Annual Financial Report for the
YEAR 2014
(1/1/2014-31/12/2014)

In accordance with article 4 pursuant to Law 3556/2007 and pursuant to the resolutions by the Board of Directors of the Capital Market Committee under the authority of this Law

LOULIS mills

LOULIS MILLS SA
GEMI (General Commercial Register) No: 50675444000 (formerly SA Register No: 10344/06/B/86/131)
Loulis Harbour, 370 08, Sourpi Magnesia Municipal District

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DECLARATION BY THE MEMBERS OF THE BOARD OF DIRECTORS
(In accordance with article 4, paragraph 2 pursuant to Law 3556/2007)

The herein below members of the Board of Directors of LOULIS MILLS SA:

1. Mr Nikolaos K. Loulis - Chairperson of the Board of Directors
2. Mr Nikolaos S. Fotopoulos - Deputy Chairperson of the Board of Directors & Managing Director
3. Mr Konstantinos N. Dimopoulos - Member of the Board of Directors, specifically appointed in this regard by the Board of Directors during today's meeting (30 March 2015),

DO HEREBY DECLARE THAT

To the best of our knowledge:

a. The attached Annual Financial Statements for the Company and the Group, which have been prepared in accordance with the applicable Accounting Standards, accurately present the information in the assets and liabilities, the net position and the operating results for LOULIS MILLS SA, as well as the enterprises that are included in the consolidation, which have been considered as a whole; and
b. The Annual Report by the Board of Directors accurately presents the development, performance and position of LOULIS MILLS SA, as well as the enterprises that are included in the consolidation, which have been considered as a whole, inclusive of the description of the main risks and uncertainties that they are facing.

The Chairman of the Board	The Vice-Chairman of the Board & Managing Director	The Board Member
NIKOLAOS K. LOULIS	NIKOLAOS S. FOTOPOULOS	KONSTANTINOS N. DIMOPOULOS

LOULIS MILLS SA
ANNUAL REPORT BY THE BOARD OF DIRECTORS
In respect of the Year commencing 1st January 2014 and ending 31st December 2014
(In accordance with Law 3556/2007 and the applicable EC provisions)

The Report that is presented intends to effectively and fully inform the public, by covering all the major aspects of the economic activities by the Company in a fair and thorough manner, and has been prepared in accordance with the current legislation and the applicable provisions of the Capital Market Commission.

Dear Shareholders,

1. Significant Events that occurred during the Year 2014

The Year 2014 that has just ended has confirmed the company's vision, which is to become one of the nation's top food companies in the future and a recognised brand throughout the world.

Despite the prevailing uncertainty in the country during 2014, the Company continued its development and consolidation in the industry. During this year, the Company increased the quantities sold by 0.90 %, while managing to double its exports. This development has made LOULIS MILLS a leader in its industry with market shares that exceed 20 %. Its products moreover are becoming well known in most places in the world as some of the highest quality and finest products that may be found globally.

The positive sign in the development that has been achieved is further reinforced by the fact that this has resulted from the healthy part of the market without increasing the company's operating costs. Furthermore, LOULIS MILLS did not stop investing during this year, to the contrary, it completed during 2014 the construction of 2 pioneering bakery demonstration facilities in Athens and Volos for the purpose of providing more comprehensive services to its customers, while a modern production line has now been established at its plant in Volos for peeling and processing emmer wheat.

In 2014 the company was profitable with a € 7.2 million increase in its net profitability, with improved operating margins and pre-tax profits of 55 % and 16 % respectively.

At the same time, the year that has just ended is a landmark for the company, since it has actively started considering the potential of penetrating into the Indian market. Since July 2014, the group has now included amongst its resources, a company whose exclusive purpose is to investigate opportunities in India in combination with the Chipita Group. Management perceives that an investment in India may provide the group with development opportunities, since it is a vast country with a huge population and an adequacy of cereals.

When one considers the prevailing economic situation in Greece over recent years and the above achievements by the Company, the year that has just ended may then be considered to be highly successful.

The management's vision and commitment is that over the following years shall be that "LOULIS MILLS SA" becomes one of the nation's leading food companies, and an international group that is interwoven with higher quality and technical expertise.

Assessing the Year 2014, we shall examine some fundamental figures in the Financial Statements, wherein the following shall be noted:

A) Sales

The business turnover in 2014 by the group and Company amounted to € 88 million in comparison to € 94 million during the previous year, thereby recording a decrease to the tune of 6.3%. This decrease has resulted from the average sales price drop for the Company's products, which was a consequence of the decline in the cereal prices during the first eight months in 2014. The prices for products and cereals rose during the last quarter in the year; however the effects shall be more evident in the early months of 2015. Otherwise, the quantities sold by nearly all the company's distribution channels have risen with the largest increase being recorded in exports, which have nearly doubled from 5,429 tonnes in 2013 to 9,436 tonnes in 2014. It was natural that the increased sales in flour have also resulted in increased sales of 2.40 % in the by-products.

In respect of exports, the Company has increased its turnover by € 1.50 million and exports now account for 4.80 % of the company's turnover. This increase confirms the management efforts for the Company to become established as a global brand that is synonymous with quality and technical expertise. It is the management's belief that the group's export activities in subsequent years shall be further amplified, given the shortage of quality solutions for flour in many countries throughout the world.

In respect of consumer products, the Company holds a leading position throughout the entire category, whilst also being the only Company with a presence in all the subcategories. During 2014, the Company stood by the Greek household with its product offers, as well as its efforts to broaden the distribution network for products that are important to health. It has launched new products like "Zin" flour that is produced from Emmer wheat, which demonstrates the consequences of research and development into new products that respond to the contemporary needs of every household. The quantities of our products sold under the brand name of "Saint George Mills" have increased by approximately 5.00 % in the key categories of consumer flour, which demonstrates the strength of our products over the competition.

In comparison to the previous year, the turnover by Consumer Products has fallen by € 1 million, due to the 18 % reduction in the private label products sold. Management recognises that "LOULIS MILLS SA" is virtually the sole producer of flour in the Consumer Products sector and by investing in this advantage has succeeded in always being ahead of its competition in terms of innovative and modern products. The Company's management is committed over the forthcoming years to consistently endeavour in providing Greek household with high quality products that shall meet all their needs.

In respect of the sale of industrial products, the Company has maintained its market share at the same levels as 2013, and has increased its sales abroad by 73 % in relation to 2013, as already mentioned.

The Year 2014, in terms of sales, is the culmination of the company's efforts to be a leading force in all the key categories of flour throughout the country. The Company's management is committed not to alter or deviate from the basic principles of the company's course that are Innovation – Quality – Service. "LOULIS MILLS SA" shall always stand by professionals and consumers and be ready to meet all their needs.

B) Gross Profit – Operating Expenses

The cost of sales during the Year 2014 has exhibited a decrease of 9.10 % in relation to 2013 on a consolidated and non-consolidated basis, and amounted to € 68.50 million with respect to € 75.4 million in 2013. The gross margin has increased by 5.10 % and amounted to 22.40 % in comparison to 19.70 % for last year's turnover. The reported increase in the gross profit is due to a reduction in the prices for raw materials during the first eight months in 2014, as well as the effective control of the company's production expenses.

The Company's Operating Expenses with respect to the turnover has been reduced by 2.44 % and amounted to € 16.6 million with respect to the € 17 million in 2013. More specifically, the Administrative Expenses amounted to € 2.8 million at the Company level, which are reduced by 10.10 % in relation to 2013. The Selling Expenses have in turn been reduced by 0.68 %, which is very significant when one considers that the quantities sold by the Company have increased.

Management comprehends the conditions prevailing in society and has decided to support both its domestic and professional customers, which have honoured the Company with their trust for many years now and accordingly endeavours to return to the market any amounts that it saves from its operations. At the same time, it desires to provide educational and technical support to the modern professional baker by investing in the establishment of bakery halls.

The group's Operating Expenses has followed the downtrend of the Company and amounted to € 16.9 million in comparison to € 17.1 million for 2013, with Administrative Expenses reaching thae amount of € 3.09 million in 2014 in comparison to € 3.19 million for the previous year, while the Selling Expenses have been reduced from € 13.89 million to € 13.79 million.

Maintaining the Company's operating expenses at a level below 20% with respect to the annual turnover was and continues to be one of the Company's main goals. One of the Company's strategic tenets is to produce the best quality products – services for its customers at the best possible price and at the lowest possible cost. Management's main aim is to accordingly effectively and efficiently use the corporate resources for servicing the Company's customers.

C) Earnings before Interest, Tax, Depreciation and Amortisation

As a consequence of all the above, the Company's operating results in 2014 exhibited an increase of 8.30 % or € 737,000 as an absolute number and amounted to €9.59 million. The margin with respect to sales amounted to 10.90 % with respect to 9.42 % for the previous year.

The Company's management has worked responsibly throughout the year and has succeeded in safeguarding the interests of all stakeholders in the Company. Both the Company's creditors and customers should feel secure about the way in which management is administering the Company and should consider Management a significant pillar of stability and their future.

D) Financial Expenses

The financial Expenses by the Group and the Company was reduced by 13.43 % and amounted to € 2.11 million for the Company and the Group in 2014 with respect to € 2.44 million for 2013. The financial Expenses was reduced by 7.6 % in relation to the turnover and constituted 2.4 % of the annual turnover with respect to 2.6 % for the previous year. The decrease in the financial expenses is due to the decline in bank interest rates, which is due to the economic stability that has prevailed throughout the country for almost all the previous year.

More generally, the economic situation throughout the country up until November has marginally improved in terms of the actual economy. Accordingly, unemployment and an absence of liquidity in the market have accordingly both exhibited a positive development; however the political and economic instability that prevailed in the last two-month period in 2014 as well as the early months in the current year have generated reluctance about the future. The market is hoping for a better 2015 following the early difficult months.

E) Depreciation

The overall depreciation for the Company and the Group amounted to € 3.88 million, which is absolutely stable in relation to 2013.

F) Profits before Taxes

The net Year results before Taxes by the Company amounted to € 3.71 million, which have increased by 46.10 % from € 2.54 million in 2013 and from 2.70 % to 4.22 % as a percentage of the sales. There was also a corresponding increase by the Group total from € 2.63 million to € 3.56 million, namely 35.26 %.

G) Results after Taxes

The net Year results after taxes by the Company amounted to profits of € 3.5 million after losses of € 3.73 million in 2013. The difference between the pre-tax and after tax results for 2013 are mainly due to the change in the taxation rate for the Years after 01/01/2013, from 20 % to 26 %, which has led to a € 3 million increase in the deferred tax. Furthermore, on the basis of Law 4172/2013, companies are required to tax any tax exempt reserves up to 31/12/2014, a fact that needed to be accounted in 2013 on the basis of IAS 37 and which amounts to € 0.9 million.

H) Cash Flow

In relation to the Year that has ended, the operational cash flow in respect of the Group and the Company amounted to € -3.18 million and € -3.43 million respectively, while in relation to the previous Year it was € -2.9 million for the Group and €- 1.08 million for the Company. There was accordingly a decrease of € 0.23 million for the Group and € 2.3 million for the Company. The Company has increased its available cash overall by € 749,000, whilst also increasing its inventories by € 3.2 million and repaying € 1.8 million to its suppliers.

More specifically, the capital that was raised from the stock exchange was utilised for the operational activities of the company to settle liabilities to the suppliers and secure the inventories. This policy has been observed as a defence due to the instability that arose at the end of the Year as well as the continual increase in the prices for raw materials.

I) Investments

The Company carried out minor targeted investments during the Year 2014, which included the production line for peeling and processing Emmer wheat, as well as the construction of the demonstration facilities. The first investment was guided by innovation and the company's commitment to meet the needs of its consumers. The second investment constitutes an offer to modern bakers, who need to learn and develop new techniques in their business.

2. Significant information about the Company

At the General Meeting of the shareholders on 26th June 2014, in excess of 75% of the Company's shareholders approved the recommendation by the Board of Directors to not distribute dividends in respect of the Year 2013, and simultaneously approved the remuneration to the members of the Board of Directors from the profits for 2013.

The same General Meeting elected the new Board of Directors for a four-year term, as well as the members of the Audit Committee in accordance with article 37 pursuant to Law 3693/2008.

The Extraordinary General Meeting of the shareholders on 1st December 2014 resolved upon capitalising the reserves that had been created on the basis of Law 2238/1994, in conjunction with article 72 pursuant to Law 4172/2013.

3. Key Financial Indicators

In summary, the Company's financial results during the periods of 31 December 2014, 31 December 2013 and 31 December 2012 are reflected as follows, through certain key financial indicators and are compared against the targets that had been set by the Company's management, on the basis of the Company's size, the industry it is active in, the prevailing market conditions and the averages of other enterprises in the sector, where this information is available:

KEY FINANCIAL INDICATORS OF THE PARENT COMPANY

		1/1/2014 31/12/2014		**1/1/2013 31/12/2013**		**1/1/2012 31/12/2012**		**Target**
1	**Total Bank Borrowings**	35,277,381	3.68	29,651,505	3.35	36,211,195	3.94	(≤4.00)
	EBITDA	9,588,604		8,851,324		9,189,977		
2	**EBITDA**	9,588,604	4.59	8,851,324	3.67	9,189,977	3.67	(≥4.00)
	Debit Interest	2,087,461		2,411,522		2,504,924		
3	**Non-Current Assets**	101,625,694	2.88	104,242,509	3.52	108,712,213	3.00	(≥2.50)
	Total Bank Borrowings	35,277,381		29,651,505		36,211,195		
4	**Total Bank Borrowings**	35,277,381	0.41	29,651,505	0.36	36,211,195	0.46	(≤0.6)
	Total Equity	85,977,157		82,432,704		78,463,272		
5			1.27		1.40		1.17	(≥1.00)
	Total Current Assets	59,677,418		49,760,043		50,673,848		

	Total Current Liabilities	46,850,355		35,478,912		43,342,889	
6	Total Liabilities / Total Equity	75,325,955 / 85,977,157	0.88	71,569,848 / 82,432,704	0.87	80,922,789 / 78,463,272	1.03 (≤1.00)
7	**Circulatory rate of the inventories**	109.42		96.55		88.17	(~75)
8	**Days of Credit by Suppliers**	50.63		70.17		81.43	(~75)
9	**Days for collecting Commercial Debts**	119.51		101.22		109.97	(≤120)

4. Principal Risks and Uncertainties

The Company is active in an intensely competitive environment, where the most significant problem is that offer is a multiple of demand. Despite all this, the Company during the Year 2014 succeeded in many points in maintaining and improving upon the results for the corresponding previous Year. Our target for 2015 is to succeed in keeping the Company profitable and with capital adequacy, and to also develop into a powerful Foods Company. The data from the first months this year have already led us to the conclusion that the Company will respond to its targets.

The activities by the Group create various financial risks, inclusive of the risks pertaining to interest rates, credit risks and liquidity risks. The overall plan by the Group for managing risk focuses upon the fluctuations in the financial markets and targets the minimisation of the potential adverse effects by such fluctuations on its financial performance. The Group does not engage in transactions of a speculative nature or transactions that are not related to its trading, investment and financing activities.

The financial products that are utilised by the Group are mainly comprised of deposits at banks, the conclusion of loans, overdraft rank accounts, accounts receivable and payable, Dividends Payable and Liabilities arising from leasing agreements, futures contract for the purchase of cereals and rights on future contracts for purchasing cereals. The global financial crisis thus far does not appear to have essentially effected the Coming's activities, however due to the intensity of the phenomenon, its estimated duration and the overall asphyxiating state and lack of liquidity that has been noted in the market, the potential general reduction in consumer demand is likely to negatively effect sales and the profit margins in the food sector. The fact that our products are essential items, the Company's minor financial exposure, as well as our significant quality and product differentiation, are the main weapons in its arsenal for minimising the negative effects of the economic crisis.

The usual financial and other risks to which the Company is exposed are the market risks (interest rates, liquidity risk, market prices, credit risk, inventories risk, risk of a reduction in demand due to a more general consumer depression).

4.1 Foreign Currency Risk

All of the Company's transactions and so forth are conducted in Euros.

The Company's management continually monitors the foreign currency risks that may potentially arise and evaluates the need to take appropriate steps, however this risk does not currently exist.

4.2 Interest Rate Risk

The Company's management continuously monitors interest rate trends as well as the Company's financing needs. The restricted risk from changes in the interest rates is primarily derived from the Non-Current and Current loans. The Group's policy is to maintain all of the loans at variable interest rates. Given that the Company's borrowings are linked to the Euribor, the reduction in the latter has a direct positive impact upon the Company's financial expenses, which is however eliminated by increasing the margins in recent years. Because the Company maintains its borrowings from the bank at a low level, the impact from increased funding costs shall not be very high.

Sensitivity Analysis on Interest Rate Changes	Variation of interest rates	Effect on the Company's pre-Tax Profits	Effect on the Group's pre-Tax Profits
Year amounts 2014	1.00 %	-352,774	-352,774
	-1.00 %	352,774	352,774
Year amounts 2013	1.00 %	-296,515	-296,515
	-1.00 %	296,515	296,515

4.3 Credit Risk

The Company does not have any significant concentration of credit risks with any of its contracting parties, which is mainly due to the huge dispersal of its customer base (4,500 customers). There are furthermore no clients participating with any more than 5 % in the business turnover.

The companies in the Group have adopted and implemented credit control procedures in order to minimise the doubtful receivables, by daily monitoring the size of credit provisions, as well as the credit limits on the accounts. Sales are made to customers with an evaluated sales history and the client basis is distributed over a large number of small clients and the credit risk is accordingly deemed to be low.

Furthermore, the Company has taken out an insurance policy insuring credits, which covers approximately the 80% of its receivables. This insurance policy cannot be sold and cannot be transferred. Dedicated computer applications are continually used by the competent departments, in order to continually monitor the credits provided, and the companies in the Group also undertake credit insurance wherever it is possible. Wherever there is a probability that the receivables will not be collected, provisions are enacted for doubtful customers.

4.4 Liquidity Risk

The Company has a strong capital structure and a high liquidity ratio. The Company's general liquidity is high. We indicatively mention that the general liquidity ratio (Current Assets in relation to Current Liabilities) is 1.27.

The prudent and proper management of liquidity is achieved by the suitable combination of available cash from operational cash flows and approved bank credit limits. The companies in the Group continually monitor the needs to cover the total liabilities and the composition and maturity of the liabilities, by ensuring that secured bank credits are always available and ready to use and that the operating capital is prudently managed. The current credits that are available and approved to the companies in the Group are adequate for addressing any potential shortage in available cash.

4.5 Risk of Impairment to the Inventories

The Group always ensures that all the necessary measures are taken in order to minimise the risk and the potential losses due to a loss of inventories that is attributed to natural disasters. Furthermore, due to the high circulating speed of the inventories (<90 days) and their simultaneously Non-Current (expiry date), the risk of their impairment is very limited.

4.6 Reduction in demand due to general consumer recession

The Group belongs to the food sector and demand by this sector in recent years has declined in Greece. The continued or even worsened recession in the market shall continue negatively to influence the group's results.

4.7 Risk of increases in the prices of raw materials

Cereals have always been a commodity with intense fluctuations in their price. In days gone by the price of wheat was formulated upon the quality characteristics and the available quantities of each harvest. This has changed in our times, since wheat is now a stock exchange commodity and future performance contracts are daily negotiated on the commodity stock exchanges throughout the world. Having accordingly considered on the basis of the hereinabove that the price of wheat is formulated on the global market on the basis of the quality characteristics of each harvest, as well as investor sentiment throughout the world, in conjunction with the uncertainty that appears in the global markets due to the economic crisis, it is expected that a general instability in the prices of raw materials shall persist. Accordingly, the Report risk is assessed as being increased and the Group's Management has therefore taken suitable steps in order to restrict exposure to this risk through specific agreements with its suppliers, on the one hand, and by timely and correspondingly adapting its pricing and commercial policies on the other hand. Furthermore, the Company during 2014 utilised Financial Instruments for hedging the specific risk. More specifically, it utilised future performance contracts for wheat during 2014, as well as options on contracts.

5. Significant Transactions with Related Parties

The cumulative amounts for sales and purchases from the commencement of the financial year and the balances of the Company's receivables and liabilities at the end of the current Year, which have resulted from its transactions with parties related to it within the meaning of the definition under IAS 24, are as follows:

	THE GROUP	THE COMPANY
a) Revenue	0	0
b) Expenses	0	0
c) Receivables	0	0
d) Liabilities	0	1,683,000
e) Remuneration for senior executives and members of management	591,866	591,866
f) Receivables from senior executives and members of management	1,418	1,418
g) Liabilities to senior executives and members of management	0	0

6. Events that have occurred up to the date of preparing the Financial Statements

"LOULIS MILLS SA" announced in February 2015 the collaboration of its subsidiary company "NutriBakeS" with the company "KENFOOD TROFOGNOSIA SA". Under this collaboration, the "KENFOOD TROFOGNOSIA SA" Company enters LOULIS GROUP of companies and constitutes the group's access to a new market. The "KENFOOD TROFOGNOSIA SA" Company is engaged in the production of mixtures and raw materials for baking and pastry making.

This collaboration strengthens the presence of LOULIS GROUP in the baking and pastry making sector and makes it the only company in the country that is able to provide comprehensive solutions to every professional in the bread making – pastry making sector. This move also provides the Group with a variation in its activities that assists it in reducing the business risks.

Management is faithful to its goals and plans of making LOULIS GROUP a modern food company and has methodically proceeded into the hereinabove agreement with "KENFOOD TROFOGNOSIA SA", which is a Greek company that is known to the public for its excellent quality and technical expertise. The results of this agreement are expected to be immediate and shall be presented during the Year 2015.

7. Projected Course and Development

Management's vision is that "LOULIS MILLS SA" becomes one of the leading food companies in the country in the forthcoming years. Working towards this goal, it has invested in fixed assets and manpower in recent years. It has also developed its production processes in order to produce higher quality and healthy products with respect for the environment and consumers.

The targets shall persist to be high in forthcoming years. On a financial level, Management shall continue to work with a view to maintaining the positive results of previous years. Their goals for the New Year is to specifically further strengthen the Company's position in the market by securing its existing market shares and by increasing the targeted market shares.

Furthermore, Management's target for 2015 is to develop in the market of mixtures and raw materials for bread baking and pastry making through its strategic collaboration with the "KENFOOD TROFOGNOSIA SA" company. At the same time, its main target for better control of the operating expenses, as well as the cost of the materials persists.

The situation with cereals shall once again remain unstable. The price of wheat on the international markets exhibits fluctuations that have not been recorded in previous decades.

The introduction of wheat on the stock markets has made it vulnerable to games by speculators, while the phenomenon is often noted of prices moving independently of the situation prevailing in the actual market. Accordingly, there is a frequent phenomenon of regions with a large and good qualitative production of cereals selling wheat at prices that are a lot higher than normal and everyone follows the stock market index, which is often higher.

It is evident from the early months in 2015 that prices remain volatile, while the hard wheat persists at historically high prices. Management's target is to source the best wheat for its production at the best possible prices. Management accordingly acts in concert so that it may be able to open up new markets or new types of markets.

Accordingly, one of the things that developed in 2014 and is expected to further develop for the company during 2015 is agriculture under contract with Greek farmers. This plan has multiple benefits for both the Company and the overall economy. It is significant for the Company because it creates relationships of trust with its supplier, the simple farmers who can sense that the company is standing by them as their associate and not as a faceless customer. It also allows the Company to fully control its supply chain and to timely ensure the high quality of the products it produces.

Our company is practically supporting Greek farmers and the rural economy with agriculture under contract. It is important for agricultural families to find assistance and not abandon their agricultural pursuits during these times. The rural economy is also a key factor in the domestic product and it contributes to raising the GDP and developing the Greek economy, by essentially supporting farmers.

In terms of the Operating Expenses, Management is expected to observe the same policy over the following year, which is to return any contributory benefit from reduced costs to customers. Once again this year, the Company feels the need to stand by its customers, by practically demonstrating its support towards them. With nearly one century of experience, we are aware that the relation with customers is the Company's most significant asset. The relationships of trust that have been developed must now become stronger and we are investing in this and believe that we shall see a return from the market.

Another target for the future is to also maintain high quality in production and to further improve it. To date, "LOULIS MILLS SA" is the Company with most international certifications for quality in the flour industry sector, whilst the inspections that it is successfully passing are almost daily. It must be indicatively mentioned that our factories have the following certifications:

1. ISO 22000:2005 (TUV Austria Hellas), which relates to managing the safety of food and by-products;
2. ISO 9001:2008 (TUV Austria Hellas), which relates to managing the quality of food and services;
3. ISO 9001:2008 (TUV Austria Hellas), which relates to managing the operation of the Port;
4. ISO 14001:2004 (TUV Austria Hellas), which relates to the environmental management of the facilities;
5. BRC Certificate (British Retail Consortium – Micron 2), a British standard for food safety management;
6. IFS Certificate (International Food Standard – TUV Austria Hellas), A French – German standard for food safety management;

7. Organic Products Certificate (TUV Austria Hellas), which relates to the production, packaging, storage and trading in organic products and by-products.

8. Greek Milling Certificate (TUV Austria Hellas), which allows the company to place the Greek flag on its products; and

9. Halal Certificate, which relates to Muslims being able to use the couple's products.

The Company in 2014 successfully passed inspections by authorities and customers, including the F.D.A. in the USA, Yum-Pizza Hut, Lidl Hellas, Barilla Italy, which institute high standards and do not associate with authorities that do not hold similar standards.

Our target in the forthcoming years is to maintain the high quality in the services provided and to develop them further. Management is accordingly investing in people with specialised knowledge, as well as the further training of existing personnel, whilst maintaining the highest standards in its production processes all these years.

The LOULIS GROUP of companies in February 2015 concluded the strategic collaboration agreement with the "KENFOOD TROFOGNOSIA SA" company. The "KENFOOD TROFOGNOSIA SA" Company is the only Greek company producing mixtures and raw materials for bread baking and pastry making in the country and is present throughout Greece and many countries. The products under the "KENFOOD" brand name shall henceforth be distributed through the LOULIS MILLS SA subsidiary company "NutriBakeS".

