KARVELAS & SIA A.V.E.E

IMPORTS-CEREALS-ANIMAL FEED-FERTILIZERS-SEEDS-PLASTIC BAGS

BALANCE SHEET 31ST DECEMBER 2014-17 TH ACCOUNTING PERIOD (1 JANUARY 2014 - 31 DECEMBER 2014) Company Number 27639912000

AMOUNTS EXPRESSED IN EUROS

ASSETS

	Year end 2014			Year end 2013		
	Cost	Accumulated Depreciation	Net Book Value	Cost	Accumulated Depreciation	Net Book Value
B. ESTABLISHMENT EXPENSES						
1. Formation and set up expenses	13.499,78	13.499,71	0,07	13.499,78	13.499,71	0,07
4. Sundry Establishment Expenses	33.212,77	9.078,28	24.134,49	33.212,77	6.061,47	27.151,30
	46.712,55	22.577,99	24.134,56	46.712,55	19.561,18	27.151,37
C. FIXED ASSETS						
II. TANGIBLE ASSETS						
1. Land	376.420,40	0,00	376.420,40	376.420,40	0,00	376.420,40
3. Buildings and Improvements	2.387.161,52	2.107.442,67	279.718,85	2.387.161,52	2.033.041,18	354.120,34
4. Plant and equipment	1.480.344,37	1.218.985,43	261.358,94	1.376.751,59	1.192.644,14	184.107,45
5. Transportation Equipment	347.218,99	229.471,08	117.747,91	318.493,96	208.000,29	110.493,67
6. Furniture and other equipment	142.870,73	134.453,75	8.416,98	142.870,73	132.286,16	10.584,57
Total Tangible Assets (CII)	4.734.016,01	3.690.352,93	1.043.663,08	4.601.698,20	3.565.971,77	1.035.726,43
III.Participating Interests & Other Long-Term Receivables						
7.Other long-term receivables			1.112,10			1.112,10
TOTAL FIXED ASSETS (CII+CIII)			**1.044.775,18**			**1.036.838,53**
D. CURRENT ASSETS						
I. Inventories						
1. Stocks			1.983.154,38			2.388.128,03
2. Stocks and Semi- finished products			47.886,96			110.955,77
4. Raw materials, Consumables, Spare Parts & Packaging			141.562,72			364.521,35
5. Prepayments for inventories purchases			0,00			0,00
			2.172.604,06			2.863.605,15
II.Receivables						
1. Customers	1.760.970,93			1.623.814,18		
Less: Provisions for doubtful debts	252.571,15		1.508.399,78	252.571,15		1.371.243,03
3α. Cheques receivable (postdated)			3.233.853,15			2.331.118,96
3b. Cheques at Bank			827.624,06			819.778,55
3c. Cheques overdue			715.102,61			0,00
4.Capital called to be paid within next year			0,00			1.500.372,00
11. Sundry debtors			69.025,95			70.398,02
			6.354.005,55			6.092.910,56
III. Investments						
3. Other investments			8.499,50			8.499,50
			8.499,50			8.499,50
IV. Cash						
1. Cash in hand			11.797,66			4.881,35
3. Sight and time deposits			1.040.146,93			1.755.976,74
			1.051.944,59			1.760.858,09
Total Currents Assets (DI+DII+DIII+DIV)			**9.587.053,70**			**10.725.873,30**
E. TRANSIT DEBIT BALANCES						
3. Other Transit Debit Balances			179.746,09			6.297,95
TOTAL FIXED ASSETS (B+C+D+E)			**10.835.709,53**			**11.796.161,15**
DEBIT MEMO ACCOUNTS						
2.Guarantees and real securities			30.000,00			30.000,00
4.Other Memo Accounts			0,00			31.153,11
TOTAL DEBIT MEMO ACCOUNTS			30.000,00			61.153,11

