

**LOULIS INTERNATIONAL FOODS
ENTERPRISES (BULGARIA) LTD**

REPORT AND FINANCIAL STATEMENTS
31 December 2015

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

REPORT AND FINANCIAL STATEMENTS

31 December 2015

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LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:

A.T.S DIRECTORS LIMITED
A.T.S MANAGERS LIMITED
L.M.N.T DIRECTORS LIMITED
L.M.N.T. MANAGERS LIMITED
Constantinos Loulis
Nikolaos Fotopoulos
Stefanos Krommidas (resigned on 14/01/2016)
Demetrios Tarnaras (appointed on 14/01/2016)

Company Secretary:

A.T.S Services Ltd

Independent Auditors:

Baker Tilly Klitou
Corner C. Hatzopoulou and 30 Griva Digheni Avenue
1066 Nicosia
Cyprus

Registered office:

2-4 Arch. Makarios Avenue
Capital Center, 9th floor
1505 Nicosia
Cyprus

Bankers:

Pireaus Bank
United Bulgarian Bank - NBG Group
Hellenic Bank Public Company Ltd

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors presents its report and audited financial statements of the Company for the year ended 31 December 2015.

Principal activities

The principal activities of the Company, which are unchanged from last year, are financing and participating in investment activities of companies operating in the production and marketing of flour and related products.

Review of current position, future developments and significant risks

The Company's development to date, financial results and position as presented in the financial statements are not considered satisfactory and the Board of Directors is making an effort to reduce the Company losses.

The main risks and uncertainties faced by the Company and the steps taken to manage these risks, are described in note 3 of the financial statements.

Results

The Company's results for the year are set out on page 5.

Share capital

There were no changes in the share capital of the Company during the year under review.

Board of Directors

The members of the Company's Board of Directors as at 31 December 2015 and at the date of this report are presented on page 1. On 14 January 2016 Mr. Stefanos Krommidas resigned and on the same date Mr. Demetrios Tarnaras was appointed in his place.

In accordance with the Company's Articles of Association all Directors presently members of the Board continue in office.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

Events after the reporting period

Any significant events that occurred after the end of the reporting period are described in note 20 to the financial statements.

Independent Auditors

The Independent Auditors, Baker Tilly Klitou, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,

A.T.S DIRECTORS LIMITED
Director

Nicosia, 30 March 2016

Independent auditor's report

To the Members of Loulis International Foods Enterprises (Bulgaria) Ltd

Report on the financial statements

We have audited the accompanying financial statements of the parent company Loulis International Foods Enterprises (Bulgaria) Ltd (the "Company"), which comprise the statement of financial position as at 31 December 2015, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the financial statements

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

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. 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 of financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, 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.

Independent auditor's report (continued)

To the Members of Loulis International Foods Enterprises (Bulgaria) Ltd

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of parent company Loulis International Foods Enterprises (Bulgaria) Ltd as at 31 December 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 19 of the financial statements that refer to the unanimous decision of the Board of Directors to reduce the share premium of € 13.850.971 to € 1.850.971 with the return of €12.000.000 to the shareholders of the Company for the years 2007 and 2008. Until the date of signature of this report the relevant resolutions have not been validated by the Court and the Registrar of Companies.

Report on other legal requirements

Pursuant to the additional requirements of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 and 2013, we report the following:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of these books.
- The Company's financial statements are in agreement with the books of account.
- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Cyprus Companies Law, Cap. 113, in the manner so required.
- In our opinion, the information given in the report of the Board of Directors is consistent with the financial statements.

Other matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 34 of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 and 2013 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

We have reported separately on the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2015.

Panicos Charalambous
Certified Public Accountant and Registered Auditor
for and on behalf of

Baker Tilly Klitou
Certified Public Accountants and Registered Auditors

Corner C. Hatzopoulou and 30 Griva Digheni Avenue
1066 Nicosia
Cyprus

Nicosia, 30 March 2016

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2015

	Note	2015 €	2014 €
Amounts written - off	5	-	228.656
Other income	6	74.557	-
Administration expenses	7	(167.775)	(245.289)
Operating loss	8	(93.218)	(16.633)
Finance income	9	75.033	116.055
Finance costs	9	(1.211)	(1.615)
(Loss)/profit before tax		(19.396)	97.807
Tax	10	(47.641)	(4.904)
Net (loss)/profit for the year		(67.037)	92.903
Other comprehensive income		-	-
Total comprehensive income for the year		(67.037)	92.903

The notes on pages 9 to 17 form an integral part of these financial statements.