This collaboration provides LOULIS GROUP with the capacity to expand into an industry that is similar to the flour industry, whilst also making it the only company that is able to now provide copperhead sieve solutions in bread baking and pastry making. The competitive advantages of this collaboration are expected to be multiple and immediate, since potential with enormous specialisation and technical expertise has been added to the LOULIS MILLS family, which combined with the pre-existing specialisation and expertise shall contribute to the development of the entire bread – pastry baking industry.

It is the Management's target to make the group an international supplier of quality and usable raw materials in bread baking and pastry making through partnerships and synergies between the two companies in the medium term future.

In the year that ended, our Company having perceived the needs of its customers, launched a series of new products. It accordingly released the "Zin" flour that is produced from Emmer wheat in 2014. The mission of the Company's product research and development department is to perceive our professional customer needs, as well as those of the modern household and to attempt to satisfy these needs. We have been and want to continue being pioneers in the market and to be "those that can provide us with everything" in the minds of consumers.

In relation to the year that has just started, the goal cannot be no other than being able to at least provide new products to the market and to please our customers with our consistently high quality standards.

The objectives in the coming year as well as the long-term ones may be summarised to the triptych of "maintain, develop and service". We accordingly want to consistently maintain our fundamental economic dimensions, our credit worthiness and the relations with our suppliers at the high standards that it has been all these years without making any reductions in the quality of the products produced.

At the same time, we want to take advantage of our experience and collaborations to develop and qualitatively provide our products to as many people as possible whilst also developing new products that shall meet their needs. Our vision is to be the leading food company in the country.

8. Corporate Governance Statement

Introduction

LOULIS MILLS SA has undertaken and observes the corporate governance standards. Within this context, the Company has implemented the principles that are stipulated in the Corporate Governance

Code that has been instituted by the Association of Enterprises and Industries (SEV) with some exceptions, but always in accordance with the current legislation. The code can be found at the following website:

http://www.helex.gr/el/web/guest/esed-hellenic-cgc

8.1 Internal Audit and Risk Management System

8.1.1 The main features of the internal audit system:

The Company's internal audit is conducted by the internal audit Department and is carried out in accordance with the audit plan that is contained in the Company's In-house Operating Regulations.

It is noted that the audit upon which basis the relevant Report is prepared and carried out within the regulatory framework pursuant to Law 3016/2002, as it is currently in force, is more specifically in accordance with articles 7 and 8 in that Law, and also based upon the determinations in Resolution 5/204/2000 by the Board of the Capital Markets Commission, as this is in force following its amendment by Resolution number 3/348/19.7.2005 by the Capital Markets Commission Board.

During the institution of the audit, the internal audit Department is informed about all the Company's necessary journals, documents, files, bank accounts and portfolios and requests Manager's absolute and continual cooperation, in order that it may be provided with all the requested information and data for the purpose of receiving a reasonable assurance on Management's part in order to prepare a Report that is free of essential inaccuracies with respect to the information and conclusions contained therein. The audit does not contain any whatsoever assessment regarding the suitability of the accounting policies that were implemented, as well as the reasonableness of the assessments that were made by Management, since these constitute the objective under the audit carried out by the Company's statutory auditor.

An objective of the audit is to assess the general level and the operating procedures contained in the internal audit system. Certain audit areas – fields are selected during every audit period, while auditing and examining on a fixed and permanent basis the operation and organisation of the Company's Board of Directors, on the one hand, and on the other hand, the operation of the 2 main Departments that are operating on the basis of the provisions pursuant to Law 3016/2002, namely the Department for Servicing Shareholders and the Corporate Announcements Department.

8.1.2 Handling the Company's risks in relation to the procedure for preparing the Financial Statements:

The Company has developed and implemented policies and procedures for preparing the financial statements for the purpose of ensuring their credibility and compliance to the legislation and regulations that govern their preparation and disclosure.

These procedures relate to the proper audit and recording of the revenue and Expenses, as well as monitoring the situation and value of its assets. The policies and procedures that have been instituted are evaluated and redefined in the event that they are inadequate or where it is dictated by changes in the current legislation.

At the end of each period, the Company's Accounting Department undertakes the actions that are required for preparing the financial statements required under the law.
The policies and procedures instituted, which relate to preparing the Financial Statements, are inter alia:

- Procedures for closing periods that include the time limits for submission, competencies, classification and analysis of the accounts and updates for the necessary disclosures;

- Agreement between the balances in the Customers and Suppliers accounts, as well as the Company's sundry receivables and liabilities, at regular intervals;

- Procedures that ensure that the transactions are recognised in accordance with the International Financial Reporting Standards;

- Agreement between the accounts for bank accounts and loans accounts that are maintained by the Company with the approved Banks on a monthly basis;

- Audit and agreement between cheques receivable and cheques payable;

- Carrying out forecasts on the Company's receivables and liabilities in the cases where the supporting documents have not yet been produced;

- Carrying out a physical inventory and auditing of the imports – exports at the warehouses on a monthly basis;

- Procedure for auditing the agreement between sales and the documents issued;

- The existence of policies and procedures for sectors such as significant purchases, payment and collection procedures, managing inventories, etc.;

- The institution of procedures for entries being made by various people within the context of differentiating responsibilities;

- Approvals and procedures for the correct entry of the Company's Expenses into the accounts of the accounting plan that is maintained and the correct cost centre;

- Procedures for approving purchases, entering and monitoring assets and carrying out the required depreciation;

- Procedures for monitoring and managing staff and the liabilities arising from the payroll;

- Procedures that ensure the proper use of the accounting plan that is implemented by the Company and that access and changes that are made to it through the Country's information system are only carried out by authorised users in specific areas of responsibility; and

The information system that is used by the Company is continually developed and upgraded in close cooperation with a recognised IT Company, so that it is adapted to its continuously growing and specialised needs for the purpose of supporting the Company's Non-Current goals and prospects.

8.2 General Meeting of the Shareholders

8.2.1 The operating method of the General Meeting and its main authorities:

The General Meeting of the shareholders is the Company's supreme body and is entitled to resolve upon every corporate affair and to rule upon all the matters that are submitted to it. The role, competencies, convening, participation, usual and exceptional quorum and majority of the participants, the Chair, the Agenda and the general operation of the General Meeting of the Company's shareholders are described in the Company's Articles of Association, as these have been updated on the basis of the provisions pursuant to Law 2190/1920, as this has been amended and is in force (with the incorporation of Law 3884/2010 pertaining to the minority rights).

More specifically, the General Meeting is exclusively competent for resolving upon:

a) Amendments to the Articles of Association, as these are certified on every occasion and the increases or reductions in the corporate capital; the resolutions pertaining to amendments of the Articles of Association are valid where they are not prohibited by an express provision in the Articles of Association;

b) The election of members of the Board of Directors and Auditors;

c) The approval of the Company's Balance Sheet;

d) The distribution of the annual profits;

e) The Company's merger, fragmentation, conversion, revival, extension of term or dissolution; and

f) The appointment of liquidators.

The following do not come under the provisions in the previous paragraph: a) increases that are resolved upon in accordance with paragraphs 1 and 14 under article 13 pursuant to Codified Law 2190/1920 by the Board of Directors, as well as increases that are imposed by other provisions under other laws; b) the amendment of the Articles of Association by the Board of Directors in accordance with paragraph 5 under article 11, paragraph 2 under article 13 (a), the paragraph 13 under article 13 and paragraph 4 under article 17 (b) pursuant to Codified Law 2190/1920; c) the appointment of the Board of Directors with the Articles of Association; d) the election of directors in accordance with the Articles of Association, in accordance with paragraph 7 under article 18 pursuant to Codified Law 2190/1920, to replace directors that have resigned, become deceased or lost their capacity in any whatsoever other manner; e) The absorption of a societe anonymous in accordance with article 78 pursuant to Codified Law 2190/1920 by another society anonymous that holds 100 % of its shares; and f) the capacity to distribute profits or optional reserves during the current Year by virtue of a resolution by the Board of Directors, where relevant authorisation by the regular General Meeting exists.

The resolutions by the General Meeting are also compulsory upon the shareholders that are absent or dissenting.

The General Meeting of the shareholders shall always be convened by the Board of Directors and shall regularly meet at the Company's registered offices or within the region of another Municipality within the prefecture where the registered offices are situated or another Principality neighbouring the Company's registered offices, at least once every corporate Year and always within the first six-month period from the expiry of corporate Year. The General Meeting may also meet in the Municipal region where the registered offices of the Athens Stock Exchange are situated.

The Board of Directors may convene the General Meeting of the shareholders to an extraordinary meeting whenever it deems it appropriate or where it is requested by shareholders that represent the required percentage under the law and the Articles of Association.

The General Meeting, with the exception of the repeated Meetings and those similar with the repeated Meetings, shall be convened at least twenty (20) days prior to the date that has been appointed for its meeting. It is clarified that non-working days are not taken into consideration. The date of publishing the invitation and the date of the meeting are not taken into consideration.

The invitation of the shareholders to the General Meeting must stipulate the date, day, time and building where the Meeting shall convene, the matters on the agenda with clarity, the shareholders that possess the right of participation, as well as precise directions regarding the manner in which the shareholders may participate at the meeting and exercise their rights in person or through a representative or potentially even remotely.

An invitation for convening the General Meeting shall not be required in the case where shareholders that represent the total of the share capital are present or represented and where none of them have objected to the meeting being held and the passing of resolutions.

The General Meeting shall be in quorum and validly convened upon the matters on the agenda where shareholders representing at least one-fifth (1/5) of the paid up share capital are present or represented therein.

Where this quorum is not attained, the General Meeting shall be convened and meet once again within twenty (20) days from the date of the meeting that was suspended, further to the shareholders being invited at least ten (10) days beforehand. This repeated meeting shall be validly convened upon the matters in the initial agenda regardless of the percentage of the paid up capital that is represented therein.

The resolutions by the General Meeting are passed with an absolute majority of the votes that are represented therein.

In the event where resolutions are intended to be passed by the General Meeting that restrictively relate to: a) Altering the Company's nationality; b) Extending the term, merging, fragmenting, converting, reviving or dissolving the Company; c) Varying the Company's objective (purpose); d) Increasing the share capital, which is not provided under the Articles of Association, in accordance with paragraphs 1 and 2 under article 13 pursuant to Codified Law 2190/1920, except where it is imposed by the law or occurs with a capitalisation of the reserves; e) Reducing the share capital, except where it occurs in accordance with paragraph 6 under article 16 pursuant to Codified Law 2190/1920; f) Varying the manner for distributing the profits; g) Increasing the liabilities of the shareholders; h) Converting the Company's registered shares into anonymous shares or the anonymous shares into registered shares; i) Providing or renewing the authority to the Board of Directors for increasing the share capital, in accordance with article 13 paragraph 1 pursuant to Codified Law 2190/1920; the General Meeting shall be in quorum, validly convened and may lawfully passed resolutions upon the matters on the agenda where shareholders that represent two-thirds (2/3) of the paid up share capital are present or represented therein.

The General Meeting shall be temporarily chaired until the election of the Chairman by the General Meeting, by the Chairman of the Board of Directors or his/her deputy, or where s/he is not present then by another member of the Board of Directors or where there are no members of the Board of Directors are present then by a person that has been temporarily elected by the Meeting. The temporary Chairman shall appoint a temporary secretary who shall also perform the duties of the vote scrutiniser. Following the proclamation of the definitive list of the shareholders that are present, the General Meeting shall proceed with the election of its Chairman and a Secretary that shall also perform the duties of the vote scrutiniser.

The discussions and resolutions of the General Meeting shall be restricted to the matters that are contained in the agenda. The discussion and resolution proceedings by the General Meeting shall be entered in a précis form into a special Minutes Journal and shall be signed by its Chairman and Secretary. The Chairman of the General Meeting is required further to a request by the shareholders to enter a precise précis of the opinion by those shareholders in the Minutes. These Minutes must also contain a list of the shareholders that were present or represented at the Meeting, as well as the number of the shareholders and everyone's votes. Where only one (1) shareholder is present at the General Meeting, the presence of a Notary Public is compulsory, who shall countersign the Meeting's Minutes.

8.2.2 Rights of the shareholders and method for exercising these rights

Rights of participating and voting

The shareholders shall only exercise their rights, in relation to the Company's Administration, at the General Meetings and in accordance with the determinations under the law and the Articles of Association. Every share provides the right to one vote at the General Meeting, in reservation of the determinations under article 16 pursuant to Codified Law 2190/1920, as this is currently in force.

Anyone that appears as a shareholder on the files of the Dematerialise Securities System that is managed by the "Hellenic Exchange SA" (HESA), which maintains the Company's securities (shares), may participate at the General Meeting. Proof of the shareholder status is made with the submission of the relevant written certification that is issued by the hereinabove body or alternatively through the direct online connection between the Company and the records of the said body. The shareholder's capacity must exist upon the record date, namely at the beginning of the fifth (5^{th}) day prior to the convening of the General Meeting, and the relevant certification or online certification regarding the shareholder capacity must have been received by the Company at the latest on the third (3^{rd}) day prior to the convening of the General Meeting.

The right to participate and vote at the General Meeting before the Company is only held by the person holding the shareholder's capacity upon the corresponding record date. In the event of non-compliance with the provisions under article 28 (a) pursuant to Codified Law 2190/1920, the said shareholder may only participate in the General Meeting after it has received its permission.

It is noted that the exercise of the said rights (participation and voting) does not require the commitment of the benefit's shares or the observation of another comparable procedure, which restricts the capacity to sell and transfer these shares during the period intervening between the record date and the date of the General Meeting.

The shareholders may participate and vote at the General Meeting in person or via representatives. Every shareholder may appoint up to three (3) representatives. Legal persons may participate in the General Meeting by appointing up to three (3) natural persons as their representatives. Nevertheless, where the shareholder holds the Company's shares, which appear on more than one security accounts, this restriction does not prevent that shareholder from appointing different representatives for the shares that appear on each securities account in relation to the General Meeting. A representative that is acting for more than one shareholder may vote differently for each shareholder. The shareholder's represented is required to notify the Company prior to the commencement of the General Meeting about every specific event that may be useful for the shareholders to evaluate the risk of the representative serving other interests apart from the interests of the represented shareholder. Within the definition of this paragraph, a conflict of interest may arise specifically where the representative:

a) Is a shareholder that is exercising the Company's control or another legal person or entity that is controlled by that shareholder;

b) Is a member of the Board of Directors or the Company's general management or a shareholder exercising the Company's control or shareholder of another legal person or entity that is controlled by a shareholder that is exercising the Company's control;

c) Is the Company's employee or Chartered Auditor or a shareholder that is exercising the Company's control or shareholder of another legal person or entity that is controlled by a shareholder that is exercising the Company's control;

d) Is the spouse or a relative in the 1st degree to one of the natural persons that are stipulated under cases (a) to (c).

The appointment and revocation of the shareholder's representative shall be made in writing and communicated to the Company in the same manner at least three (3) days prior to the date of the General Meeting.

Other rights of the shareholders:

Ten (10) days prior to the Regular General Meeting every shareholder may receive copies of the Company's annual financial statements and the reports by the Board of Directors and the Auditors. These documents must have been duly lodged with the Company's offices by the Board of Directors.

An application by shareholders that represent one-twentieth ($1/20^{th}$) of the paid up share capital shall compel the Board of Directors to convene an Extraordinary General Meeting of the shareholders, by appointing its meeting date, which cannot be greater than forty-five (45) days after the date upon which the application was served upon the Chairman of the Board of Directors. The application shall contain the objective of the agenda. Where the General Meeting is not convened by the Board of Directors within twenty (20) days from the service of the relevant application, the meeting shall be convened by the petitioning shareholders at the Company's expense, by a resolution of the Single Member Court of First Instance where the Company's registered offices are based, which shall be issued under the interim relief proceedings. This decision shall specify the place and time for the meeting, as well as the agenda.

An application by shareholders that represent one-twentieth ($1/20^{th}$) of the paid up share capital shall compel the Board of Directors to enter additional matters on the agenda for the General Meeting that has already been convened, where the relevant application is received by the Board of Directors at least fifteen (15) days prior to the General Meeting. The additional matters must be disclosed or notified at the responsibility of the Board of Directors in accordance with article 26 pursuant to Codified Law 2190/1920, at least seven (7) days prior to the General Meeting. Where these matters are not disclosed, the petitioning shareholders are entitled to request the adjournment of the General Meeting in accordance with paragraph 3 under article 39 pursuant to Codified Law 2190/1920 and to personally proceed with the publication in accordance with the determinations in the previous section, at the Company's expense.

An application by shareholders that represent one-twentieth ($1/20^{th}$) of the paid up share capital shall compel the Board of Directors to make available to the shareholders, in accordance with the determinations under article 27, paragraph 3 pursuant to Codified Law 2190/1920, at least six (6) days prior to the date of the General Meeting, drafts of resolutions on matters that have been included in the initial or the revised agenda, where the relevant application has been received by the Board of Directors at least seven (7) days prior to the date of the General Meeting.

Further to an application by any whatsoever shareholder that is submitted to the Company at least five (5) clear days prior to the General Meeting, the Board of Directors is required to provide the General Meeting with the required specific information concerning the affairs of the Company, to the extent that this is useful for making an actual assessment of the matters on the agenda.

An application by shareholder/s that represent one-twentieth (1/20th) of the paid up share capital shall compel the Chairman of the Meeting to defer the passing of resolutions on only one occasion on all or specific matters by the Extraordinary or Regular General Meeting, by appointing a date for continuing the meeting for passing those resolutions that are specified in the application by the shareholders, which cannot however be greater than thirty (30) days after the date of adjournment. The General Meeting after an adjournment constitutes a continuation of the previous meeting and it is not necessary to repeat the formalities for publishing the invitation to the shareholders, wherein new shareholders may also participate therein in observation of the provisions under articles 27, paragraph 2 and 28 pursuant to Codified Law 2190/1920.

An application by shareholders that represent one-twentieth (1/20th) of the paid up share capital, which must be submitted to the Company five (5) clear days prior to the regular General Meeting, shall compel the Board of Directors to disclose to the General Meeting the amounts that have been paid under any whatsoever causes by the Company over the last two-year period to members of the Board of Directors or Managers or its other employees, as well as every other agreement that has been concluded by the Company under any whatsoever reasons with the same persons. Furthermore, an application by any whatsoever shareholder that is submitted in accordance with the hereinabove shall compel the Board of Directors to provide specific information that is requested offered in relation to the Company's affairs to the extent that this is useful for actually assessing the matters on the agenda. The Board of Directors may refuse to provide the information that is requested from it upon reasonable causes, by recording the relevant justification in the Minutes. Such grounds may in accordance with the circumstances be the representation of the petitioning shareholders on the Board of Directors, in accordance with paragraphs 3 or 6 under article 18 pursuant to Codified Law 2190/1920.

An application by shareholders that represent one-fifth (1/5th) of the paid up share capital, which must be submitted to the Company within the time limit under the previous paragraph, shall compel the Board of Directors to provide information to the General Meeting in relation to the course of the corporate affairs and the situation with the Company's assets. The Board of Directors may refuse to provide the information that is requested from it upon reasonable causes, by recording the relevant justification in the Minutes. Such grounds may in accordance with the circumstances be the representation of the petitioning shareholders on the Board of Directors, in accordance with paragraphs 3 or 6 under article 18 pursuant to Codified Law 2190/1920, where the corresponding members of the Board of Directors have received the relevant information in an adequate manner.

In the case of an application by shareholders that represent one-twentieth (1/20th) of the paid up share capital, resolutions upon any whatsoever matter on the agenda of the General Meeting shall be passed with a roll call.

The Company's shareholders that represent one-twentieth (1/20th) of the paid up share capital have the right to request an audit of the Company from the Single Member Court of First Instance in the region where the Company is based, which shall adjudicate the matter on the basis of ex parte proceedings. The Audit shall be ordered where actions are conjectured that violate the provisions in the law or the Articles of Association or the resolutions by the General Meeting.

The Company's shareholders that represent one-fifth (1/5th) of the paid up share capital have the right to request an audit of the Company from the competent Court in the previous paragraph, where it is believed from the whole course of the corporate affairs that the Management of the corporate affairs is not being carried out as dictated by sound and prudent Management. This provision shall not be implemented on those occasions where the minority requesting the Audit is represented on the Company's Board of Directors.

8.3 Board of Directors

The Board of Directors shall manage the Company as a collective body, by passing its resolutions in accordance with the current SA legislation, the stock exchange legislation, the regulatory provisions of the ASE and the supervising authorities. The members of the Board of Directors shall acquire all relevant information regarding the operation of the Company. They must act in good faith upon the primary axiom of the Company's interests and those of its shareholders.

The Board of Directors shall primarily formulate the strategy and development policy, and supervise and control the management of the Company's assets. The composition and the capacities of the members of the Board of Directors shall be determined by the Law and the Company's Articles of Association. The primary obligation and duty of the members of the Board of Directors is to continually reinforce the Company's Non-Current economic value and to promote the general corporate interest.

8.3.1 Composition and operating method of the Board of Directors

The Company's Board of Directors in accordance with article 17 in its Articles of Association shall be comprised of five (5) to seven (7) members that are natural or legal persons, which are elected by the General Meeting of the shareholders by an absolute majority of the votes that are represented at the Meeting. The members of the Board of Directors may be re-elected and freely revoked.

The term of the members on the Board of Directors shall be for a period of 4 years commencing from the meeting date of the General Meeting that elected the board and shall be extended until the expiry of the time limit, within which the immediately next regular General Meeting must convene. The specific article in the Articles of Association has been amended and the term for the members of the Board of Directors shall be for four years.

The Board of Directors shall meet upon every occasion required under the law, the Articles of Association or the Company's needs, further to an invitation by its Chairman or his/her deputy at the Company's registered offices or the Company's branch at Keratsini (1 Spetson Street). The invitation must necessarily State with clarity the matters on the agenda, alternatively the passing of resolutions shall only be permitted where all of the members on the Board of Directors are present or represented and no one has objected to the passing of resolutions.

The Board of Directors may validly convene outside its registered offices in any other domestic or foreign location, where all its members are present or represented at that meeting and no one has objected to holding the meeting and passing resolutions.

The Board of Directors may convene via teleconferencing. In that case the invitation to the members on the Board of Director shall include the necessary information regarding their participation at the meeting. The Chairman or his/her lawful deputy shall chair the meetings by the Board of Directors.

The Board of Directors shall be in quorum and validly convened where one half plus one of the directors are present or represented, however the number of the directors present can under no circumstances be less than three (3).

An absolute majority of the directors present and represented is required for the valid passing of resolutions by the Board of Directors.

A director that is absent may be represented by another director through a simple letter or Telegraph that is addressed to the Chairman of the Board of Directors. Every director may only represent one other director and it is furthermore necessary that at least three members are present at every meeting.

The discussions and resolutions by the Board of Directors shall be entered in a précis form into a special Journal that may also be kept on a computerised system. Further to an application by the member of the Board of Directors, the Chairman is required to enter a precise summary of his/her opinion in the Minutes. A list of the members of the Board of Directors that were present or represented at the meeting shall also be entered into this Journal. The minutes of the Board of Directors shall be signed by the Chairman or Vice- Chairman (where one has been elected) or where a Vice- Chairman has not been elected then by the Managing Director. Copies of the Minutes shall be officially issued by these persons, without requiring any other ratification.

The Board of Directors has the right to transfer its authorities on every occasion by its specific resolution, which shall be entered into the Minutes, (excluding those in the forest that require collective action) on specific and individually determined matters to one or more members of the Board of Directors or to other persons that shall act alone or collectively. The Board of Directors may also assign the Company's internal audit to one or more persons that are not its members and to members of the Board of Directors where it is not prohibited by the law. These persons may further assign the exercise of the authorities that have been assigned to them or a section thereof to other members or third parties, where this is provided in the resolutions of the Board of Directors.

a) Where a director's position is vacated due to death, resignation or under any whatsoever other cause, the remaining members on the Board of Directors, which must be at least three (3), may elect a replacement director. The term of the replacement director shall expire upon the date that the term of the director being replaced would have expired. The resolution with the election shall be submitted to the publication requirements under article 7 (b) pursuant to Codified Law 2190/1920 and shall be announced by the Board of Directors at the immediately next General Meeting, which may replace the elected members, even where the relevant matter has not been entered on the agenda.

b) In the hereinabove case of resignation, death, or loss of the capacity as a member of the Board of Directors in any whatsoever manner, the remaining members may continue managing and representing the Company without replacing the missing members in accordance with the hereinabove upon the condition that their number exceeds one half of the members that were prior to the onset of the above events. In every case, these members are not permitted to be less than three (3).

c) In every case, the remaining members of the Board of Directors, regardless of their number, may proceed with convening a General Meeting for the exclusive purpose of electing a new Board of Directors.

8.3.2 Information concerning the members of the Board of Directors

The Company's current Board of Directors is comprised of six (6) members, in respect of which three (3) members are executive, two members are non-executive and independent, while one member is non-executive and dependent and their term is for a period of two year (2 years) that shall expire upon 22/06/2016.

Specifically:

Mr Nikolaos Loulis, the son of Konstantinos, Chairman of the Board of Directors – Executive Member

Mr Nikolaos Fotopoulos, the son of Spyridon, Vice- Chairman of the Board of Directors and Managing Director – Executive Member

Mr Konstantinos Dimopoulos, the son of Nikolaos, Member of the Board of Directors – Executive Member

Mr Khedaim Abdulla Saeed Faris Alderei, the son of Abdulla, Member of the Board of Directors – Non-Executive Member

Mr Georgios Mourelatos, the son of Apostolos, Member of the Board of Directors – Independent Non-Executive Member

Mr Christos Tsitsigiannis, the son of Georgios, Member of the Board of Directors – Independent Non-Executive Member

The Board of Directors was convened on sixteen (16) occasions during 2014 and after having confirmed the legal quorum had been attained members were present in person or represented at the meetings.

