | 3.965.453,63 | 3.299.972,10 |
| Mechanical equipment | 6.1 | 5.896.623,46 | 6.059.394,16 |
| Other equipment | 6.1 | <u>4.383.102,42</u> | <u>3.589.432,25</u> |
| Total | | <u>14.245.179,51</u> | <u>12.948.798,51</u> |
| <i>Intangible assets</i> | | | |
| Other intangible assets | 6.4 | <u>6.805,16</u> | <u>11.618,10</u> |
| Total | | <u>6.805,16</u> | <u>11.618,10</u> |
| <i>Financial assets</i> | | | |
| Other | | <u>13.663,48</u> | <u>13.663,48</u> |
| Total | | <u>13.663,48</u> | <u>13.663,48</u> |
| Total non-current assets | | <u>14.265.648,15</u> | <u>12.974.080,09</u> |
| <u>Current assets</u> | | | |
| <i>Inventories</i> | | | |
| Finished and semi-finished products | | 3.267.558,49 | 977.273,48 |
| Merchandise | | 26.315,33 | 6.866,75 |
| Raw materials and consumables | | 497.582,93 | 557.421,51 |
| Other inventories | | <u>448.825,58</u> | <u>388.017,88</u> |
| Total | | <u>4.240.282,33</u> | <u>1.929.579,62</u> |
| <i>Financial assets and payments on account</i> | | | |
| Trade receivables | 7.2.1 | 2.979.074,21 | 4.147.449,01 |
| Accrued income | | 1.127.414,04 | 1.106.210,78 |
| Other receivables | 7.2.2 | 464.091,60 | 70.012,53 |
| Other financial assets | | 19.999,80 | 20.499,80 |
| Prepaid expenses | | 20.314,92 | 17.250,03 |
| Cash and cash equivalents | 7.2.3 | <u>522.764,22</u> | <u>1.395.307,90</u> |
| Total | | <u>5.133.658,79</u> | <u>6.756.730,05</u> |
| Total current assets | | <u>9.373.941,12</u> | <u>8.686.309,67</u> |
| Total Assets | | <u>23.639.589,27</u> | <u>21.660.389,76</u> |

| LIABILITIES | Note | 2016 | 2015 |
|-------------|------|------|------|
|-------------|------|------|------|

Equity***Paid-up capital***

| | | | |
|----------------|--|----------------------------|----------------------------|
| Capital | | 4.662.565,20 | 4.662.565,20 |
| Own securities | | <u>(229.621,72)</u> | <u>(229.621,72)</u> |
| Total | | <u>4.432.943,48</u> | <u>4.432.943,48</u> |

Reserves and retained earnings

| | | | |
|-------------------|---|----------------------------|----------------------------|
| Statutory reserve | 8 | 2.505.346,31 | 2.364.697,44 |
| Tax-free reserves | 8 | 4.594.063,63 | 3.888.180,36 |
| Retained earnings | | <u>1.813.769,80</u> | <u>758.736,79</u> |
| Total | | <u>8.913.179,74</u> | <u>7.011.614,59</u> |

| | | | |
|---------------------|--|-----------------------------|-----------------------------|
| Total equity | | <u>13.346.123,22</u> | <u>11.444.558,07</u> |
|---------------------|--|-----------------------------|-----------------------------|

Provisions

| | | | |
|----------------------------------|-----|--------------------------|--------------------------|
| Provisions for employee benefits | 9.1 | <u>209.012,05</u> | <u>219.305,62</u> |
| Total | | <u>209.012,05</u> | <u>219.305,62</u> |

Liabilities***Non-current liabilities***

| | | | |
|----------------------|--------|----------------------------|----------------------------|
| Long-term bank loans | 10.1.1 | 2.789.263,22 | 2.874.149,25 |
| Government grants | 10.1.3 | <u>5.626,29</u> | <u>3.513,85</u> |
| Total | | <u>2.794.889,51</u> | <u>2.877.663,10</u> |

Current liabilities

| | | | |
|-----------------------------------|--------|----------------------------|----------------------------|
| Short-term bank loans | | 203.613,31 | - |
| Current portion of long-term debt | | 1.035.191,51 | 849.998,86 |
| Trade payables | 10.2.1 | 637.832,24 | 595.586,11 |
| Income tax | | - | 74.105,23 |
| Other taxes and duties | | 383.171,35 | 588.271,24 |
| Social security organizations | | 133.912,59 | 120.256,75 |
| Other payables | 10.2.2 | 4.853.624,16 | 4.810.408,56 |
| Accrued expenses | | 36.646,83 | 63.961,44 |
| Deferred income | | <u>5.572,50</u> | <u>16.274,78</u> |
| Total | | <u>7.289.564,49</u> | <u>7.118.862,97</u> |

| | | | |
|--------------------------|--|-----------------------------|----------------------------|
| Total liabilities | | <u>10.084.454,00</u> | <u>9.996.526,07</u> |
|--------------------------|--|-----------------------------|----------------------------|

| | | | |
|---|--|-----------------------------|-----------------------------|
| Total Equity, Provisions and Liabilities | | <u>23.639.589,27</u> | <u>21.660.389,76</u> |
|---|--|-----------------------------|-----------------------------|

