



KRI-KRI MILK INDUSTRY S.A.

Reg. No.: 30276/06/B/93/12

General Commercial Registry No.: 113772252000

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD

1.1.2018 – 31.3.2018

IN ACCORDANCE WITH IFRS (IAS 34)

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Condensed Statement of Comprehensive Income

	Note.	1/1-31/3/2018	1/1-31/3/2017
Sales		18.603.311	14.631.653
Cost of sales		(11.507.899)	(9.374.063)
Gross profit		7.095.412	5.257.589
Distribution expenses		(4.408.190)	(3.215.523)
Administration expenses		(594.648)	(566.155)
Research and development expenses		(52.970)	(38.216)
Other income	C9	168.697	185.061
Other (loss) / gain net	C10	17.623	4.175
Profit before taxes, financial and investment income		2.225.923	1.626.931
Financial income	C11	38.675	28.432
Financial expenses	C11	(94.069)	(101.030)
Financial income (net)		(55.394)	(72.598)
Profit before taxes		2.170.529	1.554.334
Income tax	C12	(598.275)	(416.197)
Net profit for the period (A)		1.572.254	1.138.136
Other comprehensive income			
<u>OCI recycled to P&L</u>			
Cash flow hedges		(20.029)	0
Other comprehensive income after tax (B)		(20.029)	0
Total comprehensive income after tax (A + B)		1.552.225	1.138.136
Net profit per share from continuous operations			
- Basic and diluted (in €)		0,0476	0,0344

The accompanying notes are an integral part of these financial statements.

Condensed Statement of Financial Position

	Note	31/3/2018	31/12/2017
ASSETS			
Non-current assets			
Tangible assets	C1	43.416.962	40.255.263
Investment in properties		120.084	120.756
Intangible assets		615.813	618.065
Other non-current assets		153.392	54.856
		44.306.251	41.048.940
Current assets			
Inventories		10.668.385	8.522.546
Trade and other receivables	C2	26.109.808	22.145.968
Derivative financial instruments	C3	4.814	0
Current income tax receivables		0	560.170
Cash and cash equivalents	C4	9.207.128	10.141.839
		45.990.135	41.370.523
Total assets		90.296.386	82.419.463
EQUITY AND LIABILITIES			
Equity			
Share capital		12.564.752	12.564.752
Reserves	C5	19.479.472	19.499.501
Retained earnings		19.019.672	17.447.418
Total equity		51.063.896	49.511.671
Liabilities			
Non-current liabilities			
Long-term borrowings	C6	4.200.000	4.200.000
Accrued pension and retirement obligations		793.433	777.304
Deferred income tax liabilities		2.179.658	2.227.396
Government grants	C7	7.666.732	7.802.690
		14.839.822	15.007.390
Current liabilities			
Short-term borrowings	C6	6.233.478	6.200.061
Trade and other payables	C8	18.056.903	11.700.341
Derivative financial instruments	C3	20.466	0
Current income tax liabilities		81.821	0
		24.392.668	17.900.402
Total liabilities		39.232.491	32.907.792
Total equity and liabilities		90.296.386	82.419.463

The accompanying notes are an integral part of these financial statements.

Condensed Statement of changes in equity

	Share capital	General reserve	Special reserves	Other reserves	Actuarial gains-losses reserve	Cash flow hedge reserve	Retained earnings	Total Equity
Balance at 31.12.2016	12.564.752	1.909.585	15.931.169	38.275	6.851	0	14.740.854	45.191.485
Profit for the period							1.138.136	1.138.136
Total comprehensive income for the period							1.138.136	1.138.136
Balance at 31.3.2017	12.564.752	1.909.585	15.931.169	38.275	6.851	0	15.878.990	46.329.621
Balance at 31.12.2017	12.564.752	2.199.320	17.295.670	38.275	(33.762)	0	17.447.418	49.511.671
Profit for the period							1.572.254	1.572.254
Cash flow hedge						(20.029)		(20.029)
Total comprehensive income for the period							1.572.254	1.552.225
Balance at 31.3.2018	12.564.752	2.199.320	17.295.670	38.275	(33.762)	(20.029)	19.019.672	51.063.896

The accompanying notes are an integral part of these financial statements.