Brief resumes of the members of the Board of Directors are presented below:

Mr Nikolaos Loulis, the son of Konstantinos, Chairman of the Board of Directors – Executive Member

Born in 1986 at Volos; Studied at the Business Administration Department of the Boston College where he majored in accounting, costing and the financial sector; graduated in 2008; since August 2009 he has studied at the Special School for Technical Mills in Switzerland from where he received his diploma in February 2010; speaks the English and German languages.

Mr Nikolaos Fotopoulos, the son of Spyridon, Vice- Chairman of the Board of Directors and Managing Director – Executive Member

Born in 1960; Graduated in 1983 from the Tertiary Faculty of Economics and Commercial Sciences in Athens and holds an MBA from Universitaet Mannheim in Germany (1986). In 1992 he was appointed as the Officer in Charge of the Athens branch at the "KYLINDROMYLOS LOULI SA" Company and in 1986 he became the Chief Financial Officer of that Company. Between 1999 and 2004 he served as the Chairman \ and Managing Director of the "SAINT GEORGE MILLS SA" Company (a subsidiary of "LOULIS MILLS SA").

Mr Konstantinos Dimopoulos, the son of Nikolaos, Member of the Board of Directors – Executive Member

Born in 1929; held various positions between 1954 and 1988 at the "SAINT GEORGE MILLS SA" Company (1967-1974: Manager of the Thessaloniki branch, 1974-1982: Athens Sales Manager, 1982-1988: Attica Sales Manager). Between 1991 and 2004 he was a member of the Board of Directors for "SAINT GEORGE MILLS SA"

Mr Khedaim Abdulla Saeed Faris Alderei, the son of Abdulla, Member of the Board of Directors – Non-Executive Member

Is a member of the Royal family and government of the United Arab Emirates; he has studied in the USA and Lebanon; He has served as the Deputy Foreign Minister for the United Arab Emirates and has held other senior government positions; he was also the Managing Director of the A/Y Sheikh Hamdan Bin Zayed Al Nahyan Enterprises.

Mr Georgios Mourelatos, the son of Apostolos, Member of the Board of Directors – Independent Non-Executive Member

He was born in Patras in 1954; he studied Political and Economic Sciences in Athens; during his career to date in both the Banking and the Food Sector, he has served in middle management and senior positions of responsibility as the Senior Officer of the Central Treasury Management in the Banking Sector, General Manager at SAINT GEORGE MILLS as well as the General Manager of LOULIS GROUP of Companies. He is currently employed as a consultant – internal associate at Eurobank.

Mr Christos Tsitsigiannis. The son of Georgios, Member of the Board of Directors – Independent Non-Executive Member

He was born in Volos in 1969. He is a graduate of the Faculty of Technical Mills in Braunschweing Germany (1988 until 1990). He has managed the G. Tsitsigiannis & Associates G.P. Kylindromyloi Enterprise since 1992.

8.4 Audit Committee

The Company in full compliance of the Provisions and requirements under Law 3693/2008 appointed the Audit Committee at the annual Regular General Meeting of the shareholders that took place on 26 June 2014, which is comprised of the following non-executive members on the Company's Board of Directors:

1) **Mr Georgios Mourelatos, the son of Apostolos**, Independent Non-Executive Member of the Company's Board of Directors

2) **Mr Khedaim Abdulla Saeed Faris Alderei, the son of Abdulla**, Non-Executive Member of the Company's Board of Directors

3) **Mr Christos Tsitsigiannis, the son of Georgios**, Independent Non-Executive Member of the Company's Board of Directors.

The responsibilities and duties of the Audit Committee consist of:

a) Monitoring the financial reporting processes;

b) Monitoring the effective operation of the internal audit system and the risk management system, as well as monitoring the proper functioning of the Company's internal auditing department;

c) Monitoring the course of the statutory audit in respect of the Company's financial statements; and

d) Reviewing and monitoring issues relating to the existence and maintenance of objectivity and independence by the statutory auditor or auditing firm, especially in relation to the provision of other services by the statutory auditor or auditing firm to the Company.

The recommendation by the Company's Management Body to the General Meeting regarding the appointment of the statutory auditor or auditing firm occurs further to the recommendation by the Audit Committee.

The mission of the Audit Committee is to ensure the effectiveness and efficiency of the corporate operations, auditing the credibility of the financial reporting that is provided to investors and the Company's shareholders, the Company's compliance to the current legislative and regulatory framework, safeguarding the Company's investments and assets and identifying and addressing the most significant risks.

It is clarified that the Company's Regular Auditor that carries out the audit of the annual and interim financial statements does not provide other types of non-auditing services to the Company and is not associated in any whatsoever other way with the Company, which accordingly ensures the objectivity, impartiality, and independence of his/her services.

8.4.1 Audit Committee Activities

8.4.1.1 Meetings and participation

The Committee convened on five (5) occasions during 2014. These Meetings were scheduled to coincide with the procedures for publishing the Company's Financial Statements.

The Company's internal auditor and the statutory auditor Mr Antonis Anastasopoulos had the opportunities to discuss issues with the Audit Committee without the presence of members from executive management.

8.4.1.2 Overview of the Financial Results

The Audit Committee overseas and evaluates the procedures for preparing the Company's periodical and annual Financial Statements in accordance with the applicable accounting standards and examines the reports by the external auditors in relation to deviations from the current accounting practices and audit standards. The Audit Committee specifically re-examined the main evaluations and judgements that significantly affect the financial results, the main issues pertaining to disclosure and presentation, in order to ensure the completeness, clarity and adequacy of the information contained in the Financial Statements, prior to their submission to the Board of Directors.

8.4.1.3 External Audit

Independence

The Audit Committee is responsible for developing, implementing and auditing the Company's procedures in relation to the external audit. These procedures have been designed with a view to ensuring the independence and objectivity of the external auditors and regulating the appropriate framework for the movement of staff from the Auditing Company to the Company's branches. They also define the actions required where non-auditing services are employed by the external auditor.

In principal, the external auditors are precluded from providing consulting services and cannot be employed at LOULIS MILLS SA in a non-auditing capacity, unless there are compelling reasons. Any whatsoever recommendation for engaging external auditors in non-auditing activities must be approved by the Audit Committee prior to their placement.

The Audit Committee annually receives a confirmation from the statutory auditor in relation to the independence and objectivity of the external auditors, as required on the basis of the professional standards and regulatory provisions, as well as confirmation regarding senior Management's compliance with the Company's instructions regarding the engagement of former external auditors by the Company or their employment in non-auditing projects.

Effectiveness and redefinition

The Audit Committee has undertaken the annual review of the experience, available resources and the independence of the external auditors, as well as the evaluation of the effectiveness of the auditing procedures that was applied to:

A. The review and approval of the auditing planned by the statutory auditor regarding the financial statements for the 2014 Management Year, the conditions contained in the auditing agreement and the preferred auditing fees;

B. Conducting interviews with Management and other management executives, as well as the statutory auditor with respect to ensuring the independence, objectivity and integrity of the external auditors and defining the strategic audit and cooperation with the Company; and

C. Receiving information that is provided by the statutory auditor with respect to their procedures that ensure their independence and the quality of the audit.

In relation to the recommendation to the Board of Directors for renewing the cooperation for one year with the statutory auditor, the Audit Committee took his term as an auditor into account and examined the need to conduct a full bidding process. There were no contractual obligations that would restrict the decision by the Audit Committee in relation to the selection of the external auditors.

8.4.1.4 Internal Audit

During 2013 the Audit Committee:

A. Reviewed the results of the audits that were carried out by the Internal Audit Department and examined Management's responses on the issues that were highlighted, which inter alia also included the implementation of any recommendations made by it;

B. Reviewed and approved the internal audit plan for 2015, inclusive of the proposed audit approach, the covering and allocation of resources;

C. Reviewed the effectiveness of the internal audit, by taking the views of the Board of Directors into account and by senior management executives on issues such as independence, adequacy of resources and vocational training, strategy, planning and the methodology for the internal audit; and

D. Reviewed the regular reports that relate to audit system issues of major significance, as well as the details for any remedial action that has been taken.

The Internal Audit Department constitutes an independent operation that ensures that all operations at the Company are carried out in accordance with the corporate objectives, the policies and procedures. More specifically, the Internal Audit aims to ensure the credibility and stability of the internal systems for financial audit throughout the entire spectrum of the Company's activities.

The Internal Auditor acts in accordance with the International Standards pertaining to the Professional Practice of Internal Auditing and the Company's policies and procedures and reports directly to the Board of Directors Audit Committee.

9. Corporate Social Responsibility

TURNING OUR COMMITMENTS INTO PRACTICE FOR 2014

Despite the adverse economic conditions, we attempted to remain true to our full potential in our commitments to our principles and the Corporate Social Responsibility strategy with the following actions:

1. **HUMAN RESOURCES – Our people are the heart of the Company**

   OUR ACHIEVEMENTS IN 2014

- 33 new appointments;
- 67 % of the employees come from local communities where the Company is operating;
- Providing free medical examinations to all the employees;
- Zero workplace accidents;
- 373 hours of training for employees;
- Improving the workplace environment by changing the 50 kg sacks into 25 kg sacks; and
- Corporate events

Our people are the most important factor in the Company's successful performance.
At LOULIS MILLS we operate as a large family, where one shall often encounter second and third generation employees.
We strive to ensure that all employees feel that they are a part of a group with a common goal, which is possessed by a team spirit and which incessantly promotes a sense of co-operation. We accordingly attribute special emphasis to mutual respect, mutual trust and the uniqueness of every employee.
We invest in developing and training our employees, we ensure that the Health and Safety Rules are faithfully adhered to and ensure for the best working conditions.

2. **SOCIETY: Our Company is a timeless active member of society**

OUR ACHIEVEMENTS IN 2014

- Significant involvement in sponsorships and donations;
- Supporting 102 bodies that included 45 Institutions and non-government authorities, 39 Churches (Holy Dioceses & Serenity Homes for soup kitchens), 13 Bakery & Pastry making Schools and 5 Municipalities;
- Over 10,000 visitors, predominantly students from 17 different regions throughout Greece visited the Louli Museum during its 26 months of operation;
- Visits by children and adults with disabilities to the Louli Museum;
- New educational modules at the Museum regarding the food chain and lightning students about healthy diet;
- "I Mylonou" (the Miller's Wife) shows at the Louli Museum;
- Supporting local communities through the support of local grocery;
- Participation in university research programmes regarding the high performance of milling in the production of flour with improved functional and nutritional characteristics;
- Supporting bakery – pastry making schools with products and technical expertise;
- Donation of a motor vehicle and petrol to the Magnesia Police Department;
- Support for "Mazi gia to Paidi" (together for the children).

The philosophy of Loulis family has been throughout the centuries,to support and strengthen the society of which it continues to be an active part.
The Principal of social responsibility by Loulis family goes back to 1863 when Ioannis Loulis donated the money for the construction of the Plaka Bridge on the Arachthos River, which was a major project of the times to link Ioanina with Arta. Unfortunately the bridge collapsed on opening day and Ioannis Loulis once again funded the construction of a new bridge that was completed in 1866 with Kostas Bekas as a builder. It was the largest single arch bridge in the Balkans and was crucial to transportation and trade in Epirus.
Since then, many members of the Louli family have made contributions to pro rejects, each according to the needs of their times, to alleviate human suffering and for great ideas to prevail.
We are now continuing with the same philosophy with corporate responsibility as our priority and by following the needs of our times, we stand by many social groceries, serenity homes and other Church organisations, philanthropic organisations and other charities that we have supported over time.
We have furthermore established a model Museum of bread that has exhibits on the "wheat – flour– bread" chain, in respect of which a key element is the unique collection of 500 "prosphoro" (votive bread) seals, which is the largest in the world. The museum is open for school visits from both Attica and all of Greece. In this manner, we want to specifically stress to the children the significance of bread in the social and religious life of the Greeks over the years.

3. **ENVIRONMENT: We do not inherit the environment from our ancestors but borrow it from our children**

OUR ACHIEVEMENTS IN 2014

- Voluntary installation of noise traps to reduce noise levels at the Keratsini factory;
- Installation of recycling bins in all the factory areas, offices and warehouses;
- Reduction of energy and pollutant emissions: The new industrial plant at Keratsini consumes approximately 10 % less energy than the previous industrial plant;
- Zero waste; and
- Continuing with all the innovative environmentally friendly practices.

Our raw material wheat comes from Mother Earth, which as we have all perceived in recent years has sustained intense effects from environmental pollution that impacts upon the quality and the price of cereals. We have accordingly for many years now attributed a great deal of emphasis to environmental friendliness since we believe that "We do not inherit the environment from our ancestors but borrow it from

our children" and have a debt to deliver a healthy environment in which they shall be able to cultivate and reap healthy food.
We were amongst the first Mills in Greece in the 70s that implemented the dry-cleaning of wheat, thus having almost zero water consumption during milling. We have now achieved zero waste of any whatsoever type. As an example, even the waste paper from the packaging material is recycled.
We now continue to attribute a lot of emphasis into implementing innovative environmentally friendly practices.

4. **MARKET: Responsible products with respect for our customers and suppliers**

OUR ACHIEVEMENTS IN 2014

- Zero incidents of non-compliance with regulations pertaining to health and safety through the use and labelling of products;
- Free provision of technical expertise to our customers through special seminars on bread baking in specifically designed areas in our facilities;
- Contract Farming Program;
- Strict quality control;
- Seminar on Easter bread decorations;
- Love to bake day;
- Development and marketing of the new innovative flour "Zin";
- Seminar on the Zin flour; and
- Protecting our customers from adverse health effects by changing the 50 kg sacks into 25 kg sacks.

Our company clearly focuses upon the Greek market and continues in both developing new and innovative products in the health and safety of flour and bran, which was also our main goal.
We have been certified with the following certificates:

- The Global Standard for Food and Safety
- IFS Food
- ISO 2200:2005
- ISO 9000:2008
- HALAL

The safety and quality of our products, as well as servicing our clients, are an essential matter for LOULIS MILLS. These are the foundations upon which we are building our company's development and success. We want to be certain that every consumer can safely and competently enjoy our products.

Awards

The LOULIS MILLS Company was also awarded by the following bodies during 2014 for its social work and its contribution to society:

- Keratsini – Drapetsona Municipality;
- Agia Paraskevi Municipality;
- Mazi gia to Paidi;
- Merimna;
- European Business Awards;
- Food Quality Award from the LE MONDE Educational Group; and
- Centre for Professional and Technical Education – Training (KETEK) at the Oraiokastro OAED (Manpower Employment Agency)

We will be issuing the first official report on Corporate Social Responsibility at LOULIS MILLS in May 2015, which shall be based upon the Global Reporting Initiative (GRI) guidelines and more specifically upon the new G4 version, which are the most prestigious and demanding international guidelines of their kind. This Report shall be accessible to the public and shall be posted on our website.

Sourpi, 30 March 2015

The Chairman of the Board of Directors

Mr Nikolaos Loulis

Dear Shareholders, further to all the hereinabove, we request that you approve the Financial Statements for the 84th Corporate Year (1 January 2013 – 31 December 2014) following in this report.

Sourpi, 30 March 2015

The Board of Directors

We confirm that the hereinabove report that consists of twenty-five (25) pages is the report mentioned in the Audit Certificate dated 30 March 2015 that we have provided.

Agia Paraskevi, 30th March 2015

THE CHARTERED ACCOUNTANT – AUDITOR

MR ANTONIS ANASTASOPOULOS

SOEL/AM (Society of Chartered Accountants – Auditors/Registration Number): 33821

Explanatory Report of the Board of Directors (in accordance with paragraphs 7 & 8 under article 4 pursuant to Law 3556/2007)

This Explanatory Report by the Board of Directors to the Regular General Meeting of its shareholders includes detailed information in accordance with the provisions of paragraph 1 under article 11 (a) pursuant to Law 3371/2005.

1. Share capital structure: The Company's Share Capital amounts to 16,097,558.28 Euros and is divided into 17,125,062 registered shares each with a registered value of 0.94 Euros. All of the shares are listed for trading on the Athens Stock Exchange Securities Market under the Medium and Small Capitalisation category. The Company's shares are common registered shares with voting rights.
2. Restrictions on transferring the Company's shares: The Company's shares are transferred as stipulated by the law and there are no restrictions on share transfers in the Company's Articles of Association.
3. Significant direct or indirect participations within the meaning of articles 9-11 pursuant to Law 3556/2007: On settlement today on 20/03/2015, Mr Nikolaos Loulis held 48.46 %, Mrs Evangelia Louli held 6.86 %, and AL DAHRA AGRICULTURE SPAIN SLU held 20 % of the Company's share capital. No other natural or legal person holds a share greater than 5% in the share capital.
4. Holders of all types of shares that provide special controlling rights: There are no shares in the company that provides their holders with special controlling rights.
5. Restrictions on the right to vote: There are no provisions in the Company's Articles of Association restricting the right to vote.
6. Agreements between the Company's shareholders: The Company is not aware of the existence of agreements between its shareholders, which entail restrictions on transferring its shares or exercising the voting rights arising under its shares.
7. Rules on appointing and replacing members of the Board of Directors and amending the Articles of Association that differ from the provisions in Codified Law 2190/20: The rules that are provided in the Company's Articles of Association regarding the replacement and appointment of members to its Board of Directors and amending the provisions in the Articles of Association do not differ from the provisions in Codified Law 2190/1920.
8. Competency of the Board of Directors or specific members thereof in relation to the issue of new shares or the purchase of Own Shares: In accordance with article 6 in the Company's Articles of Association, a decision by the General Meeting that is subject to the disclosure formalities under article 7 (b) pursuant to Codified Law 2190/1920, as this is in force, may assign the rights to the Board of Directors, whereby a resolution by the Board shall be passed with a majority of two thirds (2/3) of all its members to increase the Share Capital through the issue of new shares. The amount of the increases cannot exceed the amount of the share capital that has been paid up upon the date when the relevant resolution is passed by the General Meeting. In accordance with the provisions in paragraphs 5 to 13 under article 16 pursuant to Codified Law 2190/1920, companies that are listed on the Athens Stock Exchange may acquire their own shares through the Athens Stock Exchange by a resolution of their shareholders, up to 10 % of their total shares for the purpose of supporting their stock-market price and upon the more specific conditions and procedures in the hereinabove paragraphs under article 16 pursuant to Codified Law 2190/1920. There is no contrary provision in the Company's Articles of Association.
9. A significant agreement that has been concluded by the Company and which enters into force may be amended or expire in the event of a change in the Company's control following a public recommendation and the results of that agreement. There is no such agreement.
10. Every agreement that the Company has concluded with the members of the Board of Directors or its staff, which provides for compensation in the case of resignation or dismissal without substantial grounds or termination of their term or employment due to a public recommendation. There are no agreements between the Company and the members of its Board of Directors or its personnel, which provide for the payment of compensation specifically in the case of resignation or dismissal without substantial grounds or termination of their term or employment due to a public recommendation.

[Translation from the original text in Greek]

AUDIT REPORT BY INDEPENDENT CERTIFIED AUDITOR

To the Shareholders of "LOULIS MILLS S.A."

Report on the Financial Statements

We have audited the accompanying company and consolidated financial statements of **"LOULIS MILLS S.A."**, which comprise the company and consolidated Statement of Financial Position as at December 31, 2014, and the company and consolidated Statement 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these company and consolidated financial statements in accordance with International Financial Reporting Standards as adopted by European Union, and for such internal control as management determines is necessary to enable the preparation of company and consolidated 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 company and consolidated 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 company and consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the company and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the company and consolidated 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 company and consolidated 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 company's 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 company and consolidated 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 accompanying company and consolidated financial statements present fairly, in all material respects, the financial position of the Company **"LOULIS FLOUR S.A."** and its subsidiaries as at December 31, 2014, and of their financial performance and its 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

a) The Board of Directors' Report includes a statement of corporate governance that provides the information required by Paragraph 3d of Article 43a of Law 2190/1920.

b) We verified the agreement and correspondence of the content of the Board of Directors' Report with the accompanying company and consolidated Financial Statements, in the scope of the requirements of Articles 43a, 108 and 37 of Law 2190/1920.

Agia Paraskevi, 30/3/2015
The Certified Public Accountant

Antonios I. Anastasopoulos
Reg.SOEL: 33821

BDO Certified Public Accountants SA
449, Mesogion Ave.
153 43 Agia Paraskevi
Athens Greece
Reg.SOEL: 173

ANNUAL FINANCIAL STATEMENTS

1. STATEMENT OF FINANCIAL POSITION

(Amount in €)		GROUP		COMPANY	
		31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
ASSETS	**Note**				
Non-current Assets					
Property, Plant and Equipment	7.1	100,645,144	103,361,037	100,645,144	103,361,037
Investment Property	7.1	197,268	197,268	197,268	197,268
Other Intangible Assets	7.2	241,724	263,768	241,724	263,768
Investments in subsidiaries	7.3	0	0	236,431	236,431
Other Non Current Receivables	7.4	305,127	184,005	305,127	184,005
		101,389,263	**104,006,078**	**101,625,694**	**104,242,509**
Current Assets					
Inventories	7.5	22,144,690	18,936,310	22,144,690	18,936,310
Trade Receivables	7.6	31,949,837	26,921,866	31,949,837	26,921,866
Derivative Financial Assets	7.8	161,560	0	161,560	0
Cash and Cash Equivalents	7.7	2,066,486	1,065,399	1,542,071	792,833
Other Current Assets	7.8	6,414,123	5,935,154	3,879,260	3,109,034
		62,736,696	52,858,729	59,677,418	49,760,043
TOTAL ASSETS		**164,125,959**	**156,864,807**	**161,303,112**	**154,002,552**
EQUITY AND LIABILITIES					
Equity Attributable to the owners of the Parent Company					
Share Capital	7.9	16,097,558	10,960,040	16,097,558	10,960,040
Share Premium Reserve	7.10	38,061,004	38,520,304	38,061,004	38,520,304
Other Reserves	7.11	36,142,031	37,418,728	31,818,595	32,952,360
		90,300,593	86,899,072	85,977,157	82,432,704
Non-controlling Interest		(8,249)	0	0	0
Total Equity		**90,292,344**	**86,899,072**	**85,977,157**	**82,432,704**
Non-Current Liabilities					
Non-Current Loans and Borrowings	7.13	9,500,000	15,750,000	9,500,000	15,750,000
Deferred Tax Liabilities	7.14	12,393,876	12,368,997	12,393,876	12,368,997
Employee Benefit Liabilities	7.16	637,418	786,610	637,418	786,610
Other Non-Current Liabilities	7.15	4,261,306	5,502,329	5,944,306	7,185,329
		26,792,600	34,407,936	28,475,600	36,090,936
Current Liabilities					
Trade Payables	7.17	8,748,910	11,487,556	8,748,910	11,479,377
Loans and Borrowings	7.18	25,777,381	13,901,505	25,777,381	13,901,505
Tax Payable	7.19	2,253,624	3,229,881	2,191,111	3,161,608
Other Current Liabilities	7.20	10,261,100	6,938,857	10,132,953	6,936,422
		47,041,015	35,557,799	46,850,355	35,478,912
Total Equity and Liabilities		**164,125,959**	**156,864,807**	**161,303,112**	**154,002,552**

2. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Amount in €)

	Note	GROUP 1/1-31/12/2014	GROUP 1/1-31/12/2013	COMPANY 1/1-31/12/2014	COMPANY 1/1-31/12/2013
Revenue	7.21	88,006,162	93,953,493	88,006,162	93,953,493
Cost of Sales		(68,520,479)	(75,413,829)	(68,520,479)	(75,413,829)
Gross Profit		**19,485,683**	**18,539,664**	**19,485,683**	**18,539,664**
Other Operating Income	7.22	3,582,110	4,449,179	3,353,062	4,448,556
Distribution Expenses	7.24	(13,795,758)	(13,889,894)	(13,795,758)	(13,889,894)
Administrative Expenses	7.25	(3,098,713)	(3,192,904)	(2,841,428)	(3,163,247)
Other Expenses	7.23	(728,422)	(965,538)	(494,661)	(965,538)
Net change in Fair Value of Hedging Instrument in Fair Value Hedge		108,710	0	108,710	0
Financial Income	7.26	126,302	141,732	10,218	13,561
Financial Expenses	7.26	(2,116,069)	(2,447,503)	(2,114,206)	(2,442,263)
Profits / (Losses) before Taxes		**3,563,843**	**2,634,736**	**3,711,620**	**2,540,839**
Tax Expense	7.27	(213,090)	(6,270,230)	(208,186)	(6,270,230)
Profits / (Losses) from Continuing Operations		**3,350,753**	**(3,635,494)**	**3,503,434**	**(3,729,391)**
Profits / (Losses) from Discontinued Operations		**0**	**0**	**0**	**0**
Profit for the Year		**3,350,753**	**(3,635,494)**	**3,503,434**	**(3,729,391)**
Owners of the Parent Company		3,360,501	(3,635,494)	3,503,434	(3,729,391)
Non-controlling Interests		(9,748)	0	0	0
Other Comprehensive Income					
Profit / Loss on Revaluation of Property		0	0	0	0
Corresponding Grants		0	0	0	0
Remeasurement Gain / Losses		163,344	(60,958)	163,344	(60,958)
Tax relating to Items that will not be Reclassified		0	0	0	0
Items that will be Reclassified to Profit of Loss		**163,344**	**(60,958)**	**163,344**	**(60,958)**
Items that will not be Reclassified to Profit of Loss		**0**	**0**	**0**	**0**
Other Comprehensive Income for the Year net of Tax		**3,514,097**	**(3,696,452)**	**3,666,778**	**(3,790,349)**
Profit Attributable to:			0		
Owners of the Parent Company		3,523,845	(3,696,452)	3,666,778	(3,790,349)
Non-Controlling Interests		(9,748)	0	0	0