STATEMENT OF INCOME by FUNCTION

| | Note | 2016 | 2015 |
|---|------|---------------------|---------------------|
| Turnover (net) | | 19.373.761,14 | 17.930.005,31 |
| Cost of sales | | (11.944.878,18) | (12.412.322,87) |
| Gross profit/(loss) | | 7.428.882,96 | 5.517.682,44 |
| Other operating income | | 42.921,92 | 355.209,76 |
| | | 7.471.804,88 | 5.872.892,20 |
| Administrative expenses | | (1.270.012,75) | (877.482,61) |
| Distribution costs | | (3.565.582,19) | (3.202.098,77) |
| Other expenses and losses | | (170.097,34) | (50.903,66) |
| Other income and gains | | 128.736,97 | 69.302,99 |
| Earnings/(loss) before interest and tax (EBIT) | | 2.594.849,57 | 1.811.710,15 |
| Interest and similar income | | 120,28 | 107,02 |
| Interest expense and similar charges | | (191.353,03) | (249.493,94) |
| Profit/(loss) before income tax | | 2.403.616,82 | 1.562.323,23 |
| Income tax expense | | (79.382,87) | (510.312,51) |
| Profit/(loss) for the period net of tax | | 2.324.233,95 | 1.052.010,72 |

STATEMENT OF CHANGES IN EQUITY

| | Capital | Share premium | Owners Deposits | Own shares/securities | Fair value reserves | Statutory reserve | Tax-free reserves | Retained earnings | Total |
|------------------------------------|---------------------|---------------|-----------------|-----------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Balance at 1 January 2015 | 4.662.565,20 | 0,00 | 0,00 | 229.621,72 | 0,00 | 2.309.339,37 | 3.888.180,36 | 475.337,75 | 11.105.800,96 |
| Increase/(decrease) in the period | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Internal transfers | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 55.358,07 | 0,00 | -55.358,07 | 0,00 |
| Dividend distribution | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | -713.253,61 | -713.253,61 |
| Profit/(loss) for the period | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 1.052.010,72 | 1.052.010,72 |
| Balance at 31 December 2015 | 4.662.565,20 | 0,00 | 0,00 | 229.621,72 | 0,00 | 2.364.697,44 | 3.888.180,36 | 758.736,79 | 11.444.558,07 |
| Increase/(decrease) in the period | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Internal transfers | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 140.648,87 | 705.883,27 | -846.532,14 | 0,00 |
| Dividend distribution | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | -422.668,80 | -422.668,80 |
| Profit/(loss) for the period | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 2.324.233,95 | 2.324.233,95 |
| Balance at 31 December 2016 | 4.662.565,20 | 0,00 | 0,00 | 229.621,72 | 0,00 | 2.505.346,31 | 4.594.063,63 | 1.813.769,80 | 13.346.123,22 |

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2016

(According to the provisions of article 29, L. 4308/2014)

1. Information about the Company

- a) Company name: MACEDONIAN THRACE BREWERY S.A.
- b) Legal form: Société Anonyme.
- c) Reporting period: 1.1.2016 - 31.12.2016.
- d) Registered office address: Industrial Area of Komotini, GR-69100 Komotini
- e) Public Companies (S.A.) Reg. No. 35100/67/B/96/003
General Commercial Registry (G.E.MI.): 014029110000
- f) Management considers that the going concern assumption is appropriate for the preparation of the financial statements.
- g) The company is classified as a medium-sized entity.
- h) Management declares that the financial statements have been prepared in full compliance with this law.
- i) The amounts of the financial statements are presented in Euro which is the functional measurement currency of the Company.
- j) The amounts are not rounded, unless otherwise stated.

2. Factors putting at risk the company's prospect as a going concern

The Company carried out a related assessment and did not identify factors putting at risk the company's prospect as a going concern.

3. Accounting policies and methods

The preparation of financial statements requires the exercise of judgement and the use of accounting estimates by management, which affect the process of applying the accounting policies, the carrying amounts of income, expenses, assets and liabilities and the disclosures. These estimates and assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual events however, could differ from these estimates. Estimates and related assumptions are continually evaluated.