LIABILITIES

	Year end 2014	Year end 2013
A.SHARE CAPITAL		
I.Share Capital		
(52.910 shares of 58,70 Euro each)		
1.Paid-up Capital	3.105.817,00	1.605.445,00
2.Capital stock subscribed	0,00	1.500.372,00
	3.105.817,00	3.105.817,00
III.Revaluation Reserves of Fixed Assets		
2. Reverses from value adjustment or other assets	150,92	150,92
3.Fixed assets investment subsidies	118.322,57	184.494,55
	118.473,49	184.645,47
IV.Reserves		
1. Legal Reserve	51.947,90	47.288,01
5.Tax Free Reserves Under Special Laws	809.752,39	809.777,60
	861.700,29	857.065,61
V.Results Curried Forward		
Retained earnings	56.798,52	51.070,52
	56.798,52	51.070,52
VI.Amounts destined to future capital increase	0,00	0,06
	0,00	0,06
Total Capital and Reserves (AI+AIII+AIV+AV+AVI)	**4.142.789,30**	**4.198.598,66**
C. CREDITORS		
I.Long term liabilities		
2. Bank loans	750.000,00	240.100,37
	750.000,00	240.100,37
II.Current Liabilities		
1. Suppliers	785.150,16	2.000.705,85
2. Notes payable	8.188,69	12.817,08
2α.Cheques payable	128.218,68	35.353,46
3. Short portion of Long term Liabilities	2.860.013,43	4.771.486,38
5. Taxes and Duties	289.639,25	12.126,51
6. Social Securities	15.822,53	46.339,79
11. Sundry Creditors	1.855.887,49	468.757,62
Total Creditors (CII)	5.942.920,23	7.347.586,69
TOTAL LIABILITIES (CI+CII)	**6.692.920,23**	**7.587.687,06**
E.TRANSIT CREDIT BALANCES		
3. Other transit Credit Balances	0,00	9.875,43
	0,00	9.875,43
GRAND TOTAL LIABILITIES (A+C+E)	**10.835.709,53**	**11.796.161,15**
CREDIT MEMO ACCOUNTS		
2.Guarantees and real securities	30.000,00	30.000,00
4.Other Memo Accounts	0,00	31.153,11
TOTAL CREDIT MEMO ACCOUNTS	30.000,00	61.153,11

Note:On the assets of the Comprany exists liens total value 1,7 milion euro in order to secure bank loans

PROFIT AND LOSS ACCOUNT YEAR END 31st DECEMBER 2014 (1 JANUARY - 31 DECEMBER 2014)

	Year end 2014			Year end 2013		
I. Operating Results						
Turnover Sales		22.636.683,96			19.424.875,06	
Less: Cost of sales		21.466.077,33			17.826.433,92	
Gross Operating Results (profit)		1.170.606,63			1.598.441,14	
Plus: : Other operating results		70.287,96			7.758,29	
Total		1.240.894,59			1.606.199,43	
LESS: 1.Administrative expenses	393.252,29			213.806,01		
3.Selling Expenses	518.945,28	912.197,57		838.436,58	1.052.242,59	
Subtotal Operating Results (profit)		328.697,02			553.956,84	
PLUS: 4.Credit Interest & other related Income	12.046,59			74,55		
LESS: 3.Debit Interest & other related Expenses	313.965,87	301.919,28		456.497,17	456.422,62	
Total Operating Results (profit)		26.777,74			97.534,22	
II.PLUS: Exceptional Results						
1.Extraordinary and non - operating income	53.944,53			0,00		
2.Extraordinary profits	34.493,64	88.438,17		43.098,17	43.098,17	
LESS: 1.Extraordinary and non-operating expenses	10.917,20		6.221,82	6.221,82		
3. Prior years' expenses	52.100,00		0,00	0,00		
4.Provisions for extra ordinary liabilities	0,00	25.420,97	96.226,24	96.226,24	-59.349,89	
Operating and extra ordinary results (profit)		52.198,71			38.184,33	
LESS :						
Total Depreciation	127.397,97			132.314,41		
Less : Depreciation included in the operating cost	127.397,97	0,00		132.314,41	0,00	
NET RESULTS OF THE YEAR BEFORE TAXES		**52.198,71**			**38.184,33**	

APPROPRIATION ACCOUNT

	Year end 2014	Year end 2013
Net Results (profit/loss) of the year	52.198,71	38.184,33
(+) ή (-): Profit/Loss brought forward previous years	51.070,52	37.891,60
Net Results (profit/loss) of the year	**103.269,23**	**76.075,93**
LESS 1.Income Tax	40.494,86	20.441,37
2.Depreciation not included in operating results	1.315,96	1.632,75
Profit for Appropriation	**61.458,41**	**54.001,81**
Appropriated as under:		
1. Legal Reserve	4.659,89	2.931,29
8. Profit carried forward	56.798,52	51.070,52
	61.458,41	54.001,81