Earnings per Share Attributable to Ordinary Equity Holders					
Basic	7.28	**0.1962**	**(0.2346)**	**0.2046**	**(0.2406)**
Earnings per Share for Profits from Continuing Operations Attributable to the Owners of the Parent Company					
Basic		**0.1962**	**(0.2346)**	**0.2046**	**(0.2406)**
Recommended Dividend per Share		**0.0000**	**0.0000**	**0.0000**	**0.0000**
Depreciation		3,881,706	3,881,783	3,881,706	3,881,783
Earnings before Interest and Tax from Continuing Operations		5,444,900	4,940,507	5,706,898	4,969,541
Earnings before Interest and Tax from Discontinued Operations		0	0	0	0
Earnings before Interest and Tax		**5,444,900**	**4,940,507**	**5,706,898**	**4,969,541**
Earnings before Interest, Tax, Depreciation and Amortisation from Continuing Operations		9,326,606	8,822,290	9,588,604	8,851,324
Earnings before Interest, Tax, Depreciation and Amortisation from Discontinued Operations		0	0	0	0
Earnings before Interest, Tax, Depreciation and Amortisation		**9,326,606**	**8,822,290**	**9,588,604**	**8,851,324**

3. STATEMENT OF CHANGES IN EQUITY

3.1 Group

	Share Capital	Share Premium	Statutory Reserves	Extraordinary Reserves	Special Reserves	Non Taxable Reserves	Reserve for Entity's Own Shares	Reserve from the Revaluation of Oher Assets	Reserves from Foreign Exchange Differences	Other Reserves	Retained Earnings	Total Attributable to Equity Holders of Parent	Non-Controlling Interest	Total Equity
Balance at 1st January 2013	**9,742,257**	**31,960,306**	**1,448,600**	**103,990**	**0**	**7,726,649**	**0**	**4,365,525**	**3,482,806**	**7,784,998**	**16,221,236**	**82,836,366**	**0**	**82,836,366**
Year Profits / Losses after taxes	0	0	0	0	0	0	0	0	0	0	(3,635,494)	(3,635,494)		**(3,635,494)**
Reserve Movement	0	0	30,164	0	0	0	0	0	0	0	(30,164)	0		**0**
Revenue directly listed at the net position	0	0	0	0	0	0	0	0	0	0	(623)	(623)		**(623)**
Distributed Dividends	0	0	0	0	0	0	0	0	0	0	(18,000)	(18,000)		**(18,000)**
Actuarial Profits / (Losses)	0	0	0	0	0	0	0	0	0	0	(60,958)	(60,958)		**(60,958)**
Purchase / Sale of Own Shares	0	0	0	0	0	0	0	0	0	0	0	0		**0**
Capital Amount Returned relating to Own Shares	0	0	0	0	0	0	0	0	0	0	0	0		**0**
Distributed Dividends	0	0	0	0	0	0	0	0	0	0	0	0		**0**
Share Capital Increase	1,217,783	6,559,998	0	0	0	0	0	0	0	0	0	7,777,781		**7,777,781**
Minority Rights	0	0	0	0	0	0	0	0	0	0	0	0		**0**
Net Position at 31st December 2013	**10,960,040**	**38,520,304**	**1,478,764**	**103,990**	**0**	**7,726,649**	**(0)**	**4,365,525**	**3,482,806**	**7,784,998**	**12,475,997**	**86,899,072**	**0**	**86,899,072**

	Share Capital	Share Premium	Statutory Reserves	Extraordinary Reserves	Special Reserves	Non Taxable Reserves	Reserve for Entity's Own Shares	Reserve from the Revaluation of Oher Assets	Reserves from Foreign Exchange Differences	Other Reserves	Retained Earnings	Total Attributable to Equity Holders of Parent	Non-Controlling Interest	Total Equity
Balance at 1st January 2014	**10,960,040**	**38,520,304**	**1,478,764**	**103,990**	**0**	**7,726,649**	**(0)**	**4,365,525**	**3,482,806**	**7,784,998**	**12,475,997**	**86,899,072**	**0**	**86,899,072**
Year Profits / Losses after taxes	0	0	0	0	0	0	0	0	0	0	3,360,501	3,360,501	(9,748)	**3,350,753**
Reserve Movement	5,137,518	(459,300)	(190,291)	0	0	(4,468,069)	0	0	0	(19,858)	0	0	0	**0**
Revenue directly listed at the net position	0			0	0		0	0	0	0	0	0	1,500	**1,500**
Distributed Dividends	0	0	0	0	0	0	0	0	0	0	(122,325)	(122,325)	0	**(122,325)**
Actuarial Profits / (Losses)	0	0	0	0	0	0	0	0	0	0	163,344	163,344	0	**163,344**
Purchase / Sale of Own Shares	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Capital Amount Returned relating to Own Shares	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Distributed Dividends	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Share Capital Increase	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Minority Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Net Position at 31st December 2014	**16,097,558**	**38,061,004**	**1,288,473**	**103,990**	**0**	**3,258,580**	**(0)**	**4,365,525**	**3,482,806**	**7,765,140**	**15,877,517**	**90,300,592**	**(8,248)**	**90,292,344**

3.2 Company

(Amount in €)

	Share Capital	Share Premium	Statutory Reserves	Extraordinary Reserves	Non Taxable Reserves	Reserve from the Revaluation of Assets	Reserve for Entity's Own Shares	Other Reserves	Retained Earnings	Total	Total Equity
Balance at 1st January 2013	**9,742,257**	**31,960,306**	**1,448,600**	**103,990**	**7,676,355**	**4,365,525**	**0**	**6,533,794**	**16,632,445**	**78,463,272**	**78,463,272**
Revenue for the Period after taxes	0	0	0	0	0	0	0	0	(3,729,391)	(3,729,391)	(3,729,391)
Capital Amount Returned relating to Own Shares	0	0	0	0	0	0	0	0	0	0	0
Sales / (Purchases) of Own Shares	0	0	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0	(18,000)	(18,000)	(18,000)
Actuarial Profits / (Losses)	0	0	0	0	0	0	0	0	0	0	0
Share Capital Increase	1,217,783	6,559,998	0	0	0	0	0	0	0	7,777,781	7,777,781
Profits / (Losses) through the Revaluation of Properties	0	0	0	0	0	0	0	0	0	0	0
Net Revenue/Expenses that is directly recognised in the Equity	0	0	30,164	0	0	0	0	0	(91,122)	(60,958)	(60,958)
Net Position at 31st December 2013	**10,960,040**	**38,520,304**	**1,478,764**	**103,990**	**7,676,355**	**4,365,525**	**0**	**6,533,794**	**12,793,932**	**82,432,704**	**82,432,704**
											0
Balance at 1st January 2014	**10,960,040**	**38,520,304**	**1,478,764**	**103,990**	**7,676,355**	**4,365,525**	**0**	**6,533,794**	**12,793,932**	**82,432,704**	**82,432,704**
Revenue for the Period after taxes	0	0	0	0	0	0	0	0	3,503,434	3,503,434	3,503,434
Capital Amount Returned relating to Own Shares	0	0	0	0	0	0	0	0	0	0	0
Sales / (Purchases) of Own Shares	0	0	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0	(122,325)	(122,325)	(122,325)
Actuarial Profits / (Losses)	0	0	0	0	0	0	0	0	163,344	163,344	163,344
Share Capital Increase	0	0	0	0	0	0	0	0	0	0	0
Profits / (Losses) through the Revaluation of Properties	0	0	0	0	0	0	0	0	0	0	0
Net Revenue/Expenses that is directly recognised in the Equity	5,137,518	(459,300)	(190,291)	0	(4,468,069)	0	0	(19,858)	0	0	0
Net Position at 31st December 2014	**16,097,558**	**38,061,004**	**1,288,473**	**103,990**	**3,208,286**	**4,365,525**	**0**	**6,513,936**	**16,338,385**	**85,977,157**	**85,977,157**

4. CASH FLOW STATEMENT

	GROUP		COMPANY	
	31.12.2014	**31.12.2013**	**31.12.2014**	**31.12.2013**
Cash Flows from Operating Activities				
Pre Tax Profit (Continuing Operations)	**3,563,843**	**2,634,736**	**3,711,620**	**2,540,839**
Pre Tax Profit (Discontinued Operations)	0	0	0	0
Plus / Minus adjustments for:				
Depreciation of Property Plant and Equipment	3,881,706	3,881,783	3,881,706	3,881,783
Other Non-Cash Expenses Income	2,578,057	(4,381,106)	2,342,777	(4,383,028)
Finance Expense	2,116,069	2,447,504	2,114,206	2,442,264
Finance Income	(126,302)	(141,732)	(10,218)	(13,561)
Changes in Working Capital:				
Decrease / (Increase) in Reserves	(3,208,379)	2,015,654	(3,208,379)	2,015,654
Decrease / (Increase) in amounts Receivables	(5,627,504)	(576,819)	(5,919,319)	(434,123)
(Decrease) / Increase in amounts payables (excluding Loans)	(1,872,161)	(4,541,831)	(1,869,685)	(2,856,293)
Less:				
Interest Paid	(2,115,821)	(2,253,331)	(2,114,206)	(2,248,091)
Income Tax Paid	(2,373,757)	(2,036,890)	(2,363,100)	(2,031,171)
Net Cahs Flow from Operating Activities (a)	**(3,184,249)**	**(2,952,032)**	**(3,434,598)**	**(1,085,727)**
Cash Flows from Investing Activities				
Cash Paid for Derivative Financial Asset	(165,106)	0	(165,106)	0
Cash Paid for Acquisition of Fixed Assets	(1,176,842)	(857,764)	(1,176,842)	(857,764)
Cash Received from the Sale of Fixed Assets	12,100	0	12,100	0
Interest Received	10,218	141,732	10,218	13,561
Net Cash used in Investing Activities (b)	**(1,319,630)**	**(716,032)**	**(1,319,630)**	**(844,203)**
Cash Flow from Financing Activities				
Revenue / (Payments) from an Increase / Decrease in the Share Capital	1,500	7,777,781	0	7,777,781
Proceeds from Bank Borrowings	11,875,876	0	11,875,876	0
Repayment of Bank Borrowings	(6,250,000)	(6,559,689)	(6,250,000)	(6,559,689)
Dividends / Remuneration for Board Members Paid	(122,410)	(15,916)	(122,410)	(15,916)
Net Cash used in Financing Activities (c)	**5,504,966**	**1,202,176**	**5,503,466**	**1,202,176**
Net Increase / (Decrease) in the Cash and Cash Equivalents (a + b + c)	**1,001,087**	**(2,465,888)**	**749,238**	**(727,754)**
Cash and Cash Equivalents at Beginning of Year	**1,065,399**	**3,531,287**	**792,833**	**1,520,587**
Cash and Cash Equivalents at End of Year	**2,066,486**	**1,065,399**	**1,542,071**	**792,833**

5. REPORTING BY SECTOR

5.1 Geographical Sectors

The following table depicts the revenue and profit & loss results relating to the Group's geographical sectors for the Year that ended on 31st December 2014 and 31st December 2013.

	GREECE		BULGARIA		CONSOLIDATION REDEMPTIONS		GROUP	
2014 – 2013 Amounts	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Revenue	88,006,162	93,953,493	0	0	0	0	88,006,162	93,953,493
Gross Profit	19,485,683	18,539,664	0	0	0	0	19,485,683	18,539,664
Earnings Before Interest, Tax, Depreciation and Amortisation	9,588,604	8,851,324	- 261,998	- 29,034	0	0	9,326,606	8,822,290
Profit Before Tax	3,711,620	2,540,839	- 147,777	93,897	0	0	3,563,843	2,634,736
Tangible Assets	100,842,412	103,558,305	0	7,439,691	0	- 7,439,691	100,842,412	103,558,305
Other Assets	60,460,700	50,444,247	4,705,344	4,744,752	- 1,882,497	- 1,882,497	63,283,547	53,306,502
TOTAL ASSETS	**161,303,112**	**154,002,552**	**4,705,344**	**12,184,443**	**- 1,882,497**	**- 9,322,188**	**164,125,959**	**153,864,807**
Equity	85,977,157	82,432,704	4,514,684	12,105,556	- 199,497	- 7,639,188	90,292,344	86,899,072
Other Liabilities	75,325,955	71,569,484	190,660	78,887	- 1,683,000	- 1,683,000	73,833,615	69,965,735
TOTAL EQUITY & LIABILITIES	**161,303,112**	**154,002,552**	**4,705,344**	**12,184,443**	**- 1,882,497**	**- 9,322,188**	**164,125,959**	**156,864,807**

5.2 By Product Category

The Company differentiates its operations into two main sectors in accordance with the final recipient. These sectors are the Professional and Consumer products in respect of which the Company has separate distribution channels, despite the fact that they are produced at the same industrial facilities. The Professional Products are exclusively made available in bulk, in packages of 50 kg, 25 kg and 10 kg, for food industries, bread production, biscuit industry, pasta making, processes of food and pastry making products and bakers, secondary processes for whom the flower is the raw material for producing bread, bread products, croissants, biscuits, spaghetti and other pastry making products. The Consumer Products are made available in packaging of 1kg, ½ kg and 5 kg for retail trade such as supermarkets and grocery stores and are directed at consumers for domestic use.

	2014			2013		
	Consumer Products	**Industrial Products**	**TOTAL**	**Consumer Products**	**Industrial Products**	**TOTAL**
Sales to Third Parties	13,913,292	74,092,870	**88,006,162**	15,025,541	78,927,952	**93,953,493**
Profits/ (Losses) before Interest and Tax	789,979	4,916,919	**5,706,898**	1,103,631	3,865,910	**4,969,541**
Profits/ (Losses) before Tax	622,127	3,089,493	**3,711,620**	923,009	1,617,830	**2,540,839**

6. NOTES ON THE FINANCIAL STATEMENTS

1. General Information

Country of incorporation
LOULIS MILLS SA Company is a Greek Society Anonymous and is subject to Codified Law 2190/1920 pertaining to Societies Anonymous. The Company was established on the 22nd day of February 1927.

Main activities

The Company's objectives are to:
a) Operate a Flour Mill and to generally carry out industrial and commercial enterprises pertaining to the flour industry, cereals, the manufacture of animal feed, agricultural products in general and food products, as well as agricultural supplies, fertilisers, etc.
b) Produce, purchase and resell, import, export and generally handle and trade cereal products or other products produced on the land, agricultural products in general and food products, as well as agricultural supplies, fertilisers, etc.
c) Construct or purchase and operate in any manner areas and facilities for storage, packaging and distributing the hereinabove products as well as exploit vehicles for transporting these products that are owned by the Company or third parties.
d) Provide all kinds of intermediary or other services to trade and to generally distribute the hereinabove products.
e) Produce, trade, process, operate, manufacture, maintain, and deal in all kinds of food products, the raw materials with which these are produced or their producers, as well as conducting all related activities.
f) Manufacture and trade in machinery for producing and processing filo pastry for crust, kantaifi, bakery products, pastry making and food, as well as all kinds of machines and machinery.
g) Import and export hereinabove or associated items, raw materials and the products or by-products thereof or the materials for packaging, maintaining or handling these.
i) Provide technical expertise and consulting services concerning the food sector.
j) Produce and trade in electrical energy.
k) Operate car parking areas and provide car washing services and other services for operating motor vehicles.

Branches

The sales network of LOULIS MILLS SA, which is the most complete in the Greek market, includes 3 sales branches (Athens, Thessaloniki, and Kavala) and the main branch at Sourpi / Volos that services the remaining regions.

2. Significant Accounting Principles and Assessments

The main accounting principles that have been implemented in preparing the consolidated Financial Statements is presented herein below. These principles have been consistently applied to the period depicted in those consolidated financial statements, except where it is otherwise stated.

The Group and the Company shall undertake estimates and assumptions in respect of the financial statements. The estimates and judgements are continually evaluated on the basis of historical experience and expectations for future events in accordance with the circumstances. The estimates and assumptions that may cause material adjustments to the accounting values of the assets and liabilities in the forthcoming financial year are presented below:

Subsidiaries

As it is also stated at note number 8 in the Additional Details and Information, since July 2014 the LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA Ltd. Company in the Group is participating with a 40 % share in the share capital of the LAFCO LEADER ASIAN FOOD COMPANY Ltd, and the latter is participating with a 60 % share in the share capital of the GRINCO HOLDINGS Ltd Company. The aim of the GRINCO HOLDINGS Ltd. Company is to initially explore investment opportunities for the group in India and to construct a factory in India during the second phase. The Group fully consolidated both companies since it has full control over the decisions by Management (members of the Board of Directors).

Fair Value Measurement

Fair value hierarchy

The Group and the Company use the following hierarchy for determining and notifying the fair value of the receivables and liabilities by valuation method:
Level 1: based on negotiable (non-adjusted) prices in active markets for identical assets or liabilities;

Level 2: based on valuation techniques in respect of which all the data that has a significant impact upon the fair value is directly or indirectly visible, whilst also including valuation techniques with negotiable prices on less active markets for the same or similar assets or liabilities; and
Level 3: based on valuation techniques that use data that has a significant impact on the fair value and is not based on apparent market data.

The following methods and assumptions were used to estimate the fair value is:

The fair value of Land – Properties, buildings and Investment Properties at level 2 is quantified for the Group and Company by independent valuers in combination with the valuation methods for: a) Comparative Method or Real Estate Market; b) Residual Approach; and c) Depreciated Replacement Cost.

The Financial Receivables at level 2 are rights in respect of future performance contracts for French soft wheat that are negotiated on the NYSE Liffe Paris market. The specific Financial Instruments are used for hedging the fair value of the Company's inventories (fair value hedge).
The Group and the Company use different methods and assumptions that are based upon the prevailing market conditions on every date upon which the Financial Statements are prepared.

In relation to the Fixed Assets (IAS 16), the Company regularly undertakes an examination of their fair value with the assistance of independent appraisers and on the basis of recognised methods. Furthermore, due to the nature of the Company's fixed assets, its value does not greatly vary from Year to Year.

Investment Properties

The investment Properties as Non-Current assets are depicted at their fair value that is internally determined on an annual basis, which is based upon similar transactions that have taken place at a date close to the date for preparing the Balance Sheet.

Recognition of Revenue

The revenue consists of the invoicing value that is provided by the Company and trade, which is net prior to the value added taxes (VAT), discounts and returns. The Company's revenue is recognised when significant risks and the benefits of ownership in the goods are transferred to the customer. This usually occurs when the Company has sold or delivered the goods to the customer, the customer has accepted the goods and the payment of the relevant receivable amounts is reasonably assured. Furthermore, there are no significant returns of sales.

Pending Court Cases

There are no administrative body disputes under arbitration, which are expected to have a significant impact on the Company's financial situation. There are pending Court cases whose outcome is not expected to have any significant impact upon the Company's financial situation.

Financial Instruments

The Company's Financial Instruments relate to Receivables from Customers and Current Liabilities that expire within one year and their accounting value may accordingly be considered to be reasonable. In relation to the Non-Current Loans, the Company's weighted average of capital is very close to the interests rate on loans, whereby the accounting value of the account is very close to the fair value.

The Financial Receivables are right in respect of future performance contracts for soft French wheat that is being traded on the NYSE Liffe Paris market. The specific Financial Instruments are used to hedge the fair value of the Company's inventories (fair value hedge).

In relation to the receivables, the Company does not have any significant concentrations of credit risk. A Credit Control system is implemented for the effective management of this risk and the evaluation and classification of the customers in accordance with the risk level, and wherever required, provisions have been made for impaired receivables. The maximum exposure to credit risk upon the Balance Sheet date is the fair value of every category of financial elements, as depicted in section 6.3.15.

Basis for the preparation of the Financial Statement

2.1 Adoption of the International Financial Reporting Standards (IFRS)

The Annual Financial Statements relate to the Year 2014 and cover the period from the 1st January - 31st December 2014. The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as these have been issued by the International Accounting Standards Board (IASB), as well as their interpretations as these have been issued by the IASB IFRS Interpretations Committee (IFRIC) and have been adopted by the European Union and are valid as at 31-12-2014.
The Group is not affected by the provisions relating to hedging portfolio deposits as set out in IAS 39 that has not been adopted by the European Union.
The financial statements have been prepared based upon the going concern principal and based upon the historical cost principal.
The date upon which IFRS were adopted by the Group is 1st July 2003. In relation to the preparation of these annual consolidated Financial Statements, in accordance with IFRS 1, LOULIS GROUP has implemented the mandatory exceptions and some of the optional exceptions from the full retrospective application of IFRS

2.2 Exemptions from the full retrospective application that have been selected by the Group

LOULIS GROUP has chosen to implement the following optional exemptions from the full retrospective application of IFRS:

a) Exemption of business groupings

LOULIS GROUP has implemented the exemption of business groupings in IFRS 1. It has not re-established the business groupings that took place prior to the transition date on 1st July 2003.

b) Exemption of the Fair value as the deemed cost

LOULIS GROUP has chosen to assess specific assets, plant and equipment at their fair value on 1st July 2003.

c) Exemption from cumulative transactional differences

LOULIS GROUP has chosen to define the previous transactional differences at zero on 1st July 2003. This exemption has been implemented with all the foreign subsidiaries in accordance with IFRS 1.

d) Exemption of the subsidiary assets and liabilities

The parent Company has subsequently implemented IFRS with its subsidiaries.

e) Exemption from nominating earlier recognised financial assets and liabilities.

LOULIS GROUP has undertaken to reclassify certain investments as available for sale and at a fair value through profits or losses upon the transition date of 1st July 2003.

2.3 Exemptions from full retrospective implementation followed by the Group

LOULIS GROUP has implemented the following compulsory exemptions from retrospective implementation:

a) Exemption from the de-recognition of financial elements in the Assets and Liabilities

Financial elements in the Assets and Liabilities that have been de-recognised prior to 1st July 2003 shall not be re-recognised in accordance with IFRS

b) Exemption of accounting for hedging

Management has implemented accounting for hedging since 1st July 2003 and meets all the criteria for hedging in accordance with IAS 39.

c) Exemption for valuations

The valuations that were carried out in accordance with IFRS on 1st July 2003 are consistent with the valuations that were carried out upon the same date in accordance with the GGCA, except wherever there was evidence that these valuations were wrong.

2.4 New standards, interpretations and amendments to existing standards

New IFRS, amendments and interpretations have been issued, which are compulsory for accounting Years commencing on 1st January 2007 or subsequently. The assessment by the Group's and the Company's management in relation to the impact from the implementation of these new standards and interpretations is presented herein below:

IFRS 7, Financial Instruments: Disclosures and supplementary adaptation to IAS 1, Presentation of the Financial Statements – Capital Disclosures (Implemented for annual accounting periods commencing on or after 1st January 2009)

IFRS 7 requires further disclosures in relation to the Financial Instruments for the purpose of improving the information provided and it specifically requires the disclosure of qualitative and quantitative information regarding the exposure to risks arising from the Financial Instruments. More specifically, it pre-determines the minimum required disclosures in relation to the credit risk, liquidity risk and market risk (it imposes the sensitivity analysis in relation to the market risk.) IFRS 7 replaces IAS 30 (Disclosures in the Financial Statements of Banks and Financial Institutions) and the requirements for disclosures under IAS 32 (Financial Instruments: Disclosures and Presentation.) It is implemented by all the companies that prepare financial statements with IFRS
The relevant adaptation of IAS 1 relates to disclosures regarding the amount of the capital in an enterprise, as well as the method in which it is managed.
The Group implements this standard is well as the re-adaptation of IAS 1 and presents the relevant disclosures.

IFRS 8 – Operating Sectors
(Implemented for annual accounting periods commencing on or after 01.01.2009)

IFRS 8 replaces IAS 14 (Financial Information by Sector). The information that shall be provided shall be the information that is internally used by Management for evaluating the performance of the operating sectors and the allocation of resources to these sectors. The information may be different to that presented in the financial statements, accordingly explanations must be provided and agreements where they differ.

IFRS 5 "Non-Current Assets that are Held for Sale and Discontinued Operations" Amendment

This is implemented in relation to Annual Accounting Periods commencing on or after 1st July 2009. This amendment clarifies the fact that all of the assets and liabilities held by a subsidiary company shall continue to be classified as being held for sale in accordance with IFRS 5, even in the case where the Company after sale retains a non-controlling participation in the subsidiary company. The amendment has future implementation from the first day of implementing IFRS 5. Consequently, the participations in subsidiaries that have been classified as being held for sale from the moment of implementing IFRS 5 must be re-valued. The prior implementation of the amendment is acceptable. In the case of prior implementation, the amendments to IAS 27 must also be implemented (as this was amended in January 2008) upon the date of implementing the amendments to IFRS 5.

Revised IFRS 3 - 'Consolidated Enterprises' and Amended IAS 27 - 'Consolidated and Specific Financial statements',
(Implemented for accounting periods commencing on or after 1st July 2009)

The International Accounting Standards Board ('IASB') published on 10th January 2008 the Revised IFRS 3 'Consolidated Enterprises' and the Amended IAS 27 'Consolidated Specific Financial Statements'. The revised IFRS 3 introduces a series of changes in the accounting of Consolidated enterprises which must influence the amount of the recognised goodwill, the results for the period in which the Consolidated Enterprises are constituted and the future results. These changes include the expensing of the costs that are related to the acquisition and the recognition of future changes in the fair value of the contingent consideration in the results (rather than readjusting the goodwill). The amended IAS 27 requires that transactions that lead to changes in the rates of participations in a subsidiary company shall be entered at the net position. They consequently did not influence the good will and do not generate a result (profit or loss). Furthermore, the amended standard changes the method for accounting the losses of subsidiaries, as well as the loss of control in a subsidiary company. All the changes in the hereinabove standards shall be implemented from their date of implementation and shall affect future acquisitions and transactions with minority shareholders from that date henceforth.

Amendments to IAS 1 - 'Presentation of the Financial Statements'
(This is implemented in relation to Annual Accounting Periods commencing on or after 1st January 2009)

IAS 1 has been amended in order to enhance the usefulness of the information that is presented in the financial statements. The most significant amendments are: the requirement that the Variation in the Equity Capital Statement only includes transactions with shareholders, the introduction of a new total comprehensive income statement that combines all the revenue and Expenses items that are recognised in the results statement with other comprehensive income and the requirement that reformulation is in the financial statements or retrospective implementations of new accounting policies are presented from the beginning of the earliest comparative period, namely in a 3rd column in the Balance Sheet. The Group has made the necessary changes to the presentation of its financial statements.