Accounting estimates are made mainly for the calculation of depreciation of assets, the participating interests, the impairment of receivables, the provisions and the fair value estimation when its application is chosen.

3.1. Accounting policies and methods applied

The company for the separate items of the financial statements applies the following accounting policies and methods, under the accrual basis principle.

3.1.1. Tangible assets

a) Initial recognition

Tangible assets are initially recognized at acquisition cost, which includes any costs attributable that is to bringing the asset to the present condition or location or intended use.

Specifically, the cost of self-produced assets, includes the cost of raw materials, consumable materials, labour and any other cost directly attributable to this asset. In addition, it includes a fair proportion of fixed and variable costs indirectly associated with the self-produced asset, to the extent that these amounts refer to the period of construction or production. The company charges the cost of self-produced assets having long period of construction or production with interest of interest-bearing liabilities in proportion to the part corresponding to it.

b) Subsequent measurement

Subsequent to initial recognition assets are measured at depreciable cost (initial cost, plus any subsequent cost that qualifies for recognition as an asset, less accumulated depreciation and impairment losses).

Depreciation on tangible assets is calculated using the straight-line method by equal annual charges over the estimated useful life of the asset, as follows:

- Buildings and technical works: 25 years.
- Machinery - Technical installations and other mechanical equipment: 10 years.
- Vehicles - Passenger cars: 6,25 years.
- Vehicles - Trucks, etc.: 8,33 years.
- Furniture, fittings and equipment: 10 years.

An impairment loss is recognized when it is estimated that the asset's carrying amount exceeds its recoverable amount.

The carrying amount of the Company's assets is reviewed for impairment when there are indications that the carrying amount is greater than its recoverable amount. In such case it is calculated the recoverable amount of the asset and if the carrying amount exceeds the estimated recoverable amount, the related difference is recognized as impairment loss in the income statement. The recoverable amount is the higher of an asset's fair value (less costs to sell) and value in use.

For the purposes of assessing the value in use, the estimated future cash flows are discounted at their present value using a pre-tax discount rate which reflects the current market estimates for the time value of money and the risks associated with these assets.

c) Derecognition

Tangible assets are derecognized at their disposal or when no future economic benefits are expected from their use or disposal.

3.1.2. Intangible assets

Intangible assets include concessions - patents - rights, computer software, trademarks and licences.

The value of trademarks - licences - concessions - patents and rights includes the cost incurred to acquire an intangible asset and any cost incurred subsequently to renew the period of its force, decreased by the amount of accumulated amortisation and any impairment losses.

The value of computer software licences includes the costs incurred to acquire and bring to use the specific software, decreased by the amount of accumulated amortisation and any impairment losses. Significant subsequent costs are recognised as intangible assets when they increase their efficiency beyond the initial specifications.

The amortisation of licences - concessions and rights is calculated using the straight-line method over their estimated useful lives. The amortisation of computer software licences is calculated using the straight-line method in 5 years.

Trademarks are not amortised since they are considered to have an indefinite useful life but are tested annually for impairment.

The amortisation charge on all the assets as above is included in the income statement.

3.1.3. Financial assets

3.1.3.1. Participations

Participations are carried at cost subject to impairment testing whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment losses are recognized when the carrying amount of the participations exceeds their recoverable amount. As recoverable amount is considered the value in use that is the present value of expected future cash flows from the participation within the following 5-year period and the residual value at the end of the five-year period.

3.1.3.2. Other financial assets

a) Initial recognition

All the financial assets are initially recognised at cost, namely the cost incurred to acquire the assets. Cost comprises all the cash and cash equivalents or the fair value of another consideration given in exchange of their acquisition plus transaction costs.

b) Subsequent measurement

Subsequent to initial recognition, financial assets are measured at cost (nominal amounts) less any impairment loss, except of the interest bearing assets which, when the amounts, the term of their maturity or the interest rate are significant, are carried at amortised cost using the effective interest method.

Impairment loss arises when the asset's carrying amount is higher of the amount an entity estimates that will recover from this asset.

The amount an entity estimates that will recover from a financial asset is the higher of:

- The present value of the estimated amount calculated using the original effective interest rate.
- The asset's fair value, decreased by the necessary selling cost.

Impairment loss is recognized in the income statement and reversed as profit when circumstances causing it ceased existing. Reversal is made up to the value the asset would have if no impairment loss had been recognised.

Loans and receivables denominated in foreign currencies are measured using the exchange rates prevailing at the date of the balance sheet. The related exchange rate differences are recognised in profit or loss.

c) Derecognition

A financial asset is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or substantially all of the risks and rewards of ownership of the asset have been transferred.