Condensed Statement of cash flows

<i>Indirect method</i>	<u>1/1-31/3/2018</u>	<u>1/1-31/3/2017</u>
OPERATING ACTIVITIES		
Profit before taxes	2.170.529	1.554.333
Adjustments for:		
Depreciation	802.247	744.317
Provisions	351.111	41.319
Foreign exchange differences, net	(1.745)	(468)
Amortization of government grants relating to capital expenses	(135.958)	(153.494)
Miscellaneous items	(330)	(18.379)
Investment income	(141)	(12.730)
Interest and related expenses	94.069	101.030
	<u>3.279.781</u>	<u>2.255.929</u>
Changes in working capital:		
Decrease / (Increase) in inventories	(2.172.542)	(2.590.371)
Decrease / (Increase) in receivables	(3.992.607)	(3.910.572)
(Decrease) / Increase in payables (except banks)	3.304.839	4.355.493
Less:		
Interest and related expenses paid	(105.439)	(103.514)
Cash flow from operating activities (a)	314.033	6.967
INVESTING ACTIVITIES		
Purchase of tangible and intangible assets	(1.272.420)	(765.450)
Proceeds from sales of intangibles and property, plant and equipment	0	12.157
Interest received	23.677	6.752
Cash flow from investing activities (b)	(1.248.744)	(746.540)
FINANCING ACTIVITIES		
Repayments of loans	0	(857.108)
Cash flow from financing activities (c)	0	(857.108)
Change in cash and equivalents (a+b+c)	(934.711)	(1.596.681)
Cash and equivalents at beginning of period	10.141.839	6.839.970
Cash and equivalents at end of period	9.207.128	5.243.288

The accompanying notes are an integral part of these financial statements.

A. General information

KRI-KRI MILK INDUSTRY S.A. operates in the dairy industry. Its main business activities is the production of ice-cream and yogurt.

The headquarters are located in 3rd km Serres-Drama, 62125, Serres, Greece, its website is www.krikri.gr and its shares are listed on Athens Stock Exchange (Food sector).

These financial statements have been approved by the Board of Directors at 30 May 2018.

B. Significant accounting policies

B.1 Basis of preparation

These financial statements covering the period from 1.1.2018 to 31.3.2018 have been prepared according to IAS 34.

The interim financial statements for the three-month period have been prepared on the basis of the same accounting principles followed for the preparation and presentation of the financial statements for the year 2017, except for the new standards and interpretations adopted, the implementation of which was compulsory for periods after 1 January 2018.

Any differences that arise between the amounts in these interim financial statements and the corresponding amounts in the selected explanatory notes as well as in sums are due to rounding.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2017, which have been posted on the Company's website and have been prepared in accordance with IFRSs.

The company has prepared consolidated financial statements for the year ended 31 December 2014. It no longer prepares consolidated financial statements as the sole subsidiary was disposed of in 2014 while its 49.29% interest in the associate company KRI KRI BULGARIA AD is impaired by 100% given that this company has been in liquidation in recent years.

The earnings tax in the interim financial statements is calculated using the tax rate applicable to annual profits.

B.2 Financial risk management

The interim financial statements do not include disclosure of all risks required in the preparation of the annual financial statements and should be read in conjunction

with the annual financial statements of the Company for the year ended 31 December 2017.

Due to the nature of its operations, the Company is exposed to various financial risks such as, market risk (fluctuations of exchange rates, interest rates and of production costs), credit risk and liquidity risk. The Company's overall risk management program focuses on financial market unpredictability and aims to minimize the potential negative impact on the Company's financial performance.

Risk management is carried out by the Company's main financial department, which operates under certain rules approved by the Board. The Board of Directors provides instructions and guidelines on general risk management and special instructions on managing specific risks such as currency risk, interest rate risk and credit risk.

(a) Market risk

Foreign currency risk

The main bulk of the Company's operations are conducted within the Euro zone. Company exposure to exchange rate (FX) risk derives from existing or expected cash flows in foreign currency (GBP). Part of the exposure to exchange rate risk is hedged using futures and options.