Amendments to IAS 32 - 'Financial Instruments: Presentation' and IAS1 - 'Presentation of the Financial Statements'
(This is implemented in relation to Annual Accounting Periods commencing on or after 1st January 2009.)

In relation to the "Financial Instruments available by the holder" (or "puttable" instruments), this is implemented in relation to Annual Accounting Periods commencing on or after 1st January 2009. The IAS 32 amendment requires that certain Financial Instruments available by the holder ("puttable" instruments) and liabilities that arise during the liquidation of an entity shall be classified as Equity Capital, where specific criteria are fulfilled. Amendment IAS 1 requires the disclosure of information in relation to the "puttable" instruments that are classified as Equity Capital. The Group expects that these amendments shall not influence its financial statements.

Amendments to IAS 39 - 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures',
(This is implemented in relation to Annual Accounting Periods commencing on or after 1st January 2009.)

This amendment IAS 39 allows a Company to reclassify the non-derivative financial assets (excluding those that have been classified by the Company in the fair value category through the results at the initial recognition) outside the fair value category through results in specific circumstances. Furthermore, this amendment allows a Company to transfer financial assets from the available for sale category to the loans and receivables category, in the event where the financial asset would fulfil the definition of the loans and receivables category (where it had not been defined as available for sale), whether Company has the intention and ability to maintain this asset in the near future. The amendment does not permit the reclassification into the fair value category through the results. The amendment refers to disclosures of financial assets that have undergone reclassification.

Amendments to IAS 23 - 'Borrowings Cost'
(This is implemented for annual accounting periods commencing on or after 1st January 2009)

On the basis of the amendments to IAS 23, the option is abolished (that exists in the existing standard) for recognising the borrowings cost that can be directly allocated to one asset that fulfils the conditions in the period's Expenses. All of the borrowing costs that can be directly allocated to the acquisition, construction or production of an asset that fulfil the conditions must be capitalised. An asset that fulfils the conditions is an asset that necessarily requires a significant period of time to be prepared for the use in respect of which it is intended or for its sale.

Interpretation 11– Transactions in Own Shares and between Companies in the same Group
(This is implemented in relation to Annual Accounting Periods that commence on or after 01.03.2007)

Interpretation 11 provides guidelines on the question whether the agreements for benefits that are dependent upon the value of the share should be treated as payments in cash or with Equity titles in the enterprise's financial statements. This is a significant distinction, since there are significant differences in the required accounting treatments. For example, payments in cash are assessed at the fair value on the date of every Balance Sheet. Conversely, in relation to payments with Equity titles, the fair value is determined upon the date of the provision and recognised during the period when the relevant service is provided.

Interpretation 12 – Service Concession Arrangements
(This is implemented in relation to Annual Accounting Periods that commence on or after 01.01.2008)

Interpretation 12 discusses the method in which organisations providing services must implement the existing International Financial Reporting Standards (IFRS) in order to enter the liabilities that they undertake and the concessions provided to them in the relevant service concession agreements. On the basis of this Interpretation, these organisations should not recognise the relevant infrastructure as tangible assets, but they should recognise it as a financial element in the assets or even as an intangible asset. This Interpretation does not apply to the Group.

Interpretation 14 – Field of implementation for IAS 19 'The Limit in the recognition of a Defined Benefit Asset, the Minimum Funding Receivables and their Interaction
(This is implemented in relation to Annual Accounting Periods that commence on or after 01.01.2008)

Interpretation 14 provides guidelines in relation to the method of assessing the limit on the surplus amount that may be entered as an asset in a defined benefits plan, in accordance with IAS 19 'Benefits to Employees'. It also explains how this limit may be affected where there is a legal or contractual minimum funding requirement and it standardises the existing practice.

Interpretation 15 – Agreements for the Construction of Properties
(This is implemented in relation to Annual Accounting Periods that commence on or after 01.01.2009)

The purpose of Interpretation 15 is to provide guidelines in relation to the following two matters:

i) Whether the agreements to construct properties come within the field of implementation of IAS 11 or IAS 18; and
ii) When the revenue generated by the property construction agreements must be recognised. This Interpretation is implemented during the accounting recognition of revenue and the Expenses associated thereto by the enterprises that undertake the construction of properties directly or through subcontractors. The agreements that are classified under the field of implementation of Interpretation 15 are agreements for the construction of properties. In addition to the construction of properties, these types of agreements may also include the delivery of other goods or services.

Interpretation 16, 'Net investment hedging for foreign operations'
(This is implemented in relation to Annual Accounting Periods commencing on or after 1 October 2008).

This interpretation clarifies:

- The currency in which the Financial Statements are presented does not create exposure to risk in respect of which the Company may implement hedge accounting. Consequently, the parent Company may only define the foreign currency differences that arise between its operating current and the foreign operating currency as a risk for hedging.
- Any whatsoever Company in the Group may hold hedging instruments
- Despite the fact that IAS 39 "Financial Instruments: Recognition and Measurement" is implemented for determining the amount that must be transferred to the Year Results from the reserves for foreign currency differences in relation to the hedging instrument, IAS 21 "The Impacts from Variations in the Foreign Currency Values" is implemented in relation to the item being hedged.

Interpretation 17, 'Distribution of non-financial assets to owners'
(This is implemented in relation to Annual Accounting Periods commencing on or after 1st July 2009.)

This interpretation clarifies the following matters:
- The dividends payable must be recognised when the dividends are approved and are no longer at the Company's disposal;
- The Company must measure the dividend payable at the fair value of the net assets that are intended to be distributed;
- The Company must recognise the difference between the dividend that was paid and the accounting value of the net assets that are distributed in the results; and
- The Company must provide additional disclosures, where the net assets that are held for distribution to the owners fulfil the definition of suspended activities. Interpretation 17 is implemented in cases of distributing non-financial assets on a proportional basis, except where it relates to transactions that are jointly controlled.

Interpretation 18 "Transfer of assets from customers" (in accordance with the adoption by the EU, this is implemented in relation to Annual Accounting Periods commencing on or after 31st October 2009)
The interpretation clarifies the requirements of IFRS for agreements where the economic entity receives a tangible asset from a customer, which it must in turn used to provide the customer with continued access to the goods or services. In certain cases, the economic entity receives cash from a client that must only be used for acquiring or constructing a tangible asset. The interpretation does not apply to the Group.

Compulsory standards after the 2010 Year

IAS 24 (Amendment) "Disclosures by associated parties (this is implemented in relation to Annual Accounting Periods commencing on or after 1st January 2011)
This amendment attempts to reduce the disclosure of transactions between government-related entities and to clarify the meaning of associated party. It specifically abolishes the obligation of government related entities to disclose the details of all transactions with the Government and other government related entities, it clarifies and simplifies the definition of associated party and imposes the notification of not just relations, transactions at and other dealings between associated parties, but also the commitments in both the personal and the consolidated financial statements. The Group shall implement these changes upon the date that they are implemented.

IAS 32 (Amendment) "Financial Instruments: Presentation" (this is implemented in relation to Annual Accounting Periods commencing on or after 1st February 2010)
This amendment provides explanations on how certain rights should be classified. Specifically, rights, preferential rights or rights to purchase a share for the acquisition of a specific number of the economic entity's own equity instruments for a specific amount in any whatsoever currency constitute equity instruments where the economic entity offers these rights, preferential rights or rights to purchase a share proportionally to all the existing shareholders in the same category of its own non-derivative equity instruments. The specific amendment is not expected to affect the Group's financial statements.

Interpretations that are implemented after the 2010 Year

Interpretation 19 "Writing off Financial Liabilities with equity instruments" (implemented for annual accounting periods commencing on or after 1st July 2010)
Interpretation 19 addresses the accounting by the financial entity that issues equity instruments to a creditor in order to wholly or to partially settle a financial obligation. This interpretation does not apply to the Group.

Interpretation 14 (Amendment) "Limits of Defined Benefit Assets, Minimum Funding Requirements and their interaction" (implemented for annual accounting periods commencing on or after 1st January 2011)

The amendments are implemented in certain cases: when the financial entity is subject to minimum funding requirements and makes an early payment of the contributions to cover those receivables. These amendments allow such an economic entity to treat the benefit from such an early payment as an asset. This interpretation does not apply to the Group.

Standards and Interpretations compulsory for periods commencing on or after 1st January 2012

IFRS 9 "Financial Instruments"

(Implemented for the annual accounting periods commencing on or after 1st January 2015)

IFRS 9 is the first phase in the project by the IASB (International Accounting Standards Board) to replace IAS 39 and refers to the classification and measurement of the financial assets and financial liabilities. In the next phases of the project, the IASB shall extend IFRS 9, so that new receivables are added for impairing the value and hedge accounting. The Group is in the process of assessing IFRS 9 in its financial statements. IFRS 9 cannot be implemented earlier by the Group, because it has not yet been adopted by the European Union. Only after it is adopted, the Group shall decide on whether to implement IFRS before 1st January 2015.

IFRS 13 "Measurement of the Fair Value"

(Implemented for the annual accounting periods commencing on or after 1st January 2013)

IFRS 13 provides new guidelines in relation to measuring the fair value and the necessary disclosures. The requirements of the standard do not extend the use of the fair values but provide clarifications for their implementation in the case where their use is compulsorily imposed by other standards. IFRS 13 provides a precise definition of the fair value, as well as guidelines in relation to measuring the fair value and the necessary disclosures, regardless of the model upon which basis they are used and covers all the assets and liabilities that are measured at the fair value and not just the financial items. The model has not yet been adopted by the European Union.

IFRIC 20 "Stripping costs for opencast mines during the production stage"

(Implemented for the annual accounting periods commencing on or after 1st January 2013)

This Interpretation provides guidance on accounting for the costs to remove waste rock ("stripping") during the production phase of a mine. On the basis of this interpretation, the mining financial entities may potentially need to delete the retained earnings of the opening period for the already capitalised costs for stripping mines that cannot be attributed to one identifiable component in an ore reserve ("ore body"). The interpretation only applies to surface mine costs and not to underground mines or activities for mining oil and natural gas. The interpretation has not yet been adopted by the European Union.

IFRS 7 (Amendment) "Financial Instruments: Disclosures" - transfers financial assets

(Implemented for the annual accounting periods commencing on or after 1st July 2011)

This amendment provides the disclosures for transferred financial assets that have not been derecognised in their entirety, as well as transferred financial assets that have been derecognised in their entirety, but in respect of which the Group has continuing involvement. It also provides guidance on implementing the required disclosures. This standard does not apply to the Group.

IAS 12 (Amendment) "Income Tax"

(This is implemented in relation to Annual Accounting Periods commencing on or after 1st January 2012)

The amendment to IAS 12 provides a practical method for the measurement of deferred tax liabilities and deferred tax assets when investment Properties are measured using the fair value method0\ in accordance with IAS 40 "Investments in properties". This amendment has not yet been adopted by the European Union.

IAS 1 (Amendment) "Presentation of Financial Statements"

(Implemented for the annual accounting periods commencing on or after 1st July 2012)

This amendment requires economic entities to separate the items presented in the other overall income into two groups, which is based upon whether it is likely that these shall or shall not be transferred into the Year operating results in the future. The amendment has not yet been adopted by the European Union.

IAS 19 (Amendment) "Benefits to the Employees"

(Implemented for the annual accounting periods commencing on or after 1st January 2013)

This amendment makes significant changes to the recognition and measurement of the cost for the defined benefits plan and the benefits upon retirement from service (elimination of the margin method), as well as disclosing all the benefits to the employees. The main changes primarily relate to the recognition of the actuarial profits and losses, the recognition of the prior service / cutbacks cost the measurement of the pension expenses, the required disclosures, the treatment of expenses and taxes that relate to the defined benefits plans, as well as the distinction between Current and Non-Current benefits. The amendment has not yet been adopted by the European Union.

IFRS 7 (Amendment) "Financial Instruments: Disclosures"

(Implemented for the annual periods commencing on or after 1st January 2013)

The IASB has published this amendment in order to include further information that shall assist the users of the Financial Statements at an economic entity to evaluate the impact or the potential impact by agreements in settling financial assets and liabilities, inclusive of the offsetting right that is related to recognising financial assets and liabilities in the economic entity's financial position. The amendment has not yet been adopted by the European Union.

Standards and Interpretations effective for periods commencing on or after 1st January 2014

IAS 32 (Amendment) "Financial Instruments: Presentation"

(Implemented for the annual accounting periods commencing on or after 1st January 2014)

This amendment to the implementation guidelines of IAS 32 provides clarifications in relation to certain receivables for offsetting financial assets and liabilities in the financial position statement.

Group of standards on consolidation and joint agreements

(Implemented for the annual accounting periods commencing on or after 1st January 2013)

The IASB has published five new standards in relation to consolidation and joint agreements: IFRS 10, IFRS 11, IFRS 12, IFRS 27 (Amendment), and IAS 28 (Amendment). These standards shall be implemented for the annual accounting periods commencing on or after 1st January 2013. Of their prior implementation is only permitted where these five standards are simultaneously implemented. The standards have not yet been adopted by the European Union. The main provisions in the standards are as follows:

- IFRS 10 "Consolidated Financial statements"

IFRS 10 replaces in their entirety the guidelines relating to examination and consolidation that are provided in IAS 27 and SIC 12. The new standard changes the definition of examination as a key factor in deciding whether an economic entity should be consolidated. The standard provides extensive clarifications that address the various methods in which an economic entity (investor) may control another economic entity (investment). The revised definition of examination focuses upon the need for the simultaneous existence of the right (the capacity to direct activities that significantly affect the returns) and the variable returns (positive, negative or even both) in order to have examination. The new standard also provides clarifications in relation to participatory rights and rights for exercising vetoes (protective rights), and also in relation to the agencies / agents.

- IFRS 11 "Joint agreements"

IFRS 11 provides a more realistic treatment of joint agreements by focusing upon the rights and obligations rather than their legal structure. The types of agreements are limited to two: jointly controlled activities and joint ventures. The proportional consolidation method is no longer permitted. Participants in joint ventures must implement consolidation with the net position method. The economic entity's that are participating in jointly controlled activities shall implement a similar accounting to that method that is currently implemented by participants in jointly controlled assets or in jointly controlled activities. The standard also provides clarifications in relation to participants in joint agreements without joint control.

- IFRS 12 "Disclosure of participation in other economic entities"

IFRS 12 refers to the required disclosures by an economic entity, inclusive of significant judgements and assumptions that enable the users of the Financial Statements to assess the nature, risks and financial consequences that are related to the participation by the economic entity in subsidiaries, related enterprises, joint agreements and non-consolidated economic entities (structured entities). An economic entity is able to provide some or all of the hereinabove disclosures without being required to implement IFRS 12 in its entirety, or IFRS 10 or 11, and the amended IAS 27 or 28.

- IAS 27 (Amendment) "Separate Financial Statements"

This Standard was simultaneously published with IFRS 10 and the two standards together replace IAS 27 "Consolidated and Separate Financial Statements". The amended IAS 27 defines the accounting treatment and the necessary disclosures in relation to participations in subsidiaries, joint ventures and related enterprises when an economic entity is preparing Separate Financial Statements. The Board has simultaneously transferred the provisions under IAS 28 "Investments in Related Enterprises" and IAS 31 "Participations in Joint Ventures" regarding Separate Financial Statements to IAS 27.

- IAS 28 (Amendment) "Investments in Related Enterprises and Joint Ventures"

IAS 28 "Investments in Related Enterprises and Joint Ventures" replaces IAS 28 "Investments in Related Enterprises". The purpose of this Standard is to define the accounting treatment with respect to investments in related enterprises and to define the requirements for implementing the net position method during the accounting treatment of investments in related enterprises and joint ventures, as indicated by the publication of IFRS 11.

IFRS 10, IFRS 11 and IFRS 12 (Amendment) "Consolidated financial statements, joint agreements and notification of participation in other economic entities: Transition Guidelines"

The amendment to the transition guidelines in IFRS 10, 11 and 12 provides clarifications regarding the transition guidelines in IFRS 10 and limits the requirements for providing comparative information on the disclosures under IFRS 12 only in relation to the period that directly precedes the first annual period during which IFRS 12 is implemented. Comparative information on disclosures relating to participations in non-consolidated economic entities (structured entities) is not required.

IFRS 10, IFRS 12 and IAS 27 (Amendment) "Investment Companies"

The amendment to IFRS 10 defines an investment Company and provides and exception to consolidation. Many investment funds and similar companies that meet the definition of investment companies are exempted from consolidating most of their subsidiary companies, which are accounted as investments at a fair value through the profit and loss results, despite the fact that control is exercised. The amendments to IFRS 12 introduce the disclosures that an investment Company needs to provide.

IAS 36 (Amendment) "Disclosures on the recoverable value of non-financial assets"

This amendment requires: a) the disclosure of the recoverable value in an asset or a cash-generating unit (CGU) when an impairment loss has been recognised or reversed; and b) detailed disclosures regarding the measurement of the fair value less the selling expenses when an impairment loss has been recognised or reversed. It also removes the requirement to disclose the recoverable value when a CGU contains goodwill or intangible assets with an indefinite useful life and there is no impairment.

IAS 39 (Amendment) "Financial Instruments: Recognition and measurement"

This amendment allows hedge accounting to continue when a derivative, which has been designated as a hedging instrument, is renewed (novated) in order that it may be cleared by a central contracting party as a result of laws or regulations, where certain specific conditions are met.

IFRIC 21 "Contributions"

(Implemented for the annual accounting periods commencing on or after 17th June 2014)

This interpretation defines the accounting treatment of an obligation to pay contributions that has been imposed by the government and is not income tax. The interpretation clarifies that the obligating event upon which the obligation to pay contributions is formed (one of the criteria for the recognition of an obligation in accordance with IAS 37) is the action that is described in the relevant legislation that causes the payment of the contribution. The interpretation may result in the recognition of the obligation later than what is currently applicable, more specifically in relation to contributions that are imposed as a result of conditions applicable upon a specific date.

Standards and Interpretations effective for periods commencing on or after 1st January 2015

IFRS 9 "Financial Instruments" and subsequent amendments to IFRS 9 and IFRS 7

(Implemented for the annual accounting periods commencing on or after 1st January 2018)

IFRS 9 replaces the provisions of IAS 39 relating to the classification and measurement of the financial assets and financial liabilities and also includes a model of incurred credit losses that is currently applicable. IFRS 9 relating to Hedge Accounting establishes an approach to hedge accounting that is based on principals and addresses inconsistencies and weaknesses in the current IAS 39 model. The Group is in the process of assessing the impact by IFRS 9 on its financial statements. IFRS 9 cannot be implemented earlier by the Group because it has not yet been adopted by the European Union.

IFRS 15 "Revenue from Contract with Customers"

(Implemented for the annual accounting periods commencing on or after 1st January 2017)

IFRS 15 was issued in May 2014. The purpose of the standard is to provide a uniform and comprehensive model for recognising revenue from contract with customers, in order to improve compatibility between companies in the same industry, different industries and different capital markets. It includes the principals that must be implemented by an economic entity in order to define the measurement of revenue and the time of its recognition. The basic principle is that an economic entity shall recognise the revenue in a manner that depicts the transfer of goods or services to customers at the amount that it expects to be entitled in exchange for those goods or services. The Group is in the process of assessing the impact by IFRS 15 on its financial statements. The standard has not yet been adopted by the European Union.

IFRS 14 Deferred Accounts of Regulated Values

(Implemented for the annual accounting periods commencing on or after 1st January 2016)

IASB has been planned to examine the broader value regulation issues and a discussion paper on this matter is planned for publication during 2014. Pending the outcome of the overall project on activities with regulated values, the IASB has decided to develop IFRS 14 as a temporary measure. IFRS 14 allows those who apply the , for a first time to continue recognising the amounts relating to pricing adjustments in accordance with the requirements of the previous framework of accounting principles when the IFRS are adopted. However, in order to enhance comparability with entities that already implemented the IFRS and do not recognise such amounts, the standard requires that the impact of the pricing adjustment is presented separately from other items. And economic entity that already presents financial statements in accordance with τα IFRS cannot implement this standard. The standard has not yet been adopted by the European Union

Annual improvements to IFRS 2010-2012

(Implemented for the annual accounting periods commencing on or after 1st February 2015)

The following amendments describe the most significant changes that have been made to seven IFRS as a consequence of the results to the 2010-12 cycle, in the annual improvements programme of the IASB.

- *IFRS 2 "Benefits that are dependent upon the value of the shares"*

The amendment clarifies the definition of "vesting conditions" and distinctly defines the "performance term" and the "service term".

- *IFRS 3 "Consolidated Enterprises"*

The amendment clarifies that the liability for the contingent consideration that fulfils the definition of a financial asset is classified as a financial liability or as an item at the net position on the basis of the definitions for IAS 32 "Financial Instruments: Presentation". It is also clarified that every financial and non-financial contingent consideration that is an item at the net position shall be measured at the fair value through the profit and loss results.

- *IFRS 8 "Operating sectors"*

The amendment requires the disclosure of the estimates by management in relation to the aggregate of the operating sectors.

- *IFRS 13 "Measuring fair value"*

The amendment clarifies that the standard does not preclude the possibility for measuring Current receivables and liabilities at the amounts in the invoices in the cases where the impact of discounting is insignificant.

- *IAS 16 "Tangible assets" and IAS 38 "Intangible assets"*

Both standards have been amended in order to clarify the manner in which the pre-depreciation accounting value of an asset and the accumulated depreciation are addressed when an economic entity observes the readjustment method.

- *IAS 24 "Disclosures by related parties"*

The standard was amended in order to include a Company that provides key management executive services to an economic entity as a related party or to the parent Company of the economic entity.

Annual improvements to IFRS 2011-2013

(Implemented for the annual accounting periods commencing on or after 1st January 2015)

The following amendments describe the most significant changes that have been introduced to three IFRS as a consequence of the results in the 2011-13 cycle of the annual improvements programme by the IASB.

- *IFRS 3 "Consolidated Enterprises"*

The amendment clarifies that IFRS 3 shall not be implemented when accounting for the structure of any whatsoever joint activity on the basis of IFRS 11 in the financial statements of the same joint activity.

- *IFRS 13 "Measuring fair value"*

The amendment clarifies that the exception provided by IFRS 13 for a portfolio of financial receivables and liabilities ('portfolio exception') shall be permitted to all the contracts (inclusive of the non-financial contracts) within the implementation field of IAS 39/IFRS 9.

- *IAS 40 "Investments in properties"*

The amendment was amended in order to clarify that IAS 40 and IFRS 3 are not mutually exclusive.

IFRS 10 and IAS 28 (Amendments) "Sale or contribution of assets between an investor and a related Company or joint venture"

<u>(Implemented for the annual accounting periods commencing on or after 1st January 2016)</u>

The amendments settle an inconsistency between the provisions of IFRS 10 and IAS 28 regarding the sale or contribution of assets between an investor and a related Company or joint venture. The main effect of the amendments is that the entire profit or loss in a transaction that includes an activity shall be recognised (in the form of a subsidiary company or otherwise). Partial profits or losses are recognised when the transaction includes assets that do not constitute an activity, even where the assets are in the form of a subsidiary company. The amendments have not yet been adopted by the European Union.

IFRS 10, IFRS 12 and IAS 28 (Amendments) "Investment Companies: Implementation of the exemption from the requirement to consolidate"

<u>(Implemented for the annual accounting periods commencing on or after 1st January 2016)</u>

The amendments clarify the implementation of exempting investment companies and their subsidiaries from the requirement to consolidate. The amendments have not yet been adopted by the European Union.

IFRS 11 (Amendment) "Joint agreements"

<u>(Implemented for the annual accounting periods commencing on or after 1st January 2016)</u>

This amendment requires that an investor implements the acquisition method when acquiring a participation in a joint activity, which constitutes a 'business'. The amendment has not yet been adopted by the European Union.

IAS 1 (Amendments) "Disclosures"

<u>(Implemented for the annual accounting periods commencing on or after 1st January 2016)</u>

The amendments clarify the guidelines in IAS 1 regarding the concepts of materiality and concentration, the presentation of subtotals, the structure of Financial Statements and the disclosure of accounting policies. The amendments have not yet been adopted by the European Union.

IAS 16 and IAS 38 (Amendments) "Clarification of the Permissible Depreciation Methods"

<u>(Implemented for the annual accounting periods commencing on or after 1st January 2016)</u>

This amendment clarifies that the use of revenue based methods are not suitable for calculating the depreciation in an asset and it also clarifies that the revenue is not considered a suitable basis for measuring the consumption of economic benefits that are embodied in an intangible asset. These amendments have not yet been adopted by the European Union.

IAS 19 Revised (Amendment) "Benefits to the Employees"

<u>(Implemented for the annual accounting periods commencing on or after 1st February 2015)</u>

The limited purpose amendment is applied to contributions by employees or third parties to specific benefits programs and simplifies the accounting treatment of contributions where they are independent of the number of years that service has been provided, for example, employee contributions that are based upon a fixed percentage of the salary.

IAS 16 and IAS 41 (Amendments) "Agriculture: Permanent crops"

(Implemented for the annual accounting periods commencing on or after 1st January 2016)

These amendments alter the financial reporting of permanent crops, such as grapevines and fruit trees. Permanent crops must be accounted in the same manner as self-constructed tangible assets. Consequently, the amendments place the permanent crops within the implementation field of IAS 16, instead of IAS 41. Production that is being developed in permanent crops remains within the implementation field of IAS 41. The amendments have not yet been adopted by the European Union.

IAS 27 (Amendment) "Separate Financial Statements"

(Implemented for the annual accounting periods commencing on or after 1st January 2016)

This amendment allows economic entities to use the net position method in order to account for investments in subsidiaries, joint ventures and related enterprises in their individual financial statements and it also clarifies the definition of individual Financial Statements. The amendment has not yet been adopted by the European Union.

Annual improvements to IFRS 2012-2014

(Implemented for the annual accounting periods commencing on or after 1st January 2016)

The amendments that are set out below describe the main changes to the four IFRS. The amendments have not yet been adopted by the European Union.