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

STATEMENT OF FINANCIAL POSITION

31 December 2015

	Note	2015 €	2014 €
ASSETS			
Non-current assets			
Investments in subsidiaries	11	333.480	600
Non-current loans receivable	12	1.683.000	1.683.000
		2.016.480	1.683.600
Current assets			
Trade and other receivables	13	1.716.873	2.546.649
Cash at bank and in hand	14	1.181.874	487.059
		2.898.747	3.033.708
Total assets		4.915.227	4.717.308
EQUITY AND LIABILITIES			
Equity			
Share capital	15	1.637.539	1.637.539
Other reserves		(1.695.418)	(1.695.418)
Retained earnings		4.518.273	4.585.310
Total equity		4.460.394	4.527.431
Current liabilities			
Trade and other payables	16	392.320	127.364
Current tax liabilities	17	62.513	62.513
		454.833	189.877
Total liabilities		454.833	189.877
Total equity and liabilities		4.915.227	4.717.308

On 30 March 2016 the Board of Directors of Loulis International Foods Enterprises (Bulgaria) Ltd authorised these financial statements for issue.

.....
A.T.S DIRECTORS LIMITED
Director

.....
L.M.N.T DIRECTORS LIMITED
Director

The notes on pages 9 to 17 form an integral part of these financial statements.

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2015

	Share capital €	Share premium €	Translation reserve €	Retained earnings €	Total €
Balance at 1 January 2014	1.637.539	1.850.971	(3.546.389)	4.492.407	4.434.528
Net profit for the year	-	-	-	92.903	92.903
Balance at 31 December 2014/ 1 January 2015	1.637.539	1.850.971	(3.546.389)	4.585.310	4.527.431
Net loss for the year	-	-	-	(67.037)	(67.037)
Balance at 31 December 2015	1.637.539	1.850.971	(3.546.389)	4.518.273	4.460.394

Companies which do not distribute 70% of their profits after tax, as defined by the relevant tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defence at 20% for the tax years 2012 and 2013 and 17% for 2014 and thereafter will be payable on such deemed dividends to the extent that the shareholders (companies and individuals) are Cyprus tax residents. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

The notes on pages 9 to 17 form an integral part of these financial statements.

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

CASH FLOW STATEMENT

Year ended 31 December 2015

	2015	2014
Note	€	€
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before tax	(19.396)	97.807
Adjustments for:		
Interest income	5 & 9 <u>(75.033)</u>	(90.498)
	(94.429)	7.309
Changes in working capital:		
Decrease in trade and other receivables	829.776	351.126
Increase/(Decrease) in trade and other payables	<u>264.956</u>	(176.748)
Cash generated from operations	1.000.303	181.687
Tax paid	<u>(47.641)</u>	(10.656)
Net cash generated from operating activities	<u>952.662</u>	<u>171.031</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additional contribution in share capital of subsidiary	11 (332.880)	(600)
Interest received	<u>75.033</u>	90.498
Net cash (used in)/generated from investing activities	<u>(257.847)</u>	<u>89.898</u>
CASH FLOWS FROM FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	694.815	260.929
Cash and cash equivalents at beginning of the year	<u>487.059</u>	226.130
Cash and cash equivalents at end of the year	14 <u><u>1.181.874</u></u>	<u>487.059</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

1. Incorporation and principal activities

Country of incorporation

The Company Loulis International Foods Enterprises (Bulgaria) Ltd (the "Company") was incorporated in Cyprus on 1st April 2000 as a private limited liability company under the Cyprus Companies Law, Cap. 113. Its registered office is at 2-4 Arch. Makarios Avenue, Capital Center, 9th floor, 1505 Nicosia, Cyprus.

Principal activities

The principal activities of the Company, which are unchanged from last year, are financing and participating in investment activities of companies operating in the production and marketing of flour and related products.

