General Commercial Reg. Number: 346001000
AVLONAS ATTICA, DRASEZA PLACE (Industrial park Avlona)

ANNUAL FINANCIAL REPORT
PERIOD FROM 1ST JANUARY TO 31ST DECEMBER 2018
In accordance with International Financial Reporting Standards (IFRS)
(As adopted by the European Union)

It is asserted that this Annual Financial Report for 2018 (01.01.2018-31.12.2018) is conducted according to article 4 of the Law 3556/2007 and the relevant Decisions of the Hellenic Capital Market Commission is the one which approved by the Board of Directors of "ELTON INTERNATIONAL TRADING COMPANY S.A.", on April 10th 2019 and is posted on www.elton.gr, where it will remain at the disposal of the investing public for at least five (5) years after its publication.

*These financial statements and notes on the financial statements have been translated to English from the original statutory notes that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial statements, the Greek version will prevail over this document

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STATEMENTS OF THE MEMBERS OF THE BOARD

The following members of the Board of Directors of the Company "ELTON INTERNATIONAL TRADING COMPANY S.A." and especially:

1. Nestor Papathanasiou of Dimitrios, Chairman of the Board of Directors and CEO
2. Alkistis Papathanasiou of Nestor, executive member of the Board
3. Katy Andreou of Ioannis, executive member of the Board,

with our above-mentioned status and according to article No. 4, paragraph 2, of the law 3556/2007, as it stands today, and as especially assigned from the Board of Directors of the Public Listed Company under the name "ELTON INTERNATIONAL TRADING COMPANY SA" (hereafter referred to as the "Company" or as "ELTON"), we state and we assert that to the best of our knowledge:

(a) The financial statements of the Company (and the consolidated) for the period 2018 (01.01.2018-31.12.2018), which were prepared according to the current accounting standards, depict in a truthful way the assets and the liabilities, the equity and the results of the Group and the Company, as well as the companies' which are included in the consolidation as total, and

(b) The Report of the Board of Directors of the Company presents in a truthful way the significant events that took place in the financial year of 2018, the evolution and the position of the Company, as well as the companies that are included in the consolidation as a total, including the main risks and uncertainties they face.

Avlonas Attica, 10th April 2019

The asserting,

President of BoD and CEO	Executive member of the Board	Executive member of the Board
Nestor D. Papathanasiou	Alkistis N. Papathanasiou	Katy I. Andreou
ID card AB 606775	ID card AE 105490	ID card AB 237937

Annual Report of the Board of Directors for the period 2018 (including the State of Corporate Governance)

INTRODUCTION

The present Report of the Board of Directors (from now on referred to as the ''Report'') which follows refers to the financial year of 2018 (01/01/2018 - 31/12/2018).

This Report was compiled and is in line with the relevant stipulations of the law 2190/1920, law 3556/2007 and the relevant executive decisions of the Hellenic Capital Market Commission.

The present Report contains in a brief, but substantive manner all the important units, which are necessary, based on the above-mentioned legislative frame and depicts in a truthful way all the relevant indispensable according to the law information, in order to deduce a substantive and well-founded appraisal of the activity, during the time period in question, of the company "ELTON INTERNATIONAL TRADING COMPANY SA" (hereafter referred to as the "**Company**" or "**Issuer**" or as "**ELTON**") as well as the Group.

In the Group, apart from ELTON, also the following associated companies are included:

a) ELTON CORPORATION SA, which is in Bucharest Romania, Campului street 5, Pantelimon, in which ELTON participates a 100%.

b) ELTON CORPORATION EOOD, which is in Sofia Bulgaria, Botevgradsko Shose Blvd., 2nd kilometer from the ring-road /direction to Varna/1855 Dolni Bogrov, in which ELTON participates a 100%.

c) ELTON CORPORATION DOO, which is located in Belgrade Serbia, Sanje Zivanovica 27a, in which ELTON participates a 100%.

d) ELTON PLS, which is located in Avlona Attica, Draseza place, in which ELTON participates a 100%.

e) ELTON CORPORATION L.L.C., which is located in Kiev Ukraine, Mezhigorskaya str.82 "A", office 303, 04080, in which ELTON participates a 100%.

f) ELTON MARMARA KIMYA SANAYI VE TICARET A.S., which is located in Besiktas municipality of Istanbul, in which ELTON participates a 70% (indirect participation through the 100% subsidiary ELTON CORPORATION S.A. Romania)

This report was prepared in accordance with the terms and conditions of the pre-described legal framework, notably Article 4 of L.3556/2007 and Article 4 of Decision 7/448/11.10.2007 of the Board of the Capital Market Commission and accompanies the financial statements for the year 2018 (1.1.2018-31.12.2018).

Given that the Company also prepares consolidated financial statements, the present report is single, the main point of reference is the consolidated financial figures of the Company and the associate companies, and the parent company's figures are referred to when it is considered necessary in order to better understand its content.