- *IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations"*

The amendment clarifies that an asset (or a group of assets) is reclassified from "retained the sale" to "retained for distribution" or vice versa, which does not constitute a change in the plan to sell or distribute and should not be accounted as a change.

- *IFRS 7 "Financial Instruments: Disclosures"*

The amendment adds specific guidelines in order to assist management in determining whether the terms in an agreement for servicing a financial asset that has been transferred constitutes a continual involvement and clarifies that the additional disclosures required on the basis of the amendments to IFRS 7 "Disclosures – Offsetting financial assets and liabilities" are not required for all the interim periods, unless they are required by IAS 34.

- *IAS 19 "Benefits to the Employees"*

The amendment clarifies that when the discounted interest rate is determined for employee benefit liabilities upon retirement from service, the significant factor is the currency in which the liabilities are presented and not the country in which they arise.

- *IAS 34 "Interim financial report"*

The amendment clarifies the meaning of "information that is disclosed elsewhere in the interim financial report" that refers to the standard.

Notes in relation to the accounting principles that the Group has adopted:

The accounting principles that were used for preparing and presenting the annual Financial Statements are consistent with those that were used for preparing all the Financial Statements for the Companies in the Group for the period that ended on 31st December 2014, in accordance with IFRS.

The annual and interim consolidated financial statements must be taken into account in conjunction with the annual and periodic consolidated financial statements as at 31/12/2005 that have been prepared in accordance with IFRS, since this manner provides the user with comprehensive information.

There are no significant changes to the accounting principles that were observed in relation to those that were used for preparing the consolidated Financial Statements as at 31/12/2014, in accordance with IFRS

Consolidated annual financial statements

The Annual Financial Statements for LOULIS GROUP include the Annual Financial Statements for the subsidiary Companies LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) LTD, and the sub-subsidiary Companies LAFCO LEADER ASIAN FOOD COMPANY LTD and GRINCO HOLDINGS LTD.

It was decided on 8th February 2013 to suspend the operations and to liquidate the sub-subsidiary company LOULIS MEL BULGARIA E.A.D. The Company was fully consolidated in accordance with IAS 10 for the Year that ended on 31/12/2013. The sub-subsidiary company LOULIS MEL BULGARIA E.A.D. was liquidated on 21st December 2014, which did not constitute a significant activity by the Group within the meaning of paragraph 32 in IFRS 5 and was accordingly not presented as discontinued operations.

3. Accounting Principles Implemented

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), which include the International Accounting Standards (IAS) and the interpretations that have been issued by the Interpretations Committee of International Financial Reporting Standards, as these have been adopted by the European Union, as well as the IFRS that have been issued by the International Accounting Standards Board (IASB).

These financial statements have been prepared in accordance with the IFRS as these have been issued by the IASB and adopted by the EU.

3.1 Companies that are consolidated and their consolidation method

The companies in the Group with their respective addresses and participation rates that are included in the annual consolidated financial statements are:

Corporate name	Registered offices	% Participation by Parent Company	Relationship that dictated consolidation	Consolidation Method	Years Not Audited
LOULIS MILLS SA	Sourpi, Magnesia	-	Parent Company	-	1
LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA Ltd.	Lefkosia, Cyprus	100 %	Direct	Complete	7
LAFCO LEADER ASIAN FOOD COMPANY Ltd.	Lefkosia, Cyprus	40 %	Indirect	Complete	1
GRINCO HOLDINGS Ltd.	Lefkosia, Cyprus	24 %	Indirect	Complete	1

Since July 2014 LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA Ltd. Company in the Group has participated with a 40 % share in the Share Capital of the LAFCO LEADER ASIAN FOOD COMPANY Ltd Company, and the latter participated with a 60 % share in the Share Capital of the GRINCO HOLDINGS Ltd Company. The aim of the GRINCO HOLDINGS Ltd. Company is to firstly explore investment opportunities for the Group in India and to construct a factory in India during the second phase. The Group fully consolidated both Companies since it has full control over the decisions by Management.

* In relation to the 2011, 2012 and 2013 Years, the Company has been audited by the Auditor – Chartered Accountant in accordance with the provisions in paragraph 5 under article 82 pursuant to Law 2238/1994. The audit has been completed for all three Years and a Certificate of Taxation Compliance with an "unqualified" opinion has been issued.

* In relation to the Year 2014, the taxation audit by the Auditors – Chartered Accountants in accordance with article 65^{A} pursuant to Law 4174/2013 is in progress and it is expected that the relevant taxation certificate shall be issued after the publication of the Year 2014 Financial Statements. In the event where additional taxation liabilities arise after the completion of the taxation audit, we have assessed that these shall not have a material impact upon the financial statements.

3.2 Subsidiaries Companies

Subsidiaries companies are all the economic entities over which the Group has the authority to determine the financial and operational policies, by directly or indirectly holding more than one half of their voting rights.

The subsidiaries are fully consolidated from the date upon which their control is transferred to the Group and cease to be consolidated from the date upon which that control ceases. The purchase method of accounting is used for accounting the acquisition of subsidiaries. The cost of an acquisition is calculated as the sum of the current value upon the transaction date for the assets that are offered, the shares that are issued and the existing or undertaken liabilities plus any whatsoever costs that are directly related to the acquisition.

The acquired assets, liabilities and contingent liabilities are initially calculated at their current value upon the cost acquisition date and the current value for the net value of the subsidiary that was acquired is recorded as good will.

The intragroup transactions, the account balances and the profits realised that arose from transactions between the companies in the Group are eliminated. The losses realised are eliminated but are taken into consideration as an impairment indicator for the asset that was transferred.

3.3 Revenue Recognition

The revenue is comprised of the invoice value for providing services that are offered by the Company and trading, net prior to the value added taxes (VAT), discounts and returns. The Company's revenue is recognised as follows:

(a) Sales of merchandise
The sales of merchandise are recognised when significant risks and benefits of ownership in the goods have been transferred to the customer. This usually occurs when the Company has sold or delivered the goods to the customer, the customer has accepted the goods and the payment of the relevant receivable amounts is reasonably assured.

(b) Provision of services
The provision of services is recognised in the accounting period that the services are offered with reference to completing the specific transaction, which is assessed on the basis of the services that were provided as a proportion of the total services that shall be provided.

(c) Credit Interest
Credit Interest is recognised on a time proportion basis by using the actual interest rate method.

(d) Revenue from rights
The revenue from rights is recognised in accordance with the accrual basis principal according to the substance of the relevant rights agreements.

(e) Revenue from dividends
The Revenue from dividends is recognised when the Company's right to collect is proven.

3.4 Dividends Receivable

The dividends are entered into the financial statements for that Year when the recommendation for distribution by Management is formulated.

3.5 Foreign Currency Conversion

(1) Operating currency and reporting currency
The financial statements of the subsidiary Companies in the Group are depicted in the local currency in the country where they are operating. The consolidated financial statements are depicted in Euros, which is the operating currency and reporting currency for the Company and the Group.
(2) Transactions and balances
Transactions in foreign currency are entered on the basis of the exchange rates prevailing upon the transaction date. Foreign exchange profits and losses resulting from the settlement of such cash that are denoted in foreign currencies are recognised in the Year profit and loss account statement.

(3) Companies in the Group
The operating results and the net position of all the Companies in the Group (excluding those companies operating in hyper inflationary economies), which have an operating currency that is different to the reporting currency of the Group, are converted into the reporting currency of the Group as follows:

- The assets and liabilities are converted in accordance with the exchange rates that are prevailing upon the closing date of the Balance Sheet.
- The revenue and Expenses in the Year results statement for every Company are converted in accordance with the average exchange rates that are applicable from the commencement of the Year until the closing date of the Balance Sheet.
- All of the foreign exchange differences arising from the hereinabove are entered into a separate account in the equity capital.

3.6 Property, Plant and Equipment

The property and the buildings that mainly consist of the industrial sites are presented at the fair value on the basis of valuation is conducted by external independent valuers less any subsequent depreciation.

The depreciation is calculated with the use of the straight line method, in order to allocate the cost or the re-valued amount of every asset over its estimated useful life.

The useful economic lives are as follows:

	years
Buildings	25-40
Facilities and machinery	20-35
Transportation Vehicles	5–8
Furniture, fixtures and office equipment	1-5

The residual values and useful lives are reviewed and adjusted on every Balance Sheet date, where this is considered necessary.

Expenses for repairs and maintenance to the fixed assets are charged to the income account statement in the period incurred. The cost of major renovations and other subsequent Expenses is included in the value of the fixed asset when it is probable that future financial benefits shall arise for the Group that are higher than originally expected in accordance with the initial performance by the fixed asset. Major renovations are depreciated during the remaining useful life of the relevant fixed asset.

Profits and losses from the disposal of assets are determined by comparing the revenue with the accounting value and included in the income account statement.

3.7 Investment Properties

The investment Properties are intended for generating rental revenue or profits from their resale. The properties that are developed for the operating activities of the group are not considered to be investment properties but operating properties. This is also the criterion for distinction between investment and operating properties.

The investment Properties as Non-Current assets are depicted at the fair value that is internally determined on an annual basis, which is based upon similar transactions that have taken place during the preparation date of the Balance Sheet. Any changes in the fair value that represents the free market price are entered under the other operating revenue in the income statement.

3.8 Goodwill

The goodwill represents the cost of acquiring a business that is compared to the fair value of the share that is acquired by the Group in the net identifiable items of the acquired subsidiary company that was acquired upon the acquisition date.

3.9 Impairment of the Assets Value

Non-current and current assets and intangible assets are assessed for losses arising from impairment to their value, when events or changes in circumstances indicate that the accounting value may not be recoverable. Losses from impairment in the value are recognised for the amount that the accounting value of the asset exceeds the recoverable amount. The recoverable amount is the higher amount between the fair value less the selling costs of the asset and the value due to use.

3.10 Inventories

The inventories are valued at the lower price between the cost price and the net realisable value. The cost price is determined by using the weighted average method. The cost price of finished products and semi processed inventories includes raw materials, direct labour costs, as well as direct Expenses and other Expenses related to the production excluding the borrowing costs. The net realisable value is the calculated sales price during the ordinary course of business less the estimated Expenses that is necessary for concluding the sale.

3.11 Provisions

Provisions are recognised when the Group has a current legal or documented obligation arising from past events and it is sprawled that there will be an outflow of assets to settle this obligation and the amount of the obligation may be reasonably estimated.

3.12 Deferred Taxation

Full provision is made for Deferred Taxation on temporary differences between the value of the assets and liabilities for taxation purposes and their accounting value, on the basis of the applicable taxation rates. Any debit balances from temporary deductible differences are only recognised to the extent that sufficient taxable profits are expected to be completed in the future.

3.13 Borrowing

Borrowings are recognised at the initial amount provided after deducting the financial costs. Any whatsoever different between the payments and the redemption value is recognised in the income statement during the loan by using the actual interest rate method.
The Loan Liabilities of the Group (Non-Current and Current Loan Liabilities) are analysed below, as they have been formulated up to and including 31.12.2014.

	LOULIS MILLS SA
Borrowings from Banks	€ 35,277,381

Analysed as follows:

a. Company

	31/12/2014	**31/12/2013**
LOULIS MILLS Debenture Loans	14,500,000	20,750,000
Less: Current Instalments	(5,000,000)	(5,000,000)
Balance of Non-Current borrowings	**9,500,000**	**15,750,000**

Debenture Loans with a Balance of € **14,500,000** that must be repaid in annual instalments are as follows:

During 2015 € 5,000,000
During 2016 € 9,500,000

Current Company Loans (without the Current instalments for Debenture Loans) at 31/12/2014: **€ 20,777,381** as opposed to **€ 8,901,505** at 31/12/2013**.**

Other Non-Current Liabilities (Tax Audit results) with a Balance of € **105,893** that must be paid in annual instalments are as follows:

During 2016: € 105,893

3.14 Cash and cash equivalents

For the purposes of the cash flow statement, the cash and cash equivalents are comprised of cash on hand and deposits at the bank less bank overdrafts. The bank overdrafts in the Balance Sheet are included under the Current Liabilities borrowings.

3.15 Financial Risk

a) Foreign Exchange Risk

The transactions in foreign currency are converted at the foreign exchange rate applicable upon the transaction date. The currency assets and liabilities in foreign currency are converted into Euros at the foreign exchange rate applicable upon the Balance Sheet. Profits and losses from Foreign Currency Differences arising from the conversion of currency assets that are expressed in a foreign currency during the period and upon the Balance Sheet date with respect to the prevailing currency rates are entered into the income statement.

b) Credit Risk

The Company has instituted and implemented quality control procedures for the purpose of minimising the risks. Sales are made to customers with an assessed sales history and they are spread over a large number of small customers and accordingly the credit risk is deemed to be low.

c) Interest Rate Fluctuation Risk

The Group does not hold any significant interest-bearing assets and is consequently not subject to the risk of changes in the interest rates. A limited risk from the change in the interest rates is primarily arises from Non-Current and Current loans.
The ratio of fixed to floating interest rates in the net borrowings by the Group is formulated in accordance with the market conditions, strategy and funding requirements of the Group.
The impacts on the operating Year results from fluctuations in the interest rates and on the cash flow of the Group's operating activities are limited, as this also appears from the following sensitivity analysis:

Sensitivity Analysis on Interest Rate Changes

	Variation of interest rates	Effect on the Company's pre-Tax Profits in €	Effect on the Group's pre-Tax Profits in €
Year amounts 2014	1.00 %	-352,774	-352,774
	-1.00 %	352,774	352,774
Year amounts 2013	1.00 %	-296,515	-296,515
	-1.00 %	296,515	296,515

The interest rate trends and the duration of the funding requirements are monitored through the Budget and consequently, the decisions relating to the term, as well as the relation between fixed and fluctuating interest rates, are separately assessed in every case.

3.15 Financial Instruments

	GROUP		ETAIPEIA	
Non-current Assets	**31.12.2014**	**31.12.2013**	**31.12.2014**	**31.12.2013**
Non-Current Assets	101,084,136	103,822,073	101,084,136	103,822,073
Other Non-Current Receivables	305,127	184,005	305,127	184,005
Total	**101,389,263**	**104,006,078**	**101,389,263**	**104,006,078**
Current Assets				
Inventories	22,144,690	18,936,310	22,144,690	18,936,310
Trade Receivables	31,949,837	26,921,866	31,949,837	26,921,866
Cash and Cash Equivalents	2,066,486	1,065,399	1,542,071	792,833
Derivative Financial Assets	161,560	0	161,560	0
Other Current Assets	6,414,123	5,935,154	3,879,260	3,109,034
Total	**62,736,696**	**52,858,729**	**59,677,418**	**49,760,043**
Non-Current Liabilities				
Loans and Borrowings	9,500,000	15,750,000	9,500,000	15,750,000
Provisions & Other Non-Current Liabilities	17,292,600	18,657,936	18,975,600	20,340,936
Total	**26,792,600**	**34,407,936**	**28,475,600**	**36,090,936**
Current Liabilities				
Trade Payables	8,748,910	11,487,556	8,748,910	11,479,377
Loans and Borrowings	25,777,381	13,901,505	25,777,381	13,901,505
Other Current Liabilities	12,514,724	10,168,738	12,324,064	10,098,030
Total	**47,041,015**	**35,557,799**	**46,850,355**	**35,478,912**

3.16. Determination of Fair Values

In relation to the Non-current Assets and specifically the Fixed Assets (IAS 16), the Company periodically audits their fair value with the assistance of independent valuers and on the basis of recognised methods. Furthermore, due to the nature of the Company's fixed assets, their nature does not intensely vary from Year to Year. The Company carried out an audit of the value of its assets for the 2012 Year.

The Company's Financial Instruments that are Receivables from Customers and Current Liabilities are due within one year and their accounting value may accordingly be also considered to be fair. In relation to the Non-Current Loans, the weighted average cost of the Company's capital is very close to the loan interest rate, whereby the accounting value of the item is very close to the fair value.
The financial Receivables are rights in respect of future performance contracts by French soft wheat that are negotiated on the NYSE Liffe Paris market. The specific Financial Instruments are used for hedging the fair value of the Company's inventories (fair value hedge).

	Valuation Price 31.12.2014	Accumulated Adjustments at the Fair Value
Right (Option) Maturing in *May 2014*	0.00	33,000.00
Right (Option) Maturing in *November 2014*	0.00	-35,400.00
Right (Option) Maturing in *November 2014*	0.00	-3.900.00
Right (Option) Maturing in *March 2015*	22.33	50,520.00
Right (Option) Maturing in *March 2015*	18.06	49,040.00
Right (Option) Maturing in *March 2015*	0.00	-3,200.00
Right (Option) Maturing in *March 2015*	0.00	1,650.00
Futures Contract Performance (Future) in *January 2015*	0.00	17,000.00
Hedged Balance Sheet Item (Inventories)		105,000.00

	Hedging Effectiveness
Hedging Index	104 %

The Group and the Company use the following hierarchy for determining and disclosing the fair value of the receivables and liabilities by valuation method:
Level 1: on the prices are negotiable (not adjusted) prices on active markets for similar assets or liabilities.

Level 2: On the basis of valuation techniques where all the data with a significant impact upon the fair value is directly or indirectly visible, whilst also including the techniques for valuation with negotiable prices on less active markets for the same or similar assets or liabilities.
Level 3: On the basis of the valuation techniques that use data with a significant impact upon the fear value that is not based upon evident market data.

The following Table depicts the hierarchy of the fair value for the Group's and the Company's assets.

	Group		Company		
	2014	2013	2014	2013	Fair Value Hierarchy
Land – Properties	15,981,531	15,981,531	15,981,531	15,981,531	Level 2
Buildings	53,991,825	55,675,831	53,991,825	55,675,831	Level 2
Investment Properties	197,268	197,268	197,268	197,268	Level 2
Derivative Financial Assets	161,560	0	161,560	0	Level 2

There were no transfers between the hierarchy levels during the Year.

The following methods and assumptions were used for assessing the fair values:

The fair values for the Land – Properties, Buildings and Investment Properties at level 2 are quantified for the Group and Company by independent valuers in combination with the valuation methods: a) Comparative Data or Real Estate Market (Comparative Method); b) Development (Residual Approach); and c) Depreciated Replacement Cost.
The financial Receivables at level 2 are rights in respect of future performance contract for soft French wheat that are negotiated on the NYSE Liffe Paris market. The specific Financial Instruments are used for hedging the fair value of the Company's inventories (fair value hedge).
The Group and the Company employ different methods and assumptions that are based on the prevailing market conditions on the date of preparing the Financial Statements.

3.17 Comparative information

Wherever it is necessary, the comparative amounts have been adjusted to conform to changes in the presentation of the current Year.

4. Existing Collateral Encumbrances

Mortgages and pre-notations have been registered in respect of the parent Company's fixed assets as at 31.12.2014 for the total sum of € 38 million to secure debenture loans valued at € 14.5 million.

5. Litigious or under arbitration differences

There are no differences with administrative bodies being arbitrated that are expected to have a significant impact upon the Company's financial condition. There are pending court cases whose outcome is not expected to have a significant impact upon the Company's financial condition.

6. Number of Employed Personnel

The Number of Personnel Employed at the end of the current Year 31.12.2014: Group 220, Company 220, as opposed to 213 by the Group and 213 by the Company for the previous period.

7. Transactions with parties related to the Company (IAS. 24)

The cumulative amounts for sales and purchases from the commencement of the administrative Year and the balances of the Company's receivables and liabilities at the end of the current Year that have arisen from its transactions with parties related to it within the meaning of IAS 24, are as follows :

	THE GROUP	THE COMPANY
a) Revenue	0	0
b) Expenses	0	0
c) Receivables	0	0
d) Liabilities	0	1,683,000
e) Remuneration for senior executives and members of management	591,866	591,866
f) Receivables from senior executives and members of management	1,418	1,418
g) Liabilities to senior executives and members of management	0	0

8. Earnings per Share

The calculations of the basic profits per share on 31st December 2014 and 2013 are as follows:

	Group		Company	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Profits/ (Loss) Attributable to the Owners of the Parent	3,360,501	(3,635,494)	3,503,434	(3,729,391)
Weighted average number of shares in circulation (less the weighted average number of Own Shares)	17,125,062	15,498,571	17,125,062	15,498,571
Basic Profit / (Loss) per share	**0.1962**	**(0.2346)**	**0.2046**	**(0.2406)**

9. Capital Expenses

The investments by the Group and the Company in fixed assets amount to € 1,177 thousand for the Year 2014.

10. Contingent Liabilities – Receivables

There are no significant Contingent Liabilities requiring disclosures in the Annual Financial Statements. A resolution was issued in September 2011 by the Ministry for Economics, Competition and Shipping for subjecting a series of investments in the industrial facility at Sourpi under Development Law 3299/2004. The Company has already completed the investment, but due to the pending completion of the audit by the Administrator, a claim may be generated by the state in the future.

11. Years Not Audited

The non-audited Years for the LOULIS GROUP of Companies are:

LOULIS MILLS: 1 non-audited Year: 2014
LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD: 7 non-audited Years: 2008, 2009, 2010, 2011, 2012, 2013, and 2014
LAFCO LEADER ASIAN FOOD COMPANY Ltd: 1 non-audited Year: 2014
GRINCO HOLDINGS Ltd: 1 non-audited Year: 2014

The taxation audit by the Auditors – Chartered Accountants in respect of the 2013 Year was completed during 2014, which is required by the provisions under article 82 and paragraph 5, pursuant to Law 2238/1994 and a "Taxation Compliance Report" was issued with a "Conclusion without reservations".

The taxation audit by the Auditors – Chartered Accountants in respect of the Year 2014, in accordance with article 65A pursuant to Law 4174/2013, is in progress and it is expected that the relevant taxation certificate shall be issued after the publication of the Financial Statements for the Year 2014. In the event where additional

Taxation Liabilities result after the taxation audit is completed, we have assessed that these shall not materially impact upon the financial statements.

12. Board of Directors Remuneration

The total remuneration that was paid during the Year 2014 to the LOULIS MILLS SA members of the Board of Directors is: € 122,409.70 and € 100,000 in respect of the attendance Expenses by the members of the Board of Directors, in accordance with the resolution by the Regular General Meeting on 26th June 2014.

7. ANALYSIS OF THE COMPANY'S – GROUP'S FINANCIAL STATEMENTS

1. Property, Plant and Equipment

A table is presented herein below with the changes in the tangible assets for the Company and the Group during the Year commencing on 01.01.2014 and ending on 31.12.2014:

Company

	LAND - PROPERTIES	BUILDINGS	INVESTMENT PROPERTY	MACHINERY	TRANSPORTATION VEHICLES	FURNITURE & OTHER EQUIPMENT	ASSETS UNDER CONSTRUCTION	TOTAL
Inventory 1.1.2013	**15,981,531**	**72,629,814**	**197,268**	**42,659,361**	**1,408,749**	**4,057,223**	**70,920**	**137,004,866**
Adjustments	0	0	0	0	0	0	0	**0**
Additions	0	501,244	0	161,268	38,070	57,023	16,900	**774,505**
Reductions	0	(1,400,906)	0	(38,886)	(51,149)	(12,539)	0	**(1,503,480)**
Balance 31.12.2013	**15,981,531**	**71,730,152**	**197,268**	**42,781,743**	**1,395,670**	**4,101,707**	**87,820**	**136,275,891**
Accumulated Depreciation								
Inventory 1.1.2013	**0**	**(14,048,942)**	**0**	**(10,887,803)**	**(1,049,949)**	**(2,938,921)**	**0**	**(28,925,615)**
Additions	0	(2,005,379)	0	(1,402,200)	(170,797)	(265,965)	0	**(3,844,341)**
Reductions	0	0	0	7,192	33,873	11,305	0	**52,370**
Balance 31.12.2013	**0**	**(16,054,321)**	**0**	**(12,282,811)**	**(1,186,873)**	**(3,193,581)**	**0**	**(32,717,586)**
Un-depreciated Value 01.01.2013	**15,981,531**	**58,580,872**	**197,268**	**31,771,558**	**358,800**	**1,118,302**	**70,920**	**108,079,251**
Un-depreciated Value 31.12.2013	**15,981,531**	**55,675,831**	**197,268**	**30,498,932**	**208,797**	**908,126**	**87,820**	**103,558,305**
Inventory 1.1.2014	**15,981,531**	**71,730,152**	**197,268**	**42,781,743**	**1,395,670**	**4,101,707**	**87,820**	**136,275,891**
Adjustments	0	0	0	0	0	0	0	**0**
Additions	0	333,336	0	423,601	40,380	128,526	419,009	**1,344,852**
Reductions	0	0	0	(4,946)	(71,453)	(485,830)	(190,653)	**(752,882)**
Balance 31.12.2014	**15,981,531**	**72,063,488**	**197,268**	**43,200,398**	**1,364,597**	**3,744,403**	**316,176**	**136,867,861**
Accumulated Depreciation								
Inventory 1.1.2014	**0**	**(16,054,321)**	**0**	**(12,282,811)**	**(1,186,873)**	**(3,193,581)**	**0**	**(32,717,586)**
Additions	0	(2,017,342)	0	(1,507,084)	(73,236)	(239,358)	0	**(3,837,020)**
Reductions	0	0	0	1,621	52,676	474,860	0	**529,157**
Balance 31.12.2014	**0**	**(18,071,663)**	**0**	**(13,788,274)**	**(1,207,433)**	**(2,958,079)**	**0**	**(36,025,449)**
Un-depreciated Value 01.01.2014	**15,981,531**	**55,675,831**	**197,268**	**30,498,932**	**208,797**	**908,126**	**87,820**	**103,558,305**
Un-depreciated Value 31.12.2014	**15,981,531**	**53,991,825**	**197,268**	**29,412,124**	**157,164**	**786,324**	**316,176**	**100,842,412**

2. Other Intangible Assets

Are analysed below as follows:

	Group		Company	
	2014	**2013**	**2014**	**2013**
SOFTWARE	235,505	256,975	235,505	256,975
TRADEMARKS	6,219	6,793	6,219	6,793
Totals	**241,724**	**263,768**	**241,724**	**263,768**

3. Investments in subsidiaries

An analysis of the investments in presented below by the parent Company LOULIS MILLS SA in subsidiary companies.