3.1.4. Income taxes

3.1.4.1. Current tax

The current income tax includes:

- The income tax arising pursuant to the provisions of current tax law.
- The income tax and the additional taxes arising from the tax audit.

Any tax audit differences are recognised in the income statement for the year when these are assessed by the tax authorities and made acceptable by the Company.

3.1.4.2. Deferred taxes

Deferred taxes arise when there are temporary (reversible) differences between the tax bases of assets and liabilities and their carrying amounts in the balance sheet.

The company did not choose the recognition of deferred taxes.

3.1.5. Inventories

a) Initial recognition

Inventories are initially recognised at cost, which includes any costs attributable that is to bringing any item of the inventories to the present condition or location or intended use.

Specifically, the cost of self-produced inventories, includes the cost of raw materials, consumable materials, labour and any other cost directly attributable to these assets. In addition, it includes a fair proportion of fixed and variable costs indirectly associated with the self-produced asset, to the extent that these amounts refer to the period of production. The company charges the cost of self-produced inventories having long period of production or maturity with interest of interest-bearing liabilities in proportion to the part corresponding to them.

b) Subsequent measurement

Subsequent to initial recognition inventories are measured at the lower of cost and their net realisable value. The cost is determined using the F.I.F.O. method. In case of measurement at net realisable value, the impairment loss is recognised as cost of sales, unless significant, where it is incorporated in the item "Impairment of assets".

3.1.6. Payments on account and other non-financial assets

Payments on account of costs incurred are initially recognized at cost (amounts paid) and subsequently measured at initial cost less the amounts used based on the accrual basis principle and any impairment losses. The impairment of payments on account of costs incurred refers to the case where the recipient of the related amount is not able either to fulfil the undertaken commitment either to return the balance of the amount.

Other non-financial assets are initially recognized at cost and subsequently measured at the lower of cost and recoverable amount that is the amount expected to be received.

3.1.7. Financial liabilities

a) Initial recognition and subsequent measurement

Financial liabilities both at initial recognition and subsequently are measured at their nominal amounts, except those of long-term maturity, which are carried at amortized cost using the effective rate method. The financial liabilities denominated in foreign currencies are measured using the exchange rates prevailing at the date of the balance sheet. The related exchange rate differences are recognised in profit or loss.

b) Derecognition

A financial liability is removed from the balance sheet when, and only when, it is extinguished, that is, when the obligation specified in the contract is either discharged or cancelled or expires.

3.1.8. Non-financial liabilities

a) Initial recognition and subsequent measurement

Non-financial liabilities are initially recognized and subsequently measured at the nominal amount expected to be required for their settlement. Differences arising either at a revaluation either at a settlement of non-financial liabilities are recognized as gains or losses for the period in which they occur.

b) Derecognition

A non-financial liability is removed from the balance sheet when, and only when, it is extinguished, that is, when the obligation specified in the contract is either discharged or cancelled or expires.

3.1.9. Provisions

Provisions are initially recognized and subsequently measured at the nominal amount expected to be required for the settlement of obligations, unless the measurement at the present value of the expenditure expected to be required to settle the obligation has material impact on the amounts of the financial statements.

Specifically, the provisions for employee retirement benefits arising from defined benefit plans are recognized and measured based on the by law arisen nominal amounts as at the balance sheet date.

3.1.10. Government grants

Government grants received for acquisition of fixed assets are recognised as deferred income and are partially credited to the income statement as income in proportion to the depreciation of the assets for which the grants were received, while those received for compensating expenses incurred are recognised as income credited to the income statement in the same period that are recognised also the respective expenses.

3.1.11. Income and Expenses

The company recognizes income and expenses, when these are accrued.

In particular:

- Income from sale of goods is recognized in the period in which it is accrued provided that all the following conditions are fulfilled:
 - ✓ Significant risks and rewards of ownership of the goods are transferred to the buyer.
 - ✓ Goods have been accepted by the buyer.
 - ✓ The economic benefits associated with the transaction can be measured reliably and it is more than probable that will flow to the entity.
- Income from provision of services and construction contracts is recognised by reference to the percentage of completion method.
- Income resulting from the use of an entity's assets by third parties is recognised as follows:
 - ✓ Interest based on time proportion by the effective rate or the straight-line method.
 - ✓ Dividends or similar income resulting from participation held in the equity of other entities when these are approved by the competent body that announces their distribution.
 - ✓ Rights based on the related contractual terms and conditions.

3.1.12. Equity

The items of equity are initially recognized and subsequently measured at the nominal amounts that have been received or paid.