Cash flow sensitivity analysis to EUR/GBP changes

	GBP strengthens against EUR	Profit before Taxes effect
	+5%	11.038
1/1-31/3/2018	-5%	(11.038)
1/1-31/3/2017	+5%	0
	-5%	0

Interest rate risk

The Company has not capitalized significant interest-related assets, therefore operating income and operating cash flows are substantially independent of changes in market interest rates.

The loans of the Company are related to either floating rates or fixed rates. The company does not use financial derivatives. The interest rate risk relates primarily to long-term loans. Loans with variable interest rates expose the Company to cash flow risk. Loans issued at fixed rates expose the Company to risk of changes in fair value.

A policy of retaining loans with variable interest rate is beneficial in cases of declining interest rates. On the other hand a liquidity risk appears when the interest rates rise.

From the total loans of the Company at 31.3.2018, the amount of €5.000.000 is related to a fixed interest rate and the amount of €5.433.478 is related to a floating rate.

The loan products of the banking system are being systematically considered in order to find debt solutions with the lowest possible cost money.

Loans sensitivity analysis on interest change

	Interest variability	Profit before taxes effect
1.1-31.3.2018	+1% -1%	(54.000) 54.000
1.1-31.3.2017	+1% -1%	(32.106) 32.106

Note: The above table does not include the positive effect of interest received from bank deposits.

The Management estimates that there is no material risk related to interest rates on bank deposits.

Risk of fluctuation of raw material prices

The Company is exposed to risk of loss of income in case of sudden changes in prices of raw materials. This is a result of the inability to roll these costs to sales prices in a timely manner.

(b) Credit risk

Also, insurance contracts are made to cover sales per customer, while collateral is not required on the assets of customers. During the preparation date of the financial statements, provisions were made for doubtful debts and the Management considers that there is no other substantial credit risk that is not covered by insurance coverage or provisions, unless maybe the big Greek supermarket chains.

Wholesale sales are made to customers with appropriate credit history. The credit control department defines credit limit per customer that is continuously monitored and reviewed. Also, where possible, the Company is ensured by collateral or other security. Thus, for example from the company domestic customers-distributors, the Company receives personal guarantees amounting the double of two months turnover, hence steadily applying its credit policy.

For commercial credits of foreign customers, the Company follows a credit insurance covering that returns any customer losses due to insolvency of up to 80% of their total debts. Limits per customer are established by the insurance company. Therefore, if there is any credit risk, the risk to the company from any doubtful receivables is

limited to 20% of the coverage of the insurance company.

The company's management emphasizes on reducing working capital needs. It promotes the reduction of credit limits and reduce the credit period to its customers, to enhance free cash flow.

(c) Liquidity risk

The Company manages liquidity risk by maintaining adequate cash reserves and credit lines from banks. At present, available overdraft can adequately cover any immediate cash requirement.

(d) Operating risks

Suppliers - stock

The Company has no significant dependence on certain suppliers given that no supplier holds more than 10% of total purchases.

The company's management promotes the management of total stock so as to meet the needs of the market and the production process, without the need for excessive liquidity reservation.

Staff

The company's management is based on a team of experienced and qualified personnel, who have full knowledge of their subject and industry market conditions. This contributes significantly to the proper functioning of the company's processes and the further development of its activities.

Company executives are working harmoniously with each other and with the company's management. Potential disruption of this relationship may affect, temporarily, its proper functioning. However, the existing staffing infrastructure company enabling the direct replenishment executives, with no significant impact on the progress of its work.

B.3 Fair value measurement

The Company acknowledges fair value measurement through a 3 levels hierarchy.

- 1) Quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. («Level 1»).
- 2) Other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. («Level 2»).
- 3) Unobservable inputs for the asset or liability. An entity develops unobservable inputs using the best information

available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available. («Level 3»).

Fair value of financial assets and liabilities

	Level 1
Derivative financial instruments (assets)	4.814
Derivative financial instruments (liabilities)	20.466
	Level 3
Long-term loans	4.189.414

The fair value of long-term loans was measured based on discounted cashflows.