	PERCENTAGE
PARTICIPATION IN L.I.F.E. (BULGARIA) LTD.	100.00 %

4. Other Non-Current Receivables

Analysed as follows:

	Group		Company	
	2014	2013	2014	2013
Other Non-Current Receivables	305,127	184,005	305,127	184,005
TOTAL	**305,127**	**184,005**	**305,127**	**184,005**

5. Inventories

An analysis of the Inventories account by country is presented in the following tables.

2014	LOULIS MILLS SA	GROUP
Merchandise	201,445	201,445
Ready and incomplete products	3,432,680	3,432,680
Raw & auxiliary materials, packaging materials	18,510,565	18,510,565
TOTAL	**22,144,690**	**22,144,690**

2013	LOULIS MILLS SA	GROUP
Merchandise	223,791	223,791
Ready and incomplete products	3,022,200	3,022,200
Raw & auxiliary materials, packaging materials	15,690,319	15,690,319
TOTAL	**18,936,310**	**18,936,310**

6. Trade Receivables

Analysed as follows:

	Group		Company	
	2014	2013	2014	2013
Customers / Other Trade Receivables	20,749,328	18,405,454	20,749,328	18,405,454
Less: Provisions	(1,841,059)	(1,336,162)	(1,841,059)	(1,336,162)
Receivable Promissory Notes	688,155	319,000	688,155	319,000
Delayed Promissory Notes	68,891	57,391	68,891	57,391
Cheques Receivable	9,244,709	5,984,444	9,244,709	5,984,444
Cheques Delayed	5,364,113	5,960,816	5,364,113	5,960,816
Less: Provisions	(2,324,300)	(2,490,565)	(2,324,300)	(2,490,565)
Current Receivables against related enterprises	0	21,488	0	21,488
Totals	**31,949,837**	**26,921,866**	**31,949,837**	**26,921,866**

7. Cash & Cash Equivalents

The following two tables analyse the Group's available cash by country.

2014	LOULIS MILLS	BULGARIA	AVAILABLE CASH FROM SUSPENDED ACTIVITIES	GROUP
Cashier	40,494	200,000	0	240,494
At call and term deposits	1,501,577	287,481	36,934	1,825,992
TOTAL	**1,542,071**	**487,481**	**36,934**	**2,066,486**

2013	LOULIS MILLS	BULGARIA	AVAILABLE CASH FROM SUSPENDED ACTIVITIES	GROUP
Cashier	121,817	209,502	0	331,319
At call and term deposits	671,016	26,130	36,934	734,080
TOTAL	**792,833**	**235,632**	**36,934**	**1,065,399**

8. Other Current Assets

Analysed as follows:

	Group		**Company**	
	2014	**2013**	**2014**	**2013**
Sundry Debtors	7,140,582	6,874,667	4,805,776	4,090,388
Less: Provisions	(1,075,453)	(1,189,786)	(1,075,453)	(1,189,786)
Receivables From the State	42,620	41,841	0	0
Financial Receivables	161,560	0	161,560	0
Deposit & Credit Management Accounts	29,572	36,743	28,972	36,743
Expenses for Subsequent Years	121,037	171,689	119,965	171,689
Accrued Year Expenses	155,765	0	0	0
Totals:	**6,575,683**	**5,935,154**	**4,040,820**	**3,109,034**

9. Share Capital

The following table analyses the Share Capital by country.

GROUP	SHARE CAPITAL	SHARE CAPITAL
	2014	2013
BULGARIA	1,637,540	1,637,540
LOULIS MILLS SA	16,097,558	10,960,040

10. Share Premium Reserves

The following table depicts an analysis of the Share premium reserves account.

GROUP	SHARE PREMIUM RESERVES	SHARE PREMIUM RESERVES
	2014	2013
BULGARIA	1,850,971	1,850,971
LOULIS MILLS SA	38,061,004	38,520,304
TOTAL	**39,911,975**	**40,371,275**
Consolidation Records	-1,850,971	-1,850,971
GROUP	**38,061,004**	**38,520,304**

11. Other Reserves

Analysed as follows:

	Group		Company	
	2014	2013	2014	2013
Reserve from the Revaluation of Assets	4,365,525	4,365,525	4,365,525	4,365,525
Statutory Reserves	1,288,473	1,478,764	1,288,473	1,478,764
Extraordinary Reserves	103,990	103,990	103,990	103,990
Tax Free Reserves	3,258,580	7,726,649	3,208,286	7,676,355
Reserves from Foreign Exchange Differences	3,482,806	3,482,806	0	0
Other Reserves	7,765,140	7,784,997	6,513,936	6,533,794
Profits / Losses for the Year after Taxes	15,877,517	12,475,997	16,338,385	12,793,932
Minority Rights	(8,249)	0	0	0
Totals:	**36,133,782**	**37,418,728**	**31,818,595**	**32,952,360**

12. Consolidation Foreign Currency Differences

	2014	2013
BULGARIA Group	1,937,343	1,937,343

13. Non-Current Loan Liabilities

Analysed as follows:

a. Company

	2014	2013
LOULIS MILLS Debenture Loans	14,500,000	20,750,000
Less: Current Instalments	(5,000,000)	(5,000,000)
Balance of Non-Current borrowings	**9,500,000**	**15,750,000**

Debenture Loans with a Balance of € **14,500,000** that must be repaid in annual instalments are as follows:

During 2015 € 5,000,000
During 2016 € 9,500,000

14. Deferred Tax

The following table analyses the Deferred Taxation resulting from the implementation of the International Accounting Standards.

	Group	Company
Balance at the Commencement of the Deferred Liability for 2013	**9,496,118**	**9,496,118**
Tax Liability Deferred from Fixed Assets	2,854,879	2,854,879
Tax Liability Deferred from Inventories	18,000	18,000
Tax Liability Deferred from Provisions	0	0
Reversal of Deferred Tax Liability	0	0
Balance at the End of the Deferred Liability for 2013	**12,368,997**	**12,368,997**
Balance at the Commencement of the Deferred Liability for 2014	**12,368,997**	**12,368,997**
Tax Liability Deferred from Fixed Assets	24,879	24,879
Tax Liability Deferred from Inventories	0	0
Tax Liability Deferred from Provisions	0	0
Reversal of Deferred Tax Liability	0	0
Balance at the End of the Deferred Liability for 2014	**12,393,876**	**12,393,876**

15. Other Non-Current Liabilities / Risk Management

Credit Risk

The Company does not have a significant concentration of credit risk towards the contracting parties, which is mainly due to the large dispersal of the client list. The Report on credit risks is monitored and evaluated on a continual basis by the organised credit control department, so that the credit provided does not exceed the designated limit. The Company simultaneously holds a credit insurance policy with an insurance Company (ATRADIUS), which insures 80 % of the receivables. In relation to the 20 % balance of the receivables and for any whatsoever claim in excess of 360 days, the Company has created a provision of € 5.2 million.

The insurance policy is non-negotiable and non-transferable, whereby the Company cannot enter into any actions for its pledging or sale.

Interest Rate Risk and Foreign Exchange Risk

The Company's bank borrowings are predominantly in Euros in Greece and in the local foreign currencies, whereby they are subject to fluctuating interest rates. The Company does not use derivatives in financial products in order to reduce its exposure to the risk of interest rate variations upon the date of preparing the Balance Sheet. The Company's management believes that there are no significant risks from a potential change in the interest rates or from a change in the foreign exchange rates.

Liquidity risk (financial risk)

The Company is not experiencing any difficulties in servicing its liabilities, which stems from: a) its good cash flow; b) its high creditworthiness with banking organisations; and c) its financial assets, whose value depicted in the financial statements does not deviate from their fair value.

Other Non-Current Liabilities

	Group		Company	
	2014	**2013**	**2014**	**2013**
Other Provisions	0	90,562	0	90,562
Non-Current Taxation Liabilities	105,893	1,054,526	105,893	1,054,526
Subsidies for Fixed Assets	4,155,413	4,357,241	4,155,413	4,357,241
Non-Current Liabilities against Related Enterprises	0	0	1,683,000	1,683,000
Totals	**4,261,306**	**5,502,329**	**5,944,306**	**7,185,329**

Non-Current Tax Liabilities with a Balance of € **105,893** that must be repaid in annual instalments are as follows:

During 2016: € 105,893

16. Employee Benefit Liabilities

Defined Pension Benefit Plans	2014	2013
Current Employment Costs	43,711	61,378
Interest Costs	26,745	30,741
Settlement / Curtailment Impact	84,453	105,807
Previous Service Cost due to Amendments	0	(154,249)
Compensation Paid	(140,756)	(196,341)
TOTAL	**14,153**	**(152,664)**
Unrecorded Actuarial (Profits)/ Losses	(163,344)	60,959
Total Included in the Statement of Comprehensive Income Expenses	**(149,191)**	**(91,705)**
Current Liability Value		
Current Value of Defined Benefit Commitment	637,418	786,610
Reasonable Value of Plan's Assets	0	0
Balance Sheet Liability	**637,418**	**786,610**
Statement of Recognised Profits / Losses		
Accumulated Actuarial Profits / Losses for previous Years	344,430	283,471
Actuarial Profits / Losses for the period	(163,344)	60,959
Accumulated Actuarial Profits / Losses	**181,086**	**344,430**

The Company implements revised IAS 19, as it is in force after 1/1/2013 with retrospective effect from 31/12/2011 in accordance with the provisions of IAS 8.

17. Trade Liabilities

The following two tables depict the manner in which the amount under the Suppliers and other Liabilities account by group resulted for 2014 and 2013.

2014	LOULIS MILLS SA	BULGARIA	GROUP
Suppliers (third parties)	8,188,822	0	8,188,822
Cheques payable (Post-dated)	0	0	0
Customer Deposits	560,088	0	560,088
Totals	**8,748,910**	**0**	**8,748,910**

2013	LOULIS MILLS SA	BULGARIA	GROUP
Suppliers (third parties)	10,818,930	8,179	10,827,109
Cheques payable (Post-dated)	0	0	0
Customer Deposits	660,447	0	660,447
Totals	**11,479,377**	**8,179**	**11,487,556**

18. Current Loans and Borrowings

	Group 2014	Group 2013	Company 2014	Company 2013
Current Loans	20,777,381	8,901,505	20,777,381	8,901,505
Non-Current Loans – payable in the Next Year	5,000,000	5,000,000	5,000,000	5,000,000
Totals	**25,777,381**	**13,901,505**	**25,777,381**	**13,901,505**

19. Tax Payable

The following tables analyse the Tax Liabilities – duties by group for the two Years.

2014	LOULIS MILLS SA	BULGARIA	GROUP
Tax Liabilities – duties (excluding income tax)	2,030,873	49,131	2,080,004
Income Tax on profits	160,238.00	13,382	173,620
Totals	**2,191,111**	**62,513**	**2,253,624**

2013	LOULIS MILLS SA	BULGARIA	GROUP
Tax Liabilities - duties (excluding income tax)	1,723,559	55,252	1,778,811
Income Tax on profits	1,438,049	13,021	1,451,070
Totals	**3,161,608**	**68,273**	**3,229,881**

20. Other Current Liabilities

	Group 2014	Group 2013	Company 2014	Company 2013
Insurance Funds	405,025	428,241	405,025	428,228
Dividends Payable	2,350	2,350	2,350	2,350
Sundry Creditors	9,476,468	6,086,998	9,354,043	6.086.626
Subsequent Year Revenue	0	3,004	0	954
Accrued Year Expenses	377,257	418,264	371,535	418,264
Totals	**10,261,100**	**6,938,857**	**10,132,953**	**6,936,422**

21. Revenue

An analysis of the sales by the Company and the Group is presented below.

	2014	2013
Sales to Professionals	61,882,524	66,648,342
Sales to Associated Enterprises	0	21,488
Sales to the State	60,840	78,599
Sales Abroad	4,285,833	2,732,844
Sales of Consumer Products	13,913,292	15,025,541
Sales of by-products	7,863,673	9,446,679
Totals	**88,006,162**	**93,953,493**

22. Other Operating Income

	Group		Company	
	2014	**2013**	**2014**	**2013**
Other Operating Revenue	2,818,766	2,927,590	2,818,374	2,927,590
Extraordinary and non-Operating Revenue	428,270	422,261	428,270	422,261
Extraordinary Profits	101	25,047	101	25,047
Revenue for previous Years	104,069	65,388	104,069	65,388
Revenue from Foreign Currency Differences	0	623	0	0
Revenue from Provisions by previous Years	2,248	1,008,270	2,248	1,008,270
Other non-Operating Revenue	228,656	0	0	0
Totals	**3,582,110**	**4,449,179**	**3,353,062**	**4,448,556**

23. Other Expenses

	Group		Company	
	2014	**2013**	**2014**	**2013**
Extraordinary & Non-Operating Expenses	(206,097)	(5,067)	(200,993)	(5,067)
Extraordinary Losses	(93,668)	(923,772)	(93,668)	(923,772)
Expenses from previous Years	0	(36,699)	0	(36,699)
Losses from Foreign Currency Differences	(1)	0	0	0
Provisions for extraordinary risks	(200,000)	0	(200,000)	0
Other non-Operating Expenses / Goodwill Impairment	(228,656)	0	0	0
Totals from Continuing Operations	**(728,422)**	**(965,538)**	**(494,661)**	**(965,538)**

24. Distribution Expenses

The following table depicts an analysis of the dstribution expenses by group and Company

2014	LOULIS MILLS SA	BULGARIA	GROUP
Selling Expenses	13,795,758	0	13,795,758

2013	LOULIS MILLS SA	BULGARIA	GROUP
Selling Expenses	13,889,894	0	13,889,894

25. Administrative Expenses

The following table depicts the analysis by group for the Administrative Operating Expenses Account.

2014	LOULIS MILLS SA	BULGARIA	GROUP
Administrative Operating Expenses	2,841,428	257,285	3,098,713

2013	LOULIS MILLS SA	BULGARIA	GROUP
Administrative Operating Expenses	3,163,247	29,657	3,192,904

26. Financial Expenses / (Revenue)

	Group		Company	
	2014	2013	2014	2013
Debit Interest & Associated Expenses	(2,089,233)	(2,416,688)	(2,087,461)	(2,411,522)
Other Financial Expenses	(26,836)	(30,815)	(26,745)	(30,741)
Credit Interest & Associated Revenue	126,302	141,732	10,218	13,561
Participations Revenue	0	0	0	0
Totals	**(1,989,767)**	**(2,305,771)**	**(2,103,988)**	**(2,428,702)**

27. Income Tax

	Group 2014	Group 2013
Real Estate Tax	23,626	108,905
Tax Audit Differences	0	430,583
Provision for Income Tax	165,142	548,632
Correcting Income Tax Provision for 31/12/2013 and 31/12/2012 respectively	(557)	814
Provisions and Other Taxation Liabilities	0	2,308,417
Deferred Tax	24,879	2,872,879
Totals	**213,090**	**6,270,230**

	Company 2014	Company 2013
Real Estate Tax	23,626	108,905
Tax Audit Differences	0	430,583
Provision for Income Tax	160,238	548,632
Correcting Income Tax Provision for 31/12/2013 and 31/12/2012 respectively	(557)	814
Provisions and Other Taxation Liabilities	0	2,308,417
Deferred Tax	24,879	2,872,879
Totals	**208,186**	**6,270,230**

28. Earnings per Share

	Group		Company	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Net Profit / (Loss) Attributable to the Owners of the Parent	3,360,501	(3,635,494)	3,503,434	(3,729,391)
Weighted average number of shares in circulation (less the weighted average number of Own Shares)	17,125,062	15,498,571	17,125,062	15,498,571
Basic Profit / (Loss) per share	**0.1962**	**(0.2346)**	**0.2046**	**(0.2406)**

8. MANAGING FINANCIAL RISKS –TARGETS & PROSPECTS

1. Financial risk factors

Financial risks are generated by the Company's activities, including risks in foreign exchange rates, variations in interest rates, credit risks and liquidity risks. The Company's Policies aim to minimise the impacts by financial factors that may potentially arise. The Company utilises financial products that mainly include Non-Current and Current loans, transactions in foreign currencies, trade receivable accounts, accounts payable, liabilities arising from financial leasing agreements, Dividends Payable, bank deposits and investments in securities.
The risks are managed by the Financial Directorate Department, where the strategy and overall planning are the responsibility of the Company's Board of Directors. The Board of Directors maps the overall strategy and risk management policies.

a) Credit Risk

The Company does not have significant concentrations of credit risk. A Credit Control system is implemented for more effectively managing this risk and for evaluating and classifying customers in accordance with the risk levels. The credit limits for customers are determined upon internal assessment criteria and are in accordance with the limits that have been set by the Company's management. The credit risks are continually monitored and the Company concluded an insurance policy during 2014 with ATRADIUS, which covers a section of the credit risk for the majority of customers. The maximum exposure to credit risk upon the Balance Sheet date is the fair value of every category of financial items, as depicted here in below. The periodical depiction of the receivables as at 31st December 2014 is as follows:

Receivables	GROUP		COMPANY	
	2014	2013	2014	2013
Customers	20,749,328	18,426,942	20,749,328	18,426,942
Less: Provisions	(1,841,059)	(1,336,162)	(1,841,059)	(1,336,162)
Receivable Promissory Notes	688,155	319,000	688,155	319,000
Delayed Promissory Notes	68,891	57,391	68,891	57,391
Cheques Receivable (post-dated)	9,244,709	5,984,444	9,244,709	5,984,444
Cheques Delayed (sealed)	5,364,113	5,960,816	5,364,113	5,960,816
Less: Provisions	(2,324,300)	(2,490,565)	(2,324,300)	(2,490,565)
Sundry debtors	7,140,582	6,874,667	4,805,776	4,090,388
Less: Provisions	(1,075,453)	(1,189,786)	(1,075,453)	(1,189,786)
	38,014,966	**32,606,747**	**35,680,160**	**29,822,468**
	GROUP		**COMPANY**	
	2014	**2013**	**2014**	**2013**
There are no delays and they have not been impaired	35,427,858	30,337,831	33,093,052	27,553,552
They are delayed but have not been impaired				
0-180 days	2,139,722	1,858,552	2,139,722	1,858,552
> 180 days	447,386	410,364	447,386	410,364
	38,014,966	**32,606,747**	**35,680,160**	**29,822,468**

	GROUP		COMPANY	
	2014	2013	2014	2013
Balance at 1st January	**5,016,513**	**5,889,401**	**5,016,513**	**5,889,401**
Year Additions	706,964	799,265	706,964	799,265
Provision not used				
Provisions Used	482,665	1,672,153	482,665	1,672,153
Balance at 31st December	**5,240,812**	**5,016,513**	**5,240,812**	**5,016,513**

The Customers Receivables Account is not interest bearing and is usually settled in: Group 0-180 days; Company 0-180 days.

It was deemed by the Company's management at the end of the Year that there is no essential credit risk that is not covered by insurance or by a provision for doubtful receivables.

Within the context of ensuring the credit risk arising from deposits at banks, the Company distributes the cash deposits at banks on the basis of limits with the aim of reducing exposure to risks on these grounds. Furthermore, the Company only associates with financial institutions holding a high credit rating.

b) Liquidity risk

The Company manages its liquidity requirements by monitoring the Non-Current financial liabilities debts, as well as the payments made daily. The liquidity requirements are monitored on a weekly basis. The liquidity requirements for a six-month period or a one year period are readjusted on a monthly basis.
During periods of insufficient liquidity, the Company has the capacity of funding its liquidity requirements through bank loans upon approved limits that it maintains with the banks.

Since the liabilities are due from one to six months, the Company is able to cover these through the proceeds of trade receivables or by using the funding limits that it maintains with the banks.

The Finance Department prepares expected cash flow statements, which are reviewed by Management for the purpose of better planning of the liquidity management.

c) Risk of fluctuations in the basic prices for raw materials

The Company is exposed to the risk of fluctuations in the prices of raw materials that are mainly influenced by conditions prevailing in the Greek and the global market. In every case however, these fluctuations are passed onto the final product.

d) Interest rate risk

The charge that exists through the use of borrowed capital has a direct relationship with the interest rate and accordingly such a risk exists. In relation to the Company's Current and Non-Current loans, a risk stems from the fact that these agreements are expressed in fluctuating interest rates that are linked to the EURIBOR index. On the basis of the sensitivity analysis being carried out by the Finance Department, an increase or decrease in the EURIBOR index shall result in the following consequences:

Sensitivity Analysis on Interest Rate Changes

	Variation of interest rates	**Effect on the Company's pre-Tax Profits**	**Effect on the Group's pre-Tax Profits**
Year amounts 2014	1.00 %	-352,774	-352,774
	-1.00 %	352,774	352,774
Year amounts 2013	1.00 %	-296,515	-296,515
	-1.00 %	296,515	296,515

e) Foreign Exchange Risk

Due to the fact that the Company primarily procures the raw and secondary materials from member states of the European Union, it is not exposed to a foreign exchange risk.

f) Other operational risks

The Company's management has established a reliable internal control system for detecting dysfunctions and exceptions within the context of its commercial operations. The insurance coverage for the assets and other risks is adequate.

9. OTHER INFORMATION

1. LOULIS MILLS SA Shares

The LOULIS MILLS SA shares are common and are listed on the Athens Stock Exchange under the LOULI code.

The Extraordinary General Meeting of the Company's shareholders that was held on 16/12/2004, inter alia resolved to reduce its share capital by € 64,896, through a reduction of the total number of shares from 16,724,232 to 16,622,832 common registered shares due to a reduction of its own shares, in accordance with article 16 pursuant to Codified Law 2190/1920.

The hereinabove 101,400 shares were purchased during the period 17-12-2001 to 28-1-2002, in execution of the resolution dated 23/7/2001 by the Extraordinary General Meeting of the Company's shareholders, as well as the resolution by its Board of Directors dated 7/11/2001.

Following the hereinabove reduction, the Company's Share Capital now amounts to € 10,638,612.48 that is divided into 16,622,832 common registered shares, each with a registered value of € 0.64.

In accordance with the resolution by the Extraordinary General Meeting on 18/9/2008, the Company undertook the purchase of 1,400,556 of its own shares during 18/9/2008-30/09/2010 for a total value of € 2,810,614. The total number of its own shares that the Company had in its possession on 30/09/2010 with the aforementioned total value has reduced the Equity Capital of the Company and the Group.

The Extraordinary General Meeting of its shareholders on 2nd January 2009 resolved to increase the Company's share capital by the sum of € 8,311,416 through the capitalisation of reserves through the difference in issuing premium shares. The hereinabove increase in the share capital occurred through increasing the registered value of each share by 0.50 Euros value, namely from 0.64 Euros to 1.14 Euros for each share. This was followed by an equal reduction in the Company's share capital in the sum of € 8,311,416 (eight million three hundred and eleven thousand four hundred and sixteen Euros), which occurred through a reduction of the registered value of each share by the sum of 0.50 Euros, namely from 1.14 Euros to 0.64 Euros for each share and an equivalent distribution of cash to the shareholders in the sum of € 8,311,416 (eight million three hundred and eleven thousand four hundred and sixteen Euros), namely the sum of 0.50 Euros per share. Further to the hereinabove resolutions by the Company's General Meeting, the Share Capital now amounts to € 10,638,612 that is divided into 16,622,832 registered shares, each with a registered value of € 0.64. The Board of Directors of the Athens Stock Exchange at its meeting on 29th January 2009 was informed about the equivalent increase and reduction in the registered value of the Company's shares, through the refund of capital by the payment in cash to the shareholders in the sum of € 0.50 per share. The 12th of February 2009 was designated as the date for refunding the capital and it was conducted through the PIRAEUS BANK.

The Regular General Meeting of the shareholders on 25th May 2010 inter alia resolved upon distributing dividends in relation to the 2009 Year, which was surcharged with the dividend corresponding to the Own Shares held by the Company and amounted to the sum of € 0.070046 per share. The corresponding dividend tax calculated at 10 % was withheld from this amount on the basis of Law 3697/2008 and consequently the total dividend amount remitted per share shall accordingly amount to € 0.063041. The beneficiaries that are entitled to receive the hereinabove amount are the persons that are registered on the Company's Dematerialise Securities System files as at Thursday (record date) the 3rd of June 2010. Tuesday, the 1st day of June 2010 was designated as the dividend cut-off date. The payment of the dividends for the 2009 Year shall commence upon Thursday the 9th day of June 2010 through the ALPHA BANK.

Furthermore, the Annual Regular General Meeting on the 25th day of May 2010 unanimously approved the increase to the Company's Share Capital by the sum of one million nine hundred and ninety four thousand seven hundred and thirty nine Euros and eight four Euro cents (1,994,739.84) by increasing the registered value of each share by 0.12 Euros through the capitalisation of a section of the Difference from the Issue of Premium Shares, as well as the equivalent reduction in the Share Capital, namely one million nine hundred and ninety four thousand seven hundred and thirty nine Euros and eight four Euro cents (1,994,739.84) by reducing the registered value of each share by the sum of 0.12 Euros, for the purpose of refunding capital in cash to the shareholders.

The Regular General Meeting of the shareholders on 20th June 2011 unanimously approved with 11,830,894 votes, namely 77.7 %, to increase the Company's Share Capital by 3,324,566.40 Euros through increasing the registered value of each share by 0.20 Euros, by capitalising the Difference from issuing premium shares and unanimously approved an equivalent reduction of the Company's Share Capital in the sum of 3,324,566.40 Euros through a reduction of 0.20 Euros in the registered value of each share for the purpose of refunding capital in cash to the shareholders. It was furthermore resolved with 11,830,895 votes, namely 77.7 %, to cancel 1,400,556 of the Company's own registered shares, in accordance with article 16, paragraph 6, pursuant to Codified Law 2190/1920, and to also respectively reduce the Company's Share Capital.

Further to the hereinabove reduction, amounts to 9,742,256.65 Euros that is divided into 15,222,276 common registered shares, each with a registered value of 0.64 Euros.