2. Accounting policies

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

Basis of preparation

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

The Company is not obliged by the Companies Law, Cap. 113, to prepare consolidated financial statements because the ultimate parent publishes consolidated financial statements according to Generally Acceptable Accounting Principles in Greece and the Company does not intend to issue consolidated financial statements for the year ended 31 December 2015.

Since the 7th European Directive allows the preparation of consolidated financial statements in accordance with the Directive or in a manner equivalent to the Directive and where the Companies Law, Cap. 113 provides the above exception, the requirement of International Accounting Standard 27 "Consolidated and separate financial statements" to notify the entity of the group that publishes consolidated financial statements in accordance with IFRS does not apply.

The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of 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. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Adoption of new and revised IFRSs

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2015. This adoption did not have a material effect on the accounting policies of the Company.

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

2. Accounting policies (continued)

Subsidiary companies

Investments in subsidiary companies are stated at cost less provision for impairment in value, which is recognised as an expense in the period in which the impairment is identified.

Revenue recognition

Revenues of the Company are recognized on an accrual basis.

Finance income

Finance income includes interest income which is recognised based on an accrual basis.

Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

Foreign currency translation

(1) Functional and presentation currency

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

(2) Transactions and balances

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

Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

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

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority.

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank and in hand.

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

2. Accounting policies (continued)

Share capital

Ordinary shares are classified as equity. The difference between the fair value of the consideration received by the Company and the nominal value of the share capital being issued is taken to the share premium account.

Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

3. Financial risk management

Financial risk factors

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

3.1 Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

3.2 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

31 December 2015	Carrying amounts	Contractual cash flows	3 months or less	Between 3-12 months	Between 1-5 years	More than 5 years
	€	€	€	€	€	€
Trade and other payables	6.729	-	-	6.728	-	-
Payables to related parties	383.823	-	-	383.823	-	-
	390.552	-	-	390.551	-	-

31 December 2014	Carrying amounts	Contractual cash flows	3 months or less	Between 3-12 months	Between 1-5 years	More than 5 years
	€	€	€	€	€	€
Trade and other payables	5.214	-	-	5.214	-	-
Payables to related parties	120.000	-	-	120.000	-	-
	125.214	-	-	125.214	-	-

3.3 Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency. The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the US Dollar. The Company's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

3. Financial risk management (continued)

3.4 Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from last year.

Fair value estimation

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

4. Critical accounting estimates and judgements

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

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- **Income taxes**

Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

- **Valuation of non-listed investments**

The Company uses various valuation methods to value non-listed investments. These methods are based on assumptions made by the Board of Directors which are based on market information at the reporting date.

5. Amounts written - off

	2015	2014
	€	€
Investment in Loulis Mel Blg written off	-	(25.557)
Receivable with Loulis Mel Blg written off	-	(72.173)
Loan payable to Loulis Mel Blg	-	322.462
Liquidation share	-	3.924
	<u>-</u>	<u>228.656</u>

The above amounts with Loulis Mel Blg have been written - off since Loulis Mel Blg is in the process of liquidation.

6. Other income

	2015	2014
	€	€
Consultancy fees	<u>74.557</u>	<u>-</u>

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

7. Administration expenses

	2015	2014
	€	€
Auditors' remuneration	3.557	3.400
Legal fees	22.928	6.156
Other professional fees	11.000	-
Overseas travelling	9.440	1.933
Consulting services	120.500	233.450
Tax levy	350	350
	<u>167.775</u>	<u>245.289</u>

8. Operating loss

	2015	2014
	€	€
Operating loss is stated after charging the following items:		
Auditors' remuneration	<u>3.557</u>	<u>3.400</u>

9. Finance income/cost

	2015	2014
	€	€
Interest income	<u>75.033</u>	<u>116.055</u>
Finance income	<u>75.033</u>	<u>116.055</u>
Sundry finance expenses	<u>(1.211)</u>	<u>(1.615)</u>
Finance costs	<u>(1.211)</u>	<u>(1.615)</u>
Net finance income	<u>73.822</u>	<u>114.440</u>

10. Tax

	2015	2014
	€	€
Corporation tax - prior years	<u>47.641</u>	<u>4.904</u>
Charge for the year	<u>47.641</u>	<u>4.904</u>