3.1.13. Contingent assets and contingent liabilities

These records concern contingent rights and commitments respectively, resulting from past events and their existence will be certified only by the occurrence or non-occurrence of one or more uncertain future events, which are not wholly within the control of the Company. Such information is disclosed in the notes to the financial statements.

3.1.14. Events after the Balance Sheet date

The values of the assets and the liabilities at the balance sheet date, are adjusted, if there is an objective indication that corrective events subsequent to this date impose adjustments to their value. These adjustments are made for such events, up to the date of approval of the financial statements by

the Board of Directors. Un-adjusted after the balance sheet date events are disclosed when significant, in the notes to the financial statements.

3.1.15. Critical accounting estimates and assumptions

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.2. Change in accounting policies and methods, changes in accounting estimates and correction of prior periods' errors

3.2.1. Change in accounting policies and methods

Changes in accounting policies and methods, are recognized by retrospective restatement of the financial statements of all the periods that are published with the statements of the present period, so as the items that are presented to be comparable.

In the present period no such changes occurred.

3.2.2. Changes in accounting estimates

Changes in accounting estimates are recognized in the period in which it is ascertained that they arise and affect this period and future periods, as appropriate. Such changes are not recognized retrospectively.

3.2.3. Correction of prior periods' errors

Corrections of errors are recognized by retrospective correction in the financial statements of all the periods that are published with the statements of the present period.

In the present period 2016 no error of prior period was identified.

4. Deviations from the law provisions in order to achieve fair presentation of the financial statements

When in exceptional circumstances, the company deviates from the application of a law provision in order to fulfil the obligation of fair presentation of the financial statements, discloses and justifies sufficiently the reasons for the deviation.

In the present period no need for such deviation occurred.

5. Relation of an asset or a liability with more than one item of the balance sheet

There are no assets or liabilities that are related with more than one item of the balance sheet.

6. Information relating to tangible and intangible assets

6.1. Own-used tangible assets

| Table of changes in own-used tangible assets | Land | Buildings | Mechanical equipment | Other equipment |
|--|-------------------|---------------------|----------------------|----------------------|
| Cost | | | | |
| Balance 1.1.2015 | 984.610,88 | 5.214.046,39 | 19.826.011,14 | 9.620.419,91 |
| Additions | 0,00 | 114.960,06 | 810.840,94 | 730.432,42 |
| Disposals | 0,00 | 0,00 | (6.294,65) | 0,00 |
| Balance 31.12.2015 | 984.610,88 | 5.329.006,45 | 20.630.557,43 | 10.350.852,33 |
| Accumulated depreciation and impairment | | | | |
| Balance 1.1.2015 | 0,00 | 2.839.563,85 | 13.541.893,89 | 6.290.879,97 |
| Depreciation charge | 0,00 | 174.081,38 | 1.029.269,38 | 488.134,76 |
| Write-downs of depreciation charge | 0,00 | 0,00 | 0,00 | (17.594,65) |
| Balance 31.12.2015 | 0,00 | 3.013.645,23 | 14.571.163,27 | 6.761.420,08 |
| Net book amount 31.12.2015 | 984.610,88 | 2.315.361,22 | 6.059.394,16 | 3.589.432,25 |
| Cost | | | | |
| Balance 1.1.2016 | 984.610,88 | 5.329.006,45 | 20.630.557,43 | 10.350.852,33 |
| Additions | 0,00 | 743.736,71 | 742.581,55 | 1.202.940,47 |
| Disposals | 0,00 | (1.363,29) | (456,44) | (25.795,43) |
| Payments on account for non-current assets | 0,00 | 69.642,50 | 159.979,34 | 5.770,00 |
| Balance 31.12.2016 | 984.610,88 | 6.141.022,37 | 21.532.661,88 | 11.533.767,37 |
| Accumulated depreciation and impairment | | | | |
| Balance 1.1.2016 | 0,00 | 3.013.645,23 | 14.571.163,27 | 6.761.420,08 |
| Depreciation charge | 0,00 | 146.534,39 | 1.064.875,15 | 563.542,37 |
| Write-downs of depreciation charge | 0,00 | 0,00 | 0,00 | (174.297,50) |
| Balance 31.12.2016 | 0,00 | 3.160.179,62 | 15.636.038,42 | 7.150.664,95 |
| Net book amount 31.12.2016 | 984.610,88 | 2.980.842,75 | 5.896.623,46 | 4.383.102,42 |

6.2. Investment property

This did not occur.

6.3. Biological assets

This did not occur.