The carrying value of loans approximates fair value as the impact of discounting is not significant.

The fair value of the following financial assets and liabilities approximate their carrying amounts:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables

Fair value of investment property

	Level 3
Investment property	150.000

The fair value of investment property is based on Management's estimations ("Level 3"), after examining the value of the properties in the area.

B.4 Significant accounting estimations and judgments of the management

The preparation of the interim financial statements requires the Company's management to make estimations, judgments and assumptions that affect the application of the accounting principles and the asset/liability income/expense accounting values. The results are maybe different that these estimations.

For the preparation of the interim financial statements the significant judgments and estimates of the Management regarding the application of the Company's accounting principles are the same as those used for the preparation and presentation of the Company's annual financial statements for the year 2017 .

Also, the main sources of uncertainty that existed in the preparation of the annual financial statements of 31 December 2017 remained the same for the interim financial statements as at 31 March 2018.

B.5 Comparative information

Comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements, both face of financial statements and notes. Differences may arise between the amounts stated in the financial statements and the amounts stated in the notes, as a result of numbers rounding.

C. Notes to the financial statements

C1. Property, plant and equipment

Property, plant and equipment are analyzed as follows:

	Land	Buildings	Plant & equipment	Motor vehicles	Furniture and other Equipment	Total
COST						
Balance at 1 January 2017	1.269.109	11.536.646	47.257.644	1.290.594	2.031.360	63.385.353
Additions	0	50.492	782.051	70.201	25.441	928.185
Disposals	0	0	(30.908)	(64.450)	0	(95.357)
Balance at 31.3.2017	1.269.109	11.587.139	48.008.787	1.296.346	2.056.802	64.218.180
ACCUMULATED DEPRECIATION						
Balance at 1 January 2017		(2.805.441)	(20.292.892)	(1.057.315)	(1.415.315)	(25.570.963)
Depreciation expense		(85.005)	(596.820)	(11.449)	(35.573)	(728.847)
Disposals		0	30.753	64.450	0	95.203
Balance at 31.3.2017		(2.890.444)	(20.858.960)	(1.004.314)	(1.450.887)	(26.204.606)
Net book value at 31.3.2017	1.269.109	8.696.693	27.149.827	292.031	605.913	38.013.575
COST						
Balance at 1 January 2018	1.326.703	12.192.192	51.334.382	1.345.790	2.240.987	68.440.055
Additions	0	156.580	3.729.963	25.956	19.323	3.931.822
Disposals	0	0	(24.055)	0	0	(24.055)
Write-offs	0	0	0	0	(414)	(414)
Balance at 31.3.2018	1.326.703	12.348.772	55.040.291	1.371.746	2.259.896	72.347.409
ACCUMULATED DEPRECIATION						
Balance at 1 January 2018		(3.150.980)	(22.515.394)	(958.035)	(1.560.385)	(28.184.794)
Depreciation expense		(90.895)	(617.771)	(21.720)	(39.691)	(770.078)
Disposals		0	24.054	0	0	24.054
Write-offs		0	0	0	371	371
Balance at 31.3.2018		(3.241.875)	(23.109.111)	(979.755)	(1.599.706)	(28.930.446)
Net book value at 31.3.2018	1.326.703	9.106.898	31.931.179	391.991	660.191	43.416.962

There are no pledges on fixed assets.

C2. Trade and other receivables

Trade and other receivables are analyzed as follows:

	31/3/2018	31/3/2017
Trade receivables	26.096.810	21.583.581
Less: Allowance for bad debts	(2.328.665)	(2.015.184)
	23.768.144	19.568.397
Creditors advances	515.076	576.908
VAT Receivables	1.697.428	1.844.311
Greek state -others	89.690	93.687
Other receivables	39.470	62.665
Total	26.109.808	22.145.968

The amounts in "Trade receivables" are non-interest related and are normally settled on 0-150 days.