This Report is included integral, with the financial statements of the Company and the other elements and statements that are dictated by the law, in the Annual Financial Report that includes the Corporate Government Statement and refers to the financial year of 2018.

The sections of the Report and their content are as follows:

SECTION A

Important Events during the Fiscal Year of 2018

The important events which took place during the fiscal year 2018 (01.01.2018-31.12.2018) in the order they took place, for the Company and the Group are the following:

- 18/04/2018 **-** Announcement of the Financial Calendar 2018

The Management of "ELTON INTERNATIONAL TRADING COMPANY SA" announces the Financial Calendar for the year 2018 according to which:

1. Annual Financial Statements of the Company and the Annual Consolidated Financial Statements of fiscal year 2017 will be published at the web page of Athens Exchange Group (www.helex.gr) and Company (www.elton.gr), on Friday 20th April 2018.
2. The Annual General Meeting of Shareholders will be held Wednesday 20th June 2018.

The Board of Directors of the Company intends to propose to the Annual General Meeting of the Shareholders not dividend distribution for the fiscal year 2017.

The company retains the right to change the above dates if timely notification of the public by amending the present, according to the provisions of the Athens Exchange Rulebook.

- 20/04/2018 **-** Publication of Financial Results 2017 & Press release
- 23/05/2018 **-** Invitation to Annual General Meeting
- 20/06/2018 – Modification of Financial Calendar – Dividend distribution

The Board of Directors will propose to the Ordinary General Meeting of 20th June 2018 dividend distribution to the shareholders at the amount of 1.069.207,48 euro, thus 0,04 euro per share. As dividend right cut day is proposed 09/07/2018, from that date (and from the beginning of the relevant meeting of the Athens Stock Exchange) the shares of the company will be traded without the right to receive dividend.

It is also proposed the 10/07/2018 as date of determination of dividend beneficiaries with the clarification that according to the Athens Stock Exchange regulation, beneficiaries of the dividend to be distributed are the shareholders who will be registered in the DSS records on the above mentioned- record date and 16/07/2018 is proposed as the starting date for payment of the dividend.

- 20/06/2018 **-** Decisions of the Annual General Assembly 20/06/2018

It is announced that on 20/06/2018 at the offices of the company in the municipality of Avlona, place Draseza (Industrial Park) took place The Annual General Meeting of shareholders of our Company after the 21/05/2018 invitation of BoD, which was attended by eleven (11) shareholders (eight in person and three by proxy), representing a total of 21.953.568 shares, i.e. 82,130245 % of the share capital of the company.

On the issues of the agenda following decisions were taken:

1. Unanimously approved by votes 21.953.568 for total that were present 21.953.568, i.e. 100% of the present shareholders and votes, the Annual Financial Statements for the fiscal year 1/1-31/12/2017 and Financial Statements & Information of fiscal year 1/1-31/12/2017.

It was also unanimously approved by votes 21.953.568 for total that were present 21.953.568, i.e. 100% of the present shareholders and votes the dividend distribution at the amount of 1.069.207,48 euro, thus 0,04 euro per share.

2. Unanimously approved by votes 21.953.568 for total that were present 21.953.568, i.e. 100% of the present shareholders and votes, the Board of Directors' Report and Audit Report of Independent Certified Auditor - Accountant on the annual Financial Statements for the fiscal year 1/1/2017-31/12/2017.

3. Unanimously approved by votes 21.953.568 for total that were present 21.953.568, i.e. 100% of the present shareholders and votes, to discharge the Members of the Board of Directors and of the Auditors from any compensation liability regarding Annual Financial Statements and the activities during the fiscal year that ended on 31.12.2017.

4. Unanimously approved by votes 21.953.568 for total that were present 21.953.568, i.e. 100% of the present shareholders and votes, the fees of the Board of Directors members for the year 1/1/2017-31/12/2017.

5. Unanimously pre-approved by votes 21.953.568 for total that were present 21.953.568, i.e. 100% of the present shareholders and votes, the fees of the Board of Directors members for the year 1/1/2018-31/12/2018.

6. Elected by votes 21.953.547 for total that were present 21.953.568, i.e. 99,999904% of the present shareholders and votes, the audit firm SOL SA for the audit of annual year 2018.

7. Approved by votes 21.953.547 for total that were present 21.953.568, i.e. 99,999904% of the present shareholders and votes the election of new Board of Directors, according to the article 3 of the L.3016/2002 as in force. The new Board of Directors will consist of Nestor Papathanasiou, Alkistis Papathanasiou, Ilektra Papathanasiou, Katy Andreou, Dimitrios Giotopoulos, Epaminondas Taflambas, Michalis Chatzis and Christos Poulis. The mandate of the new Board is three years.