6.4. Intangible assets

| Table of changes in intangible assets | Other intangible assets |
|--|--------------------------|
| Cost | |
| Balance 1.1.2015 | 350.880,06 |
| Additions | 10.367,52 |
| Disposals | <u>(5.183,76)</u> |
| Balance 31.12.2015 | <u>356.063,82</u> |
| Accumulated amortisation and impairment | |
| Balance 1.1.2015 | 334.318,49 |
| Amortisation charge | <u>10.127,23</u> |
| Balance 31.12.2015 | <u>344.445,72</u> |
| Net book amount 31.12.2015 | <u>11.618,10</u> |
| Cost | |
| Balance 1.1.2016 | 356.063,82 |
| Additions | 34.939,30 |
| Disposals | <u>(17.469,65)</u> |
| Balance 31.12.2016 | <u>373.533,47</u> |
| Accumulated amortisation and impairment | |
| Balance 1.1.2016 | 344.445,72 |
| Amortisation charge | <u>22.282,59</u> |
| Balance 31.12.2016 | <u>366.728,31</u> |
| Net book amount 31.12.2016 | <u>6.805,16</u> |

6.5. Payments on account and non-current assets in course of construction

The payments on account for non-current assets of amount € 235.391,84 concern acquisitions of fixed assets which occurred in the frame of the investment programme in course of construction for expansion of the existing Malting plant and are analysed per category of asset in the table "6.1. Own-used tangible assets".

7. Financial assets

7.1. Measurement at fair value

This did not occur.

7.2. Measurement at cost

a) Derivative financial instruments

This did not occur.

b) Non-current financial assets which are presented at an amount that exceeds their fair value

This did not occur.

7.2.1. Trade receivables

The trade receivables are analysed in the table below:

| <u>Trade receivables</u> | <u>31.12.2016</u> | <u>31.12.2015</u> |
|--|----------------------------|----------------------------|
| Customers domestic | 2.569.144,25 | 2.900.657,24 |
| Customers abroad | 10.633,71 | 12.523,41 |
| Greek State | 473,25 | 420,23 |
| Domestic customers assigned to Factoring | 21.433,93 | 21.433,93 |
| Doubtful debtors | 128.877,47 | 116.175,49 |
| Other contested customers | 108.835,75 | 108.835,75 |
| Notes overdue | 1.213,79 | 1.213,79 |
| Cheques receivable (post-dated) | 656.104,64 | 1.498.660,66 |
| Provision for doubtful receivables | -517.642,58 | -512.471,49 |
| Total | <u>2.979.074,21</u> | <u>4.147.499,01</u> |

7.2.2. Other receivables

The other receivables are analysed in the table below:

| <u>Other receivables</u> | <u>31.12.2016</u> | <u>31.12.2015</u> |
|--|--------------------------|-------------------------|
| Cash accommodations to employees | 23.148,33 | 57.302,34 |
| Current portion of long-term receivables in Euro | 3.500,00 | 3.500,00 |
| Other sundry debtors | 437.443,27 | 8.432,35 |
| Personnel - amounts to account for | 0,00 | 777,84 |
| Total | <u>464.091,60</u> | <u>70.012,53</u> |

7.2.3. Cash and cash equivalents

The cash and cash equivalents are analysed in the table below:

| <u>Cash and cash equivalents</u> | <u>31.12.2016</u> | <u>31.12.2015</u> |
|----------------------------------|--------------------------|----------------------------|
| Cash on hand | 142.011,49 | 193.397,32 |
| Current deposits | 380.752,73 | 1.201.910,58 |
| Total | <u>522.764,22</u> | <u>1.395.307,90</u> |

8. Equity accounts

The paid-up share capital of the company is divided in 264.168 ordinary registered voting shares of nominal value € 17,65 each and amounts to € 4.662.565,20.

The statutory reserve of amount € 2.505.346,31 is analysed to the Legal Reserve of € 318.854,09 and the Special Reserves of € 2.186.492,22.

In the account Tax-free Reserves the change in relation to the previous year is due to setting up the Tax-free Reserve under L. 3908/2011 of amount € 705.883,27.

9. Provisions

9.1. Provision for employee retirement benefits

The obligation for employee benefits was determined based on the provisions of L. 2112/1920.

The movement of the obligation recognized in the balance sheet is as follows:

| | <u>31.12.2016</u> | <u>31.12.2015</u> |
|---|--------------------------|--------------------------|
| Beginning of year | 219.305,62 | 194.768,34 |
| Current service cost | 13.331,10 | 28.714,68 |
| Benefits paid in the year | <u>(23.624,67)</u> | <u>(4.177,40)</u> |
| Net liability in the balance sheet | <u>209.012,05</u> | <u>219.305,62</u> |

9.2. Other provisions

This did not occur.