At 31/3/2018 the Trade receivables totaling €2.328.665 appear impaired. This impairment either relates to customers who appear financially distressed and Management estimates that they will not be able to meet their financial obligations, or relates to the application of an expected credit losses model. It is estimated that a part of the bad debt provisions will be recovered in future time.

Provision analysis for doubtful accounts:

	1/1-31/3/2018	1/1-31/12/2017
Opening balance	2.015.184	1.881.304
Additions	314.432	135.417
Reversals	(950)	(1.537)
Ending balance	2.328.665	2.015.184

IFRS 9 a mandatory standard from 1.1.2018 includes an expected credit losses model that replaces the incurred loss impairment model used until 31 December 2017. Company recognized an increase in provision of doubtful receivables for the amount of €309.190 based on trade balances of 31 March 2018. In relation to segment reporting (see also note C14) an amount of €159.101 is distributed to Ice-Cream Greece segment and an amount of €150.088 to the Yogurt-Greece segment. In relation to the seasonality of sales (see also note C16), no material increase is expected for financial year 2018.

C3. Derivative financial instruments

Derivative financial instruments are analyzed as follows:

	Assets		Liabilities	
	31/3/2018	31/12/2017	31/3/2018	31/12/2017
Futures	0	0	20.466	0
Options	4.814	0	0	0
Total	4.814	0	20.466	0

C4. Cash and cash equivalents

Cash and cash equivalents are analyzed as follows:

	31/3/2018	31/12/2017
Cash at bank and in hand	2.700.489	4.641.688
Short-term bank deposits	6.506.639	5.500.151
Total	9.207.128	10.141.839

C5. Reserves

Reserves are analyzed as follows:

	31/3/2018	31/12/2017
Legal reserve	2.199.320	2.199.320
Contingency reserve	38.275	38.275
Tax exempt reserve L.2601/98	962.579	962.579
Tax exempt reserve L.3299/04	15.941.253	15.941.253
Tax exempt reserve from tax exempt revenues	306.949	306.949
Tax exempt reserve from revenues specially taxed	84.888	84.888
Actuarial gains-losses reserve	(33.763)	(33.763)
Cash flow hedge reserve	(20.029)	0
Total	19.479.472	19.499.501

C6. Borrowings

Borrowings are analyzed as follows:

	31/3/2018	31/12/2017
NON-CURRENT BORROWINGS		
Long-term loans	4.200.000	4.200.000
Total non-current borrowings	4.200.000	4.200.000
CURRENT BORROWINGS		
Current liability of non-current loans	6.233.478	6.200.061
Total current borrowings	6.233.478	6.200.061
Total borrowings	10.433.478	10.400.061

Maturity of non-current bank borrowings:

	31/3/2018	31/12/2017
Between 1-2 years	1.200.000	1.200.000
Between 2-5 years	3.000.000	3.000.000
Total non-current borrowings	4.200.000	4.200.000

Changes on loans balances are analyzed as follows:

Balance at 1 January 2017	9.067.248
Loans paid (cash item)	(857.108)
Financial instruments valuation (non-cash item)	8.230
Balance at 31 March 2017	8.218.371
Balance at 1 January 2018	10.400.061
Financial instruments valuation (non-cash item)	33.417
Balance at 31 March 2018	10.433.478

Analysis of current long-term loans:

Loan provider	Type of loan	Date of agreement	Initial value	Balance at 31/3/2018
Major shareholders	Bonds / 5year / fixed interest rate	18/12/2013 Amended 1/12/2016	5.000.000	5.000.000
Alpha Bank SA	Long-term / 5year / floating interest rate	7/4/2017	6.000.000	5.433.478

The fair value of long-term loans is calculated to €4.189.414 («Level 3»).

Effective interest rate of borrowings:

	1/1-31/3/2018	1/1-31/12/2017
Effective interest rate	2,72%	2,74%

C7. Government grants

Movement of government grants relating to capital expenses:

	31/3/2018	31/12/2017
Opening balance	7.802.690	8.397.783
Charge in income statement	(135.958)	(595.093)
Ending balance	7.666.732	7.802.690

For the government grants recognized by the Company there are no unfulfilled conditions or contingent liabilities linked to them.