Agrinio, 30 April 2015

CHAIRMAN OF THE BOARD	VICE PRESIDENT	CHIEF ACCOUNTING MANAGER
KARVELAS NIKOLAOS	**DIMITRIADIS DIMITRIOS**	**PAGIDAS DIMITRIOS**
ID No. AB 776702	**ID No. S 785546**	**(Prof. No. A'CLASS)**

Independent Auditor's Report

To the Shareholders of Company KARVELAS & SIA S.A.

Report on the Financial statements: We have audited the above mentioned financial statements of «KARVELAS & SIA A.V.E.E» ,which comprise the balance sheet as at 31 December 2014, the income statement, the appropriation account for the year then ended and the explanatory notes. **Management Responsibility for the Financial Statements:** Management is responsible for the preparation and fair presentation of these financial statements in accordance with Greek Accounting Standards and articles 42α to 43c of the Law 2190/1920, and for such internal controls as management determines are necessary to enable the preparation of financial statements free from material misstatement, whether due to fraud or error. **Auditor's Responsibility:** Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards of Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. **Basis for Qualified Opinion:** As a result of our audit the following came to our attention: 1.The account "Receivables" of current assets include overdue cheques of total amount €715.000 for which no equal provision has been formed. The non-formation of this provision is a deviation of the accounting policies as provided in the Greek Legislation (Codified Law 2190/1920 and Greek Accounting Standards) and as a consequence the balances to debtors, the results of the year and Equity are overestimated by this amount. 2.The balances due to creditors could not be verified by confirmation letters or other alternative audit procedures and therefore we qualify our opinion with respect to the value of these liabilities. 3. It was not possible to obtain sufficient and appropriate audit evidence regarding the confirmation of accounts "Cost of Sales" and "Inventories" of the Income Statement and Balance Sheet respectively and therefore we qualify our opinion with respect to the value of these accounts. 4. Notwithstanding the accounting policies as provided in the Greek Legislation (Codified Law 2190/1920 and Greek Accounting Standards) the company has not established a provision for retirement benefits. The related provision as of 31 December 2014, amounts to €21.000. As a result, the Provisions are underestimated by € 21.000, Equity is overestimated by € 21.000 and the results of the year are overestimated by € 7.000. 5. The Company's books have not been audited by the tax authorities for the years 2006 to 2010 and 2014. A Company's taxation liability cannot be considered final until its books have been audited by the tax authorities. The Company has not made any estimation of additional taxes and increments that might be attributed to future tax audit and has not formed any provision. From our audit it was not possible to obtain reasonable assurance on the estimated amount of the provision that might be required. Moreover, the company for the 2014 has not accepted the tax audit of the Certified Public Accountants which is referred to the provisions of Article 65A paragraph 2 of L.4174 / 2013.**Qualified Opinion:** In our opinion, except for the effects of the matter 1 and 4 and the possible effects of matter 5 which are mentioned in the paragraph "Basis for Qualified Opinion",the aforementioned financial statements present fairly, in all material respects, the financial position of «KARVELAS & SIA A.V.E.E» as of 31 December 2014, and of its financial performance for the year then ended in accordance with Greek Accounting Standards and the articles 42α to 43c of the Law 2190/1920.**Report on Other Legal and Regulatory Requirements:** 1. We verified the agreement and correspondence of the content of the Board of Directors' Report with the abovementioned Financial Statements, in the context of the requirements of Articles 43 a and 37 of the Law 2190/1920. 2. The non –distribution of dividends from the profits is up to the approval of the Annual General Meeting of Shareholders by a majority of at least 70% of the paid up Share Capital.

Athens, 9 June 2015
The Certified Public Accountant

RSM
Audit · Tax · Advisory

Vassilis Kaplanis
Reg. Number. SOEL. 19321
For RSM GREECE S.A (Reg. Num. SOEL 104)
Independent Member of RSM International
Patroklou 1 & Paradeisou, 151 25 Marousi