10. Liabilities

10.1. Non-current liabilities

10.1.1. Bank loans

(a) Loan collateral

The company has subscribed with the National Bank of Greece a long-term bank loan of outstanding balance € 1.028.571,42, for securing which the company granted the right of first mortgage € 587.234,07 on privately-owned assets of carrying amount € 3.895.811,13.

(b) Maturity of borrowings

| Outstanding balance | Bank loans |
|----------------------------------|---------------------|
| Current portion: | |
| Within 1 year | 1.035.191,51 |
| Total current portion | 1.035.191,51 |
| Non-current portion: | |
| 1 - 2 years | 843.852,02 |
| 2 - 5 years | 1.909.689,20 |
| Later than 5 years | 35.722,00 |
| Total non-current portion | 2.789.263,22 |
| Grand total | 3.824.454,73 |

10.1.2. Other non-current liabilities

This did not occur.

10.1.3. Government grants

| <u>Table of changes in government grants</u> | <u>31.12.2016</u> | <u>31.12.2015</u> |
|--|------------------------|------------------------|
| Opening balance | 18.856,23 | 36.685,07 |
| <u>Less: Transfer to income statement</u> | <u>-8.589,84</u> | <u>-17.828,84</u> |
| Closing balance | 10.266,39 | 18.856,23 |
| <u>Less: Transfer to deferred income</u> | <u>-4.640,10</u> | <u>-15.342,38</u> |
| Final balance | <u>5.626,29</u> | <u>3.513,85</u> |

10.2. Current liabilities

10.2.1. Trade payables

The trade payables are analysed in the table below:

| <u>Trade payables</u> | <u>31.12.2016</u> | <u>31.12.2015</u> |
|-----------------------|--------------------------|--------------------------|
| Suppliers - domestic | 340.522,71 | 209.686,74 |
| Suppliers - abroad | <u>297.309,53</u> | <u>295.899,37</u> |
| Total | <u>637.832,24</u> | <u>595.586,11</u> |

10.2.2. Other payables

The other payables are analysed in the table below:

| <u>Other payables</u> | <u>31.12.2016</u> | <u>31.12.2015</u> |
|--|----------------------------|----------------------------|
| Customers' returnable package items | 3.855.957,24 | 3.496.987,56 |
| Salaries and wages payable | 65.192,98 | 64.398,66 |
| Dividends payable | 301.712,66 | 631.928,24 |
| Shareholders - Capital redeemed to be refunded | 346.228,93 | 346.228,93 |
| Other current liabilities in Euro | <u>284.532,35</u> | <u>270.865,17</u> |
| Total | <u>4.853.624,16</u> | <u>4.810.408,56</u> |

11. Income and expenses of significant amount or particular frequency or importance

Follows analysis of the income and the expenses in the tables below:

| <u>Income</u> | <u>31.12.2016</u> | <u>31.12.2015</u> |
|--|-----------------------------|-----------------------------|
| Sales of merchandise | 288.147,69 | 329.244,13 |
| Sales of finished and semi-finished products | 18.883.768,81 | 17.432.277,89 |
| Sales of other inventories & scrap material | 201.844,64 | 168.483,29 |
| Grants & sundry sales revenue | 22.572,76 | 332.683,25 |
| Income from side business | 20.349,16 | 20.752,28 |
| Capital revenue | 120,28 | 1.881,25 |
| Self-constructed fixed assets & operating provisions | <u>143.649,12</u> | <u>61.504,84</u> |
| Total | <u>19.560.452,46</u> | <u>18.346.826,93</u> |

| <u>Expenses</u> | <u>31.12.2016</u> | <u>31.12.2015</u> |
|--------------------------------------|-----------------------------|-----------------------------|
| Personnel costs and expenses | 2.850.306,01 | 2.610.176,08 |
| Third party fees and expenses | 1.208.322,50 | 513.497,69 |
| Third party utilities | 882.981,25 | 930.186,05 |
| Taxes-duties | 4.481.419,69 | 3.502.102,59 |
| Sundry expenses | 2.149.694,94 | 2.047.115,06 |
| Interest expense and similar charges | 191.353,03 | 249.493,94 |
| Depreciation of fixed assets | 1.909.120,53 | 1.812.909,96 |
| Operating provisions | 18.502,19 | 29.708,37 |
| Total | <u>13.691.700,14</u> | <u>11.695.189,74</u> |

12. Interest embedded in the value of assets in the period

This did not occur.

13. Proposed distribution of profits

The board of directors proposes to the forthcoming Ordinary General Meeting of Shareholders the transfer of the profit for the period net of tax and afterwards the deduction of the legal reserve and tax-free reserve to the retained earnings amount € 1.533.093,28.

14. Dividends paid in the year

In the present year were paid dividends € 422.668,80 from profits of the previous year 2015.