C8. Trade and other payables

Trade and other payables are analyzed as follows:

	31/3/2018	31/12/2017
Trade payables	14.408.019	9.559.099
Cheques payables	598.268	354.668
Social security	199.951	346.584
Other Taxes and duties	180.166	244.285
Dividends payables	6.302	6.302
Customers' advances	271.168	636.337
Other payables	2.393.030	553.067
Total	18.056.903	11.700.341

The most important changes in "Trade and other payables" are found in the line "Trade payables" regarding the seasonality in the ice cream sector (see also note C16) and the line "Other payables" mainly related to accrual accounts and periodic distribution accounts.

C9: Other income

Other income are analyzed by type as follows:

	1/1-31/3/2018	1/1-31/3/2017
Income from subsidies	0	1.370
Income from services	31.324	27.862
Rental income	1.414	2.336
Amortization of government grants relating to capital expenses	135.958	153.494
Total	168.697	185.061

C10: Other (loss) / gain net

Other (loss) / gain are analyzed by type as follows:

	1/1-31/3/2018	1/1-31/3/2017
Gains on disposal of property, plant and equipment	184	12.774
Foreign currency exchange differences	1.745	468
Other income	19.963	61
Losses on disposal of property, plant and equipment	(43)	(44)
Tax related fines and penalties	(104)	(672)
Other expenses	(4.122)	(8.412)
Total	17.623	4.175

C11. Financial income - expenses

Financial income-expenses are analyzed by type as follows:

<u>FINANCIAL INCOME</u>	<u>1/1-31/3/2018</u>	<u>1/1-31/3/2017</u>
Interest income	19.502	5.306
Other capital gains	18.356	23.127
Fair value gains on derivatives	817	0
Total financial income	38.675	28.432
<u>FINANCIAL EXPENSES</u>		
Interest expense	86.085	83.989
Bank fees and charges	1.502	11.329
Other financial expenses	6.482	5.712
Total financial expenses	94.069	101.030
Financial income - expenses (net)	(55.394)	(72.598)

C12. Income tax expense

Income tax expense is analyzed as follows

	<u>1/1-31/3/2018</u>	<u>1/1-31/3/2017</u>
Current tax	646.013	382.874
Deferred tax	(47.738)	33.323
Total	598.275	416.197

The income tax was calculated at a 29% tax rate over taxable profits for the period

C13. Earnings before interest, taxes, depreciation and amortization

Earnings before interest, taxes, depreciations and amortizations are analyzed as follows:

	<u>1/1-31/3/2018</u>	<u>1/1-31/3/2017</u>
Net profit for the period	1.572.254	1.138.136
Adjustments for:		
Income tax	598.275	416.197
Financial income (net)	55.394	72.598
Depreciation and amortization	802.247	744.317
Amortization of government grants relating to capital expenses	(135.958)	(153.494)
EBITDA	2.892.212	2.217.755

EBITDA serves as an additional indicator of our operating performance and not as a replacement for measures such as cash flows from operating activities and operating income. We believe that EBITDA is useful to investors as a measure of operating performance because it eliminates variances caused by the amounts and types of capital employed and amortization policies and helps investors evaluate the performance of our underlying business. In addition, we believe that EBITDA is a measure commonly used by analysts and investors in our industry. Accordingly, we have disclosed this information to permit a more complete analysis of our operating performance. Other companies may calculate EBITDA in a different way. EBITDA is not a measurement of financial performance under IFRS and should not be considered an alternative to net profit/(loss) as an indicator of our operating performance or any other measure of performance derived in accordance with IFRS.

C14. Operating segment information

The chief operating decision maker, in the case of KRI-KRI the CEO, receives internal financial reports to measure the performance of the operating segments and to distribute the resources between them. Under the operating distinction the Company's reportable segments are identified as follows:

♦ *Ice-cream– Greece and other Countries.* The segment refers to the production and distribution of ice-cream. There is distinctive performance measurement for Greece and other countries.

♦ *Dairy-Yogurt– Greece and other Countries.* The segment refers to the production and distribution mainly of yogurt and milk in a limited scale (Serres municipality). There is distinctive performance measurement for Greece and other countries.