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

	2015	2014
	€	€
(Loss)/profit before tax	<u>(19.396)</u>	<u>97.807</u>
Tax calculated at the applicable tax rates	(2.425)	12.226
Tax effect of expenses not deductible for tax purposes	6.066	12.646
Tax effect of allowances and income not subject to tax	-	(31.286)
Tax effect of tax losses brought forward	(3.641)	-
Tax effect of tax loss for the year	-	6.414
Prior year tax	<u>47.641</u>	<u>4.904</u>
Tax charge	<u>47.641</u>	<u>4.904</u>

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

10. Tax (continued)

The corporation tax rate is 12,5%.

Under certain conditions interest income may be subject to defence contribution at the rate of 30%. In such cases this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 20% for the tax years 2012 and 2013 and 17% for 2014 and thereafter.

The Company's chargeable income for the year amounted to €29.127 which has been set off against tax losses brought forward. Under current legislation, tax losses may be carried forward and be set off against taxable income of the five succeeding years. As at 31 December 2015 the balance of tax losses which is available for offset against future taxable profits amounts to € 316.395.

11. Investments in subsidiaries

	2015	2014
	€	€
Balance at 1 January	600	25.557
Additions	332.880	600
Investment written - off	-	(25.557)
Balance at 31 December	<u>333.480</u>	<u>600</u>

The details of the subsidiaries are as follows:

<u>Name</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	2015 Holding	2014 Holding	2015	2014
			%	%	€	€
Lafco Leader Asian Food Company Ltd	Cyprus	Trade	40	40	<u>333.480</u>	<u>600</u>

The Company has the management and control of Lafco Leader Asian Food Company Ltd and therefore is categorised as a subsidiary company.

During the year, Lafco Leader Asian Food Company Ltd issued 100 shares for the total amount of €832.200. The Company contributed the amount of €332.880, as a consideration of the 40 shares of the new shares issued by Lafco Leader Asian Food Company Ltd. Therefore the total percentage owned by the Company remains 40%.

12. Non-current loans receivable

	2015	2014
	€	€
Loans to associates (Note 18.2)	<u>1.683.000</u>	1.683.000
	<u>1.683.000</u>	<u>1.683.000</u>

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

12. Non-current loans receivable (continued)

The fair values of non-current receivables approximate to their carrying amounts as presented above.

13. Trade and other receivables

	2015	2014
	€	€
Receivables from associate company (Note 18.5)	26.744	8.246
Receivables from related companies (Note 18.1)	1.557.681	1.482.291
Loan to related party (Note 18.5)	-	647.214
Deposits and prepayments	2.750	358.013
Other receivables	129.698	41.868
Refundable VAT	-	9.017
	<u>1.716.873</u>	<u>2.546.649</u>

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

14. Cash at bank and in hand

Cash balances are analysed as follows:

	2015	2014
	€	€
Cash in hand	-	200.000
Cash at bank	<u>1.181.874</u>	<u>287.059</u>
	<u>1.181.874</u>	<u>487.059</u>

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

15. Share capital

	2015	2015	2014	2014
	Number of shares	€	Number of shares	€
Authorised				
Ordinary shares of €1,71 each	<u>1.167.625</u>	<u>1.996.639</u>	<u>1.167.625</u>	<u>1.996.639</u>
Issued and fully paid				
Balance at 1 January	<u>957.625</u>	<u>1.637.539</u>	<u>957.625</u>	<u>1.637.539</u>
Balance at 31 December	<u>957.625</u>	<u>1.637.539</u>	<u>957.625</u>	<u>1.637.539</u>

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

16. Trade and other payables

	2015	2014
	€	€
VAT	1.768	-
Accruals	-	2.150
Other creditors	6.729	5.214
Payables to own subsidiaries (Note 18.3)	272.880	-
Payables to related companies (Note 18.3)	110.943	120.000
	<u>392.320</u>	<u>127.364</u>

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

17. Current tax liabilities

	2015	2014
	€	€
Corporation tax	13.021	13.021
Special contribution for defence	49.492	49.492
	<u>62.513</u>	<u>62.513</u>

18. Related party transactions

The Company is controlled by Myloi Loulis A.E., incorporated in Greece, which owns 100% of the Company's shares.