15. Accounting of period's losses

The present year presented a profitable result.

16. Deferred taxes

The company did not choose the recognition of deferred taxes.

17. Personnel costs and categories

The average number of employed personnel per category amounts to:

| | <u>31.12.2016</u> | <u>31.12.2015</u> |
|--------------------------------------|-------------------|-------------------|
| Administrative (employees) personnel | 58 | 52 |
| Wage-workers (technical personnel) | 53 | 48 |
| Total | <u>111</u> | <u>100</u> |

The company in respect to employed personnel was charged with the following costs:

| | <u>31.12.2016</u> | <u>31.12.2015</u> |
|----------------------------------|----------------------------|----------------------------|
| Salaries and wages | 2.260.485,42 | 2.035.379,13 |
| Fringe benefits, personnel costs | 22.462,31 | 64.253,58 |
| Social security & allowances | 567.358,28 | 506.365,97 |
| Retirement benefits | 0,00 | 4.177,40 |
| Total | <u>2.850.306,01</u> | <u>2.610.176,08</u> |

18. Advances and credits to the members of the board and management

There are no such items.

19. Participating interests in companies with unlimited responsibility of the partners

There are no such items.

20. Data of the company preparing consolidated financial statements of the final total group of enterprises, part of which is the company as subsidiary

The company does not belong to a final total group of enterprises for which consolidated financial statements are prepared.

21. Data of the company preparing consolidated financial statements of a subtotal of enterprises, part of which is the company as subsidiary

The company does not belong to a subtotal of enterprises for which consolidated financial statements are prepared.

22. Place where the consolidated financial statements are available

This did not occur.

23. Fees to members of the Board and Management

The Company was charged with the following amounts:

| | <u>Fees</u> |
|---|--------------------------|
| To members of the board of directors acting as managers | 100.433,35 |
| To members of key management | <u>22.042,07</u> |
| Total | <u>122.475,42</u> |

24. Related-party transactions

The following transactions were carried out with related parties and the year-end balances of receivables or payables from/to related parties are as follows:

| | <u>31.12.2016</u> | <u>31.12.2015</u> |
|--|--------------------------|--------------------------|
| <u>Accumulated sales</u> | | |
| Sales of goods | 234.446,39 | 191.043,36 |
| Other income | <u>1.200,00</u> | <u>1.200,00</u> |
| | <u>235.646,39</u> | <u>192.243,36</u> |
| <u>Year-end balances of receivables</u> | | |
| Receivables from sales of goods and services | 379.017,87 | 455.117,59 |
| Other receivables | <u>1.243,20</u> | <u>1.243,20</u> |
| | <u>380.261,07</u> | <u>456.360,79</u> |

25. Off Balance Sheet arrangements of material positive or negative impact on the company

There are no such arrangements.

26. Financial commitments, guarantees and contingencies not disclosed in the balance sheet

a) Financial commitments

There are no such commitments.

b) Guarantees

The Company has granted letters of guarantee to various third parties, analysis of which is set out below:

| | <u>31.12.2016</u> | <u>31.12.2015</u> |
|-----------------------------------|--------------------------|--------------------------|
| Other guarantees to third parties | <u>168.236,25</u> | <u>247.695,00</u> |
| Total | <u>168.236,25</u> | <u>247.695,00</u> |

c) Contingencies

The Company is subject to the tax audit of the Certified Auditors Accountants that is required by the provisions of the article 65A of L. 4174/2013 for the year 2016. This audit is in progress and the tax compliance report is foreseen to be issued after the publication of the financial statements for the year 2016. If by the completion of the tax audit additional tax liabilities arise, we estimate that these will have no material impact on the financial statements. The company has been audited by the tax authorities up to the year 2009. For the years 2011 to 2015 the relevant tax compliance reports have been submitted to the tax authorities within the due time limit.

27. Events after the balance sheet date

No such events have occurred.

Komotini, 30 June 2017

THE CHAIRMAN OF
THE B. OF D.



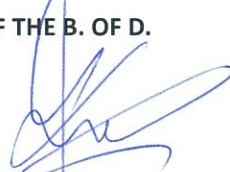
KONSTANTINOS
ARAMPATZIS
ID. No. AA 468039

C.E.O.




CHRISTOS
DIMTSOUDIS
ID. No. AH 370225

THE VICE CHAIRMAN
OF THE B. OF D.



THEODORA
KATSIKOUDI
ID. No. AM 904540

THE HEAD OF
THE ACCOUNTING DEPT.



CHARALAMPOS
ZAFEIRIADES
ID. No. AH 369762
E.C.G. Licence No. 54444/A' Class