The segments results for the periods ended 31.3.2018 and 31.3.2017 are analyzed as follows:

1/1-31/3/2018	Sales	Cost of Sales	Distribution Cost	Operating Earnings
Ice-Cream	3.078.221	(1.563.081)	(1.735.143)	(220.004)
Greece	2.370.925	(1.060.917)	(1.676.081)	(366.073)
Other countries	707.296	(502.164)	(59.062)	146.070
Dairy-Yogurt	15.450.053	(9.808.483)	(2.671.088)	2.970.482
Greece	9.210.798	(5.652.507)	(1.934.568)	1.623.723
Other countries	6.239.255	(4.155.976)	(736.520)	1.346.759
Rest	75.037	(136.335)	(1.958)	(63.256)
Total	18.603.311	(11.507.899)	(4.408.190)	2.687.222
1/1-31/3/2017	Sales	Cost of Sales	Distribution Cost	Operating Earnings
Icecream	2.269.362	(1.119.495)	(1.343.218)	(193.351)
Greece	2.023.932	(926.879)	(1.315.428)	(218.375)
Other countries	245.430	(192.616)	(27.790)	25.024
Dairy-Yogurt	12.296.188	(8.066.652)	(1.872.304)	2.357.232
Greece	7.832.318	(4.873.911)	(1.366.009)	1.592.397
Other countries	4.463.870	(3.192.741)	(506.295)	764.834
Rest	66.103	(187.917)	0	(121.814)
Total	14.631.653	(9.374.063)	(3.215.523)	2.042.067

The "Operating Earnings" index is an Alternative Performance Measures (APM) and is calculated as follows: Sales minus Cost of sales minus Distribution Cost.

C15. Dividends

For the financial year 2017, the Board of Directors decided to propose to the Tactical General Meeting of the Shareholders the distribution of dividend of gross value **€0,115** per share (2016: €0,09 per share). The distribution is dependent to the decision of the Annual General Meeting of the Shareholders.

C16. Seasonality

The high seasonality of the ice cream industry is having an impact on April-August, which is characterized by particularly high sales and operating profits.

In the dairy industry, sales and operating profits are almost equally distributed throughout the year.

C17. Contingent assets – liabilities

The Company has contingent liabilities (in relation with bank and other guarantees) arisen in the ordinary course of business. These contingent liabilities are not expected to generate any material cash outflows. No additional payments are expected at the date of preparation of these financial statements.

Any disputes under litigation or arbitration, court or arbitration decisions may not have a material impact on the Company's financial position or operation.

C18. Related party transactions

Related party transactions are analyzed as follows:

	<u>1/1-31/3/2018</u>	<u>1/1-31/3/2017</u>
Payment of interest on a bond loan*	45.121	49.418

Outstanding receivables from and payables to related parties are analyzed as follows:

	<u>31/3/2018</u>	<u>31/12/2017</u>
Payables to related parties*	5.000.000	5.000.000

Directors' compensation and other transactions with key management personnel are analyzed as follows:

<u>COMPENSATION OF DIRECTORS</u>	<u>1/1-31/3/2018</u>	<u>1/1-31/3/2017</u>
Salaries of the members of the Board of Directors	23.024	23.024
Total	23.024	23.024

OTHER TRANSACTIONS WITH THE MEMBERS OF THE B.O.D. AND KEY MANAGEMENT PERSONNEL

	<u>31/3/2018</u>	<u>31/3/2017</u>
Transactions with the members of the B.O.D and key management personnel	22.560	24.709
Liabilities to the members of the B.O.D and key management personnel*	2.500.000	2.500.000

* Bond loan covered by major shareholders

C19. Post balance sheet events

There are no other important post-balance sheet events that should modify the reported statements.

Serres, 30 May 2018

Chairman
& Managing Director

Vice-Chairman

Financial Director

Chief Accountant

Panagiotis Tsinavos
ID AE373539

Georgios Kotsambasis
ID AE376847

Konstantinos Sarmadakis
ID AN389135

Evangelos Karagiannis
ID T215570