The following transactions were carried out with related parties:

18.1 Receivables from related parties (Note 13)

Name	Nature of transactions	2015	2014
		€	€
Bikecor Services Ltd	Trade and Finance	1.556.084	1.480.694
Nikolaos Fotopoulos	Trade	1.597	1.597
		<u>1.557.681</u>	<u>1.482.291</u>

Loan with Bikecor bears 5% interest and is repayable until 31.12.2017.

18.2 Loans to related parties (Note 12)

	2015	2014
	€	€
Flour Mills Loulis S.A.	1.683.000	1.683.000
Mary Lane Ltd	-	647.214
	<u>1.683.000</u>	<u>2.330.214</u>

The loan to related company Flour Mills Loulis S.A. was provided on 24.01.2013 interest free, and is to be repaid until 2018.

Loan with Mary Lane Ltd bared 5% interest and has been repaid in the year.

18.3 Payables to related parties (Note 16)

Name	Nature of transactions	2015	2014
		€	€
Mary Lane Ltd	Consulting services	110.943	120.000

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

18. Related party transactions (continued)

18.4 Payables to own subsidiaries

<u>Name</u>	<u>Nature of transactions</u>	2015 €	2014 €
Lafco Leader Asian Food Company Ltd	Finance	272.880	-

Loan with Lafco Leader Asian Food Co Ltd bears 4% and is repayable until 31.12.2016.

18.5 Loan to associate company (Note 12) (Note 13)

	2015 €	2014 €
Lafco Leader Asian Food Company Ltd	26.744	8.246

Loan with Lafco Leader Asian Food Co Ltd bears 4% and is repayable until 31.12.2016.

19. Reduction of share premium

The Board of Directors decided to reduce the share premium of €13.850.971 to €1.850.971 with the return of €12.000.000 to the shareholders of the Company for the years 2007 and 2008. Until the date of signature of this report the relevant resolutions have not been validated by the Court and the Registrar of Companies.

20. Events after the reporting period

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

Independent auditor's report on pages 3 and 4

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

DETAILED INCOME STATEMENT

Year ended 31 December 2015

	Page	2015 €	2014 €
Other operating income			
Amounts written - off		-	228.656
Other income		<u>74.557</u>	<u>-</u>
		74.557	228.656
Operating expenses			
Administration expenses		<u>(167.775)</u>	<u>(245.289)</u>
Operating loss		(93.218)	(16.633)
Finance income	19	75.033	116.055
Finance costs	19	<u>(1.211)</u>	<u>(1.615)</u>
Net (loss)/profit for the year before tax		<u>(19.396)</u>	<u>97.807</u>

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

FINANCE INCOME/COST

Year ended 31 December 2015

	2015 €	2014 €
Finance income		
Other interest income	<u>75.033</u>	<u>116.055</u>
	<u>75.033</u>	<u>116.055</u>
Finance costs		
Sundry finance expenses		
Bank charges	<u>1.211</u>	<u>1.615</u>
	<u>1.211</u>	<u>1.615</u>

LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD

COMPUTATION OF CORPORATION TAX

Year ended 31 December 2015

	Page	€	€
Net loss per income statement	18		(19.396)
Add:			
Annual levy		350	
Notional interest on loan receivable with related party		25.245	
Legal Fees		<u>22.928</u>	
			<u>48.523</u>
Chargeable income for the year			<u><u>29.127</u></u>
Loss brought forward			<u>(943.567)</u>
Loss			<u>(914.440)</u>
Unutilised loss of the year 2010 not carried forward			<u>598.045</u>
Net loss carried forward			<u><u>(316.395)</u></u>

CALCULATION OF TAX LOSSES FOR THE FIVE YEAR PERIOD

Tax year	Profits/(losses) for the tax year	Gains Offset		Gains Offset		Gains Offset	
		Amount €	Year	Amount €	Year	Amount €	Year
2010	-	-		-		-	
2011	(226.422)	-		-		-	
2012	(67.786)	-		-		-	
2013	-	-		-		-	
2014	(51.314)	-		-		-	
2015	29.127	-		-		-	

Net loss carried forward (316.395)