The Regular General Meeting of the shareholders on 28/06/2013 resolved to Increase the Company's Share Capital by 1,217,783.04 Euros by a payment in cash, through the issue of the Company's 1,902,786 new common registered intangible shares with voting rights, each with a registered value of € 0.64, by rescinding the preferential rights of the existing shareholders in favour of the new shareholder / strategic investor Al Dahra Agriculture Spain S.L. Sociedad Unipersonal. The selling price of the new shares amounts to 4.0875753 Euros per share. Following the hereinabove increase, the Company's Share Capital amounts to 10,960,039.68 Euros that is divided into 17,125,062 common intangible registered shares with voting rights, each with a registered value of 0.64 Euros. The total revenue from the issue amounted to 7,777,781.05 Euros. The difference between the issue price and the registered value of each share in the total sum of 6,559,998.01 Euros was placed in accordance with the law and the Articles of Association to the credit of the "Difference from the issue of premium shares" account.

The Extraordinary General Meeting of its shareholders on 1st December 2014 resolved upon increasing the Company's Share Capital by 5,137,518.60 Euros through the capitalisation: a) of the tax free reserves created on the basis of Law 2238/1994, in accordance with article 72 pursuant to Law 4172/2013, in the sum of 4,678,218.10 Euros; and b) a section of the reserve "difference from the issue of premium shares" in the sum of 459,300.50 Euros through increasing the registered value of the share by 0.30 Euros, namely from 0.64 Euros to 0.94 Euros.

Further to the hereinabove resolutions by the General Meeting, the Company's Share Capital now amounts to 16,097,558.28 Euros that is divided into 17,125,062 registered shares, each with a registered value of 0.94 Euros.

The Extraordinary General Meeting of its shareholders on 8th January 2015 resolved upon increasing the Company's Share Capital by 1,541,255.58 Euros by increasing the registered value of each share by 0.09 Euros – from 0.94 Euros to 1.03 Euros – by capitalising reserves "Difference from issuing" and the simultaneous equivalent reduction in the Company's Share Capital in the sum of 1,541,255.58 Euros, by reducing the registered value of each share by 0.09 Euros – from 1.03 Euros to 0.94 Euros – for the purpose of refunding capital in cash to the shareholders and the relevant amendment under article 5 in the Company's Articles of Association.

Further to the hereinabove resolutions by the General Meeting, the Company's Share Capital now amounts to 16,097,558.28 Euros that is divided into 17,125,062 registered shares, each with a registered value of 0.94 Euros.

2. Main Exchange Rates for the Balance Sheet and Profit & Loss Account Results

Balance Sheet	31/12/2014	31/12/2013	31/12/2014 vs. 31/12/2013
1 Euro = Leva	1.9558	1.9558	-

Results	2014 Mean	2013 Mean	2014 Mean vs. 2013 Mean
1 Euro = Leva	1.9558	1.9558	-

3. Significant changes to the annual consolidated Balance Sheet figures and Year profit and loss accounts

The most significant changes that appear in the Balance Sheet figures and the Year profit and loss accounts that ended upon 31.12.2014 are as follows:

The investments in fixed assets for the Year 2014 amounted to € 1,177 thousand for the Group and the Company.

Since July 2014, the LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA Ltd. Company in the Group is participating with a 40 % in the Share Capital of the LAFCO LEADER ASIAN FOOD COMPANY Ltd Company, which in turn is participating with a 60 % share in the Share Capital of the GRINCO HOLDINGS Ltd. Company. The objective of the GRINCO HOLDINGS Ltd. Company is to firstly explore investment opportunities for the Group in India and to construct a factory in India during the second phase. The Group fully consolidates both Companies since it has full control over the decisions by Management.

The Extraordinary General Meeting of the shareholders on 1st December 2014 resolved upon increasing the Company's Share Capital by 5,137,518.60 Euros through the capitalisation of: a) the tax free reserves that had been created on the basis of Law 2238/1994, in accordance with article 72 pursuant to Law 4172/2013, in the sum of 4,678,218.10 Euros; and b) a section of the reserve "difference from the issue of premium shares" in the sum of 459,300.50 Euros, by increasing the registered value of each share by 0.30 Euros, namely from 0.64 Euros to 0.94 Euros, whereby the Company's Share Capital now amounts to 16,097,558.28 that is divided into 17,125,062 registered shares, each with a registered value of 0.94 Euros. The relevant taxation liability that has been entered into the Year 2013 Financial Statements was paid in January 2015.

The sub-subsidiary company LOULIS MEL BULGARIA E.A.D. was liquidated on 21st December 2014, which did not constitute a significant activity by the Group in accordance with the meaning of paragraph 32 in IFRS 5 and is accordingly not depicted as a suspended activity.

The Company's Board of Directors has recommended the non-distribution of dividends from the Year 2014 profits, due to the uncertain economic climate, and for reasons of the Company's liquidity. Accordingly, the non-distribution of dividends requires the approval of the Regular General Meeting of the shareholders.

The € 6 million reduction in the Company's Income Tax in comparison to the previous Year is predominantly due to the deferred taxation for 2013 in the sum of € 2.30 million, on the basis of Law 4110/2013 that has increased the taxation rate subsequent to the 2014 financial year (2013 Year) from 20 % to 26 %. The aforementioned change in the Income Tax is simultaneously also due to the accounting during 2013 for € 0.90 million in taxes that shall be paid in the subsequent year and relate to the taxing of "Tax-free Reserves" on the basis of Law 4172/2013.

The € 471 thousand change in the "Other Expenses" item at the Company is due to the fact that in June 2013 a bad debt recovery loss amounting to € 872,000 was finalised. A corresponding amount was also entered into the Company's due to the use of a provision that had been formed in previous years. This loss has accordingly not affected the results for the current period.

The Company has examined the consequences of implementing article 72 pursuant to Law 4172/2013 and on the basis of the Company's non-taxed reserves a tax liability in the sum of € 0.90 million has been entered into the financial statements dated 31/12/2013, which was paid in January 2015.

The 17 % increase in the inventories at the end of the Year was the result of a resolution by Management due to the prevailing instability over the last two-month period in Greece, as well as the increases in the durum wheat prices for the last quarter.

4. Note on future events

The Annual Financial Statements, as well as the notes and reports accompanying them, may contain certain assumptions and calculations that referred to future events in relation to the operations, development and financial performances by the Company and the Group.

Despite the fact that these assumptions and calculations are based upon the best possible knowledge of the Company's and Group's management in relation to the current events and actions, the actual results may the ultimately differ from these calculations and assumptions that have been taken into consideration during the preparation of the Financial Statements for the Company and the Group.

The Company and Group are not liable and responsible for altering the reports or assumptions relating to future events as a result of newer information on these future events or upon other grounds.

The Company's Extraordinary General Meeting on 8th January 2015 resolved upon: a) increasing the Company's Share Capital by 1,541,255.58 Euros by increasing the registered value of each share by 0.09 Euros – from 0.94 Euros to 1.03 Euros – through a capitalisation of the reserves "difference from the issue of premium shares"; b) the simultaneous equivalent reduction in the Company's Share Capital by 1,541,255.58 Euros through a reduction in the registered value of each share by 0.09 Euros – from 1.03 Euros to 0.94 Euros – for the purpose of refunding capital in cash to the shareholders and the relevant amendment of article 5 in the Company's Articles of Association. Further to the hereinabove resolutions by the General Meeting, the Company's Share Capital now amounts to 16,097,558.28 Euros that is divided into 17,125,062 registered shares, each with a registered value of 0.94 Euros.

The Company's Extraordinary General Meeting on 8th January 2015 resolved and the Board of Directors at its meeting on 15th January 2015 determined the details under the plan for the purchase of Own Shares, in accordance with article 16 pursuant to Codified Law 2190/1920, as this has been amended and is in force, Law 3604/2007 that amended to the relevant provisions pursuant to Codified Law 2190/20, Regulation 2273/2003 by the European Communities Commission and resolution 1/503/13.3.2009 by the Capital Markets Commission, at a rate of up to 10 % of its total shares, namely up to 1,712,506 of the Company's shares. The purchase price range is designated between one (1) Euro and five (5) Euros. The period for the plan to purchase the Own Shares, which cannot exceed 24 months, shall commence upon 8th January 2015, the approval date for the plan by the Extraordinary General Meeting of the shareholders, and shall expire upon 7th January 2017. At least 90 % of the Own Shares that shall be purchased (namely 9% of the existing shares) shall be cancelled and the balance of 10 % may be distributed to staff by a resolution of the Company's Board of Directors.

On 27th January 2015 a subsidiary company was incorporated with the corporate name of NutriBakeS SA, with 100 % participation by the LOULIS MILLS SA Company and an establishment capital of 170,000 Euros, with the key objective being the Company's entry into the market for mixtures and raw materials for bread baking and pastry making. The specific company executed an agreement on 6th February 2015 with the "KENFOOD Trophognosia SA" Company that more specifically includes: a) the future acquisition by our subsidiary company of the "KENFOOD" trademark for a consideration of 700,000 Euros; b) the future commercial cooperation agreement by virtue of which our subsidiary company shall undertake commercial activities on an exclusive basis under the "KENFOOD" trademark; as well as c) the future acquisition by our subsidiary company of all the shares in the "KENFOOD Trophognosia SA" Company; and d) the future participation by the latter's shareholders in the Share Capital of our subsidiary company. It is stressed that all of the hereinabove agreement shall operate upon the condition of achieving agreement within a three-month period with the Banks associated with the "KENFOOD Trophognosia SA" Company. This Association shall reinforce the presence by LOULIS GROUP in the bread baking and pastry making sector and shall make it the only company in the country that is able to provide complete solutions for every professional in the bread – pastry making sector. This action shall simultaneously provide the Group with diversity in its operations that shall assist it in reducing the business risks.

LOULIS MILLS SA participated in a Share Capital Increase of its 100 % subsidiary company "NutriBakeS SOCIETY ANONYMOUS". The Extraordinary General Meeting of this subsidiary company on 18th February 2015 resolved upon increasing the Share Capital by 203,400 Euros through payments in cash via the issue of 20,340 new common registered shares with voting rights in Company, each with a registered value of € 10 and an above par value of € 42.70, namely a total of € 52.70 per share together with the sales. Consequently, the total increase of the Share Capital shall amount to the sum of 1,071,918 Euros, in respect of which the sum of 868,518 Euros shall be placed to the credit of the reserve from the issue of shares above par.

On 17th March 2015, LOULIS MILLS SA undertook the issue of a new common debenture loan in the sum of 6 million Euros, for the purpose of refinancing and existing Current bank loan. This loan is for a two-year term and it has been issued in collaboration with the ALPHA all Bank SA.

The Annual Financial Statements for the Group and the Company, from pages 5 to 82, have been approved by the Board of Directors on 30/03/2015.

The Chairman of the Board of Directors

Nikolaos K. Loulis

The Vice-Chairman of the Board of Directors & Managing Director

Nikolaos S. Fotopoulos

The Chief Accountant

Ioannis G. Louloudakis

LOULIS MILLS S.A.

Reg. No 50675444000

Reg. Address: Municipality of Sourpi, Prefecture of Magnesia (Loulis Port)

FINANCIAL STATEMENTS AND INFORMATION FOR 2014

The following data and information aim at providing a general overview of the financial status and results of LOULIS MILLS S.A. and LOULIS GROUP OF COMPANIES.
Readers, who require a complete picture of the Group's financial status and results, are advised to access the financial statements according to the International Accounting Standards, as well as the audit report by the certified auditor-accountant .
In such case, readers may refer to the Company's website, www.loulismills.gr, where such information is posted.

(Amounts in €)

STATEMENT OF FINANCIAL POSISTION

	GROUP		COMPANY	
ASSETS	**31.12.2014**	**31.12.2013**	**31.12.2014**	**31.12.2013**
NON CURRENT ASSETS				
Tangible Fixed Assets	100.645.144	103.361.037	100.645.144	103.361.037
Investment Property	197.268	197.268	197.268	197.268
Other Intangible Assets	241.724	263.768	241.724	263.768
Investment in Subsidiaries	-	-	236.431	236.431
Other Non Current Assets	305.127	184.005	305.127	184.005
	101.389.263	**104.006.078**	**101.625.694**	**104.242.509**
CURRENT ASSETS				
Inventory	22.144.690	18.936.310	22.144.690	18.936.310
Financial Assets	-	-	-	-
Trade Recievables	31.949.837	26.921.866	31.949.837	26.921.866
Derivatives Financial Assets	161.560	-	161.560	-
Other Current Assets	6.414.123	5.935.154	3.879.260	3.109.034
Cash and Cash Equivalents	2.066.486	1.065.399	1.542.071	792.833
	62.736.696	**52.858.729**	**59.677.418**	**49.760.043**
TOTAL ASSETS	**164.125.959**	**156.864.807**	**161.303.112**	**154.002.552**
EQUITY & LIABILITIES				
Share Capital	16.097.558	10.960.040	16.097.558	10.960.040
Share Premium	38.061.004	38.520.304	38.061.004	38.520.304
Other Reserves	36.142.031	37.418.728	31.818.595	32.952.360
	90.300.593	**86.899.072**	**85.977.157**	**82.432.704**
Non Controlling Interest	(8.249)	-	-	-
Total Equity	**90.292.344**	**86.899.072**	**85.977.157**	**82.432.704**
LONG TERM LIABILITIES				
Long-Term Loans	9.500.000	15.750.000	9.500.000	15.750.000
Deferred Tax Liabilities	12.393.876	12.368.997	12.393.876	12.368.997
Severance Provisions	637.418	786.610	637.418	786.610
Other Long-term Liabilities	4.261.306	5.502.329	5.944.306	7.185.329
	26.792.600	**34.407.936**	**28.475.600**	**36.090.936**
CURRENT LIABILITIES				
Trade Payables	8.748.910	11.487.556	8.748.910	11.479.377
Short Term Loans	25.777.381	13.901.505	25.777.381	13.901.505
Financial Liabilities	-	-	-	-
Tax Liabilities	2.253.624	3.229.881	2.191.111	3.161.608
Accrued and Other Current Liabilities	10.261.100	6.938.857	10.132.953	6.936.422
	47.041.015	**35.557.799**	**46.850.355**	**35.478.912**
TOTAL EQUITY & LIABILITIES	**164.125.959**	**156.864.807**	**161.303.112**	**154.002.552**

STATEMENT OF CHANGES IN EQUITY

	GROUP		COMPANY	
	01.01 - 31.12.2014	**01.01 - 31.12.2013**	**01.01 - 31.12.2014**	**01.01 - 31.12.2013**
Total Equity at the Beginning of the Year (1.1.2014 & 1.1.2013)	**86.899.072**	**82.836.366**	**82.432.704**	**78.463.272**
Total Comprehensive Income	3.514.097	(3.696.452)	3.666.778	(3.790.349)
Distributed Dividends	(122.325)	(18.000)	(122.325)	(18.000)
Equity Adjustments	1.500	(623)	0	0
Share Capital Increase	0	7.777.781	0	7.777.781
Total Equity at the End of the Year (31.12.2014 & 31.12.2013)	**90.292.344**	**86.899.072**	**85.977.157**	**82.432.704**

STATEMENT OF COMPREHENSIVE INCOME

	GROUP		COMPANY	
	01.01 - 31.12.2014	**01.01 - 31.12.2013**	**01.01 - 31.12.2014**	**01.01 - 31.12.2013**
Sales	88.006.162	93.953.493	88.006.162	93.953.493
Cost of Sales	(68.520.479)	(75.413.829)	(68.520.479)	(75.413.829)
Gross Profit	**19.485.683**	**18.539.664**	**19.485.683**	**18.539.664**
Other Income	3.582.110	4.449.179	3.353.062	4.448.556
Distribution Expenses	(13.795.758)	(13.889.894)	(13.795.758)	(13.889.894)
Administration Expenses	(3.098.713)	(3.192.904)	(2.841.428)	(3.163.247)
Derivatives Financial Assets	108.710	-	108.710	-
Other Expenses	(728.422)	(965.538)	(494.661)	(965.538)
Interest Income	126.302	141.732	10.218	13.561
Interest Expenses	(2.116.069)	(2.447.503)	(2.114.206)	(2.442.263)
Pre Tax Profit	**3.563.843**	**2.634.736**	**3.711.620**	**2.540.839**
Income Tax	(213.090)	(6.270.230)	(208.186)	(6.270.230)
Profit After Tax	**3.350.753**	**(3.635.494)**	**3.503.434**	**(3.729.391)**
Profit from Discontinued Operations	-	-	-	-
Total Profit for the Year	**3.350.753**	**(3.635.494)**	**3.503.434**	**(3.729.391)**
Equity Shareholders	3.360.501	(3.635.494)	3.503.434	(2)
Non Controlling Interest	(9.748)	-	-	-
Other Comprehensive Income				
Amounts that will not be reclassified to Profit & Loss	163.344	(60.958)	163.344	(60.958)
Remeasument Gain/Losses	163.344	(60.958)	163.344	(60.958)
Amounts that will be reclassified to Profit & Loss	-	-	-	-
Total Comprehensive Income	**3.514.097**	**(3.696.452)**	**3.666.778**	**(3.790.349)**
Profit for the Year Attributable to:				
Equity Shareholders	3.523.845	(3.635.494)	3.503.434	(3.729.391)
Non Controlling Interest	(9.748)	-	-	-
E.P.S.				
Basic	**0,1962**	**(0,2346)**	**0,2046**	**(0,2406)**
E.P.S. from Continuing Operations				
Basic	**0,1962**	**(0,2346)**	**0,2046**	**(0,2406)**
Depreciation	3.881.706	3.881.783	3.881.706	3.881.783
E.B.I.T.	5.444.900	4.940.507	5.706.898	4.969.541
E.B.I.T.D.A.	9.326.606	8.822.290	9.588.604	8.851.324

CASH FLOW STATEMENT

	GROUP		COMPANY	
Operating Activities	**31.12.2014**	**31.12.2013**	**31.12.2014**	**31.12.2013**
Pre tax Profit (Continuing Operations)	**3.563.843**	**2.634.736**	**3.711.620**	**2.540.839**
Pre tax Profit (Discontinued Operations)	-	-	-	-
Adjustment for:				
Depreciation	3.881.706	3.881.783	3.881.706	3.881.783
Provisions	2.578.057	(4.381.106)	2.342.777	(4.383.028)
Interest Payable	2.116.069	2.447.504	2.114.206	2.442.264
Interest Receivable	(126.302)	(141.732)	(10.218)	(13.561)
Changes In Working Capital:				
Decrease / (Increase) of Inventory	(3.208.379)	2.015.654	(3.208.379)	2.015.654
Decrease / (Increase) of Receivables	(5.627.504)	(576.819)	(5.919.319)	(434.123)
(Decrease) / Increase of Payables (exept loans)	(1.872.161)	(4.541.831)	(1.869.685)	(2.856.293)
Less:				
Interest Paid	(2.115.821)	(2.253.331)	(2.114.206)	(2.248.091)
Tax Paid	(2.373.757)	(2.036.890)	(2.363.100)	(2.031.171)
Total Cash Flow from Operating Activities	**(3.184.249)**	**(2.952.032)**	**(3.434.598)**	**(1.085.727)**
Investing Activities				
Cash Inflow/(Outflow) from the Sale/Purchase of Financial Instruments	(165.106)	-	(165.106)	-
Purchase of Non Current Assets	(1.176.842)	(857.764)	(1.176.842)	(857.764)
Cash Inflow from the Sale of Non Current Assets	12.100	-	12.100	-
Interest Received	10.218	141.732	10.218	13.561
Dividend Received	-	-	-	-
Total Cash Flow from Investment Activities	**(1.319.630)**	**(716.032)**	**(1.319.630)**	**(844.203)**
Financing Activities				
Loans Received	11.875.876	-	11.875.876	-
Loans Redeemed	(6.250.000)	(6.559.689)	(6.250.000)	(6.559.689)
Dividend Paid	(122.410)	(15.916)	(122.410)	(15.916)
Cash Inflow/(Outflow) from the Increase/Decrease of the Share Capital	1.500	7.777.781	-	7.777.781
Total Cash Flow from Financing Activities	**5.504.966**	**1.202.176**	**5.503.466**	**1.202.176**
Total Cash Flow	**1.001.087**	**(2.465.888)**	**749.238**	**(727.754)**
Cash & Cash Equivelants at the Beginning of the Year	**1.065.399**	**3.531.287**	**792.833**	**1.520.587**
Cash & Cash Equivelants at the End of the Year	**2.066.486**	**1.065.399**	**1.542.071**	**792.833**

ADDITIONAL ELEMENTS AND INFORMATION

1.The companies which have been consolidated in the above financial statements are presented in the following table with the corresponding ownership stakes

COMPANY NAME	DOMICILE - COUNTRY	PARTICIPATION PERCENTAGE	RELATIONSHIP WITH THE PARENT COMPANY	CONSOLIDATION METHOD	UNAUDITED TAX FISCAL YEARS
LOULIS MILLS S.A.	Sourpi Magnesia-Greece	Parent	Parent	-	1
LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA Ltd.	Nicosia-Cyprus	100,00%	Direct	Full	7
LAFCO LEADER ASIAN FOOD COMPANY Ltd.	Nicosia-Cyprus	40,00%	Indirect	Full	1
GRINCO HOLDINGS Ltd.	Nicosia-Cyprus	24,00%	Indirect	Full	1

2. The company has applied the same basic accounting principles with the previous year 2014.

3. Tangible assets of Loulis Mills S.A., up to the amount of EUR 38 million, are used as collateral in order to secure bank loans, worth of EUR 14,5 million.

4. There are no under arbitration cases of administrative bodies, which may have a material impact on the financial status of the Company. There are pending judicial cases whose final outcome cannot be predicted at this stage.
Therefore, there is no relevant provision in this Year's financial statements.

5. The headcount as at 31/12/2014 for the Group and the Company is 220 , contrary to 213 for the Group and the Company at 31/12/2013.

6. Cumulative sales and purchases from the beginning of the fiscal year and the balances of receivables and liabilities of the Group and the parent company at the end of the current Year that have resulted from the transactions with the related parties, as defined by IAS 24 are as follows:

	GROUP	COMPANY
a) Sales of products and services	0	0
b) Purchases of products and services	0	0
c) Receivables	0	0
d) Liabilities	0	1.683.000
e) Transactions and salaries of managing officers and members of managing boards	591.866	591.866
f) Receivables from managing officers and members of managing boards	1.418	1.418
g) Liabilities to managing officers and members of managing boards	0	0

7. Investments on tangible fixed assets in 2014 reached the amount of EUR 1.177 thousand for the Group and the Company.

8.Since July 2014 the Group company LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA Ltd. participates with 40% in the share capital of the Company LAFCO LEADER ASIAN FOOD COMPANY Ltd which in turn holds 60% in the share capital of the Company GRINCO HOLDINGS Ltd. The purpose of the Company GRINCO HOLDINGS Ltd. is to explore, at first, investment opportunities for the Group in India and secondly the construction of a plant in India. The Group fully consolidates both Companies as it has full control over the management decisions .

9.The Extraordinary General Meeting of Shareholders on December 1st, 2014 resolved to increase the share capital by EUR 5.137.518,60 by capitalizing a) formed by n. 2238/1994 tax-free reserves in accordance with Article 72 of Law. 4172 / 2013 of EUR 4.678.218,10 and b) part of the reserve "Difference from issuance of shares above par", the amount of EUR 459.300,50 by increasing the nominal value of each share by EUR 0,30 from EUR 0,64 ie in EUR 0,94. The share capital of the Company amounts to 16.097.558,28 divided into 17.125.062 shares with a nominal value of EUR 0,94 each.

10. The Extraordinary General Meeting held on January 8th, 2015 decided for the share buyback program -in accordance with Article 16 of Law 2190/1920, as amended and in force, Law 3604/2007 which amended the relevant provisions of L.2190 / 20, Regulation 2273/2003 of the European Communities and the Decision 1/503 / 13.3.2009 of the Commission Capital- of up to 10% of the total shares (1.712.506 shares). The purchase price range is determined by one (1) euro up to five (5) euros. The duration of the share buyback program, which will not exceed the 24 month period, has launched on January 8th, 2015, which is the date that the program was approved by the Extraordinary General Meeting of Shareholders, and maturity date on January 7th, 2017. At least 90% of own shares to be purchased (ie 9% of outstanding shares) will be canceled whereas the remaining 10% may be distributed to the staff by a decision of the Board of Directors of the Company.

11. The Extraordinary General Meeting held on January 8th, 2015 decided: a) to increase the share capital by EUR 1.541.255,58 by increasing the nominal value of each share by 0,09 euros -from 0,94 EUR 1,03 euros-by capitalization of reserves "Difference from issuance of shares above par", b) simultaneous equivalent reduction of the share capital by EUR 1.541.255,58 by reducing the nominal value of each share by 0,09 euros -from 1,03 euros to 0,94 euros-in order to return capital in cash to shareholders and the amendment of Article 5 of the Company Statute. Following the above resolutions of the General Meeting, the Company's share capital amounts to EUR 16.097.558,28, divided into 17.125.062 shares with a nominal value of EUR 0,94 each.
12. On January 27th, 2015 a subsidiary named NutriBakeS SA was established with 100% participation of the company LOULIS MILLS SA and founding capital of EUR 170.000.The purpose of this acquisition is to enter the market of mixtures and raw materials for bakery and confectionery.
13.The Company participated in the share capital increase of the 100% subsidiary «NutriBakeS SA" by 1.071.918 euro , according to the decision of the Extraordinary General Meeting of the subsidiary of February 18th, 2015.
14. On March 17th, 2015 the Company issued a common bond loan of EUR 6 million in order to refinance existing short-term bank loans. The loan's duration is two years and was issued in cooperation with ALPHA BANK SA .
15. The Board of Directors proposes not to distribute dividends from the profits of the year 2014 due to the uncertain economic environment, as well as for reasons of liquidity of the Company. Therefore the distribution of dividend is subject to approval of the Annual General Meeting of Shareholders.

Sourpi Magnesias, March 30th 2015

Chairman of the Board	Vice President & CEO	Chief Accountant
Nikolaos Loulis	Nikolaos Fotopoulos	Ioannis Louloudakis

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LOULIS
mills