8. It was elected by votes 21.953.547 for total that were present 21.953.568, i.e. 99,999904% of the present shareholders and votes, the Audit Committee according to the article 44 of L.4449/2017 which is consists of: Theodorou Eirinaios (President of the Committee), Michalis

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Chatzis (independent not executive member of the Board), Christos Poulis (independent not executive member of the Board), Ilektra Papathanasiou (not executive member of the Board).

9. Approved by votes 21.953.547 for total that were present 21.953.568, i.e. 99,999904% of the present shareholders and votes, the contracts for work and services with Board of Directors members in accordance with Article 23a of Codified 2190/20 as applicable.

10. Approved unanimously with 21.953.568 votes out of 21.953.568 were present, namely 100% of the present voting shareholders, the granting of guarantees license or other securities in subsidiaries in accordance with article 23a of CL 2190/20 as amended.

- 20/06/2018 – Board of Directors Composition

ELTON INTERNATIONAL TRADING COMPANY S.A. announces that the new Board of Directors elected by the Annual General Meeting of June 20, 2018, was constituted as follows:

-Nestor D. Papathanasiou, Chairman and Chief Executive Officer

-Alkisti N. Papathanasiou, Executive Member

-Kathy Andreou, Executive Member

-Epameinondas Taflambas, Executive member

-Dimitrios Giotopoulos, Executive member

-Electra N. Papathanasiou, Non-Executive Member

-Michalis Chatzis, Independent not Executive Member

-Christos K. Poulis, Independent not Executive Member

The term of the above Board of Directors is three years and expires on 19/06/2021.

- 20/06/2018 **–** Announcement of ex-dividend date/ dividend payment date

ELTON INTERNATIONAL TRADING COMPANY S.A. informs its' shareholders in accordance with the article 4.1.3.4 of the Athens Exchange (ATHEX) Regulation that the Ordinary General Meeting of shareholders of 20.06.2018 decided the dividend distribution of amount 0,04 euro per share before tax deduction for fiscal year 2017. This amount is subject to a 15% withholding tax (i.e. € 0,006 per share). After the withholding tax of 15% (or € 0,006 per share), the net dividend amount is € 0,034 per share.

Beneficiaries of the dividend are the shareholders who will be registered in the archives of DSS on Tuesday 10th July 2018 (record date) for this listed company. The cut-off date for the 2017 dividend is Monday 9th July 2018.

The payment of dividend of fiscal year 2017 will start from Monday 16th July 2018 through the paying bank- National Bank of Greece in the following ways:

1) Through the Operators (Banks, Brokerage Companies) in the Dematerialized Securities System (DSS) and in accordance with the distribution process as defined in Section 5.5 of the Athens Stock Exchange Regulation and Article 39 of the Codified Operating Regulations of the SA.

2) Through the branch network of NATIONAL BANK OF GREECE for the shareholders who have requested an exemption from their DSS operator.

3) For the shareholders who for various reasons could not obtain credit through their operators, it will be able to receive the dividend from July 16th, 2018 through the branches of NATIONAL BANK OF GREECE.

For cases 2 and 3 the shareholders will have the possibility to receive a dividend in person or through their legally authorized representatives for the period up to 16/07/2019 by presenting the copy with the data they hold on the DSS and the demonstration of their Police Identity card.

After 16/07/2019 the dividend payment of fiscal year 2017 will be paid only by the offices of the company, Shareholders Service Department (location Draseza-Vipa Avlona, tel.22950-29350).

- 19/09/2018 – Publication of Financial Results A semester 2018

SECTION B

Main Risks and Uncertainties

The Group is exposed to a variety of financial risks: market risk (including changes in exchange rates), credit risk, liquidity risk, cash flow risk and fair value risk from changes in interest rates.

The overall risk management of the Group focuses on the unpredictability of financial markets and seeks to minimize their potential negative effects on the financial performance of the Group.

1. Market Risk

A. Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risks arise from future commercial transactions, recognized assets and liabilities and investments having their head office and operate abroad. The Group has certain investments in subsidiaries that are depicted in the table below, whose assets are exposed to currency risks.

COMPANY	COUNTRY	PARTICIPATION PERCENTAGE	CONSOLIDATION METHOD
ELTON CORPORATION SA	ROMANIA	100%	FULL
ELTON CORPORATION EOOD	BULGARIA	100%	FULL
ELTON CORPORATION DOO	SERBIA	100%	FULL
ELTON CORPORATION LLC	UKRAINE	100%	FULL (*from 1.1.2016)
ELTON MARMARA KIMYA SANAYI VE TICARET A.S.	TURKEY	70%	FULL

B. Price risk

The Group is not exposed to debt securities price risk due to their total lack.
However, is exposed to changes in the value of commodities traded (Bulk chemicals) and this because their price is directly related to the price of petroleum, as valued in the current market. The risk is managed through a similar change in selling prices of the goods available.

2. Cash flow and fair value interest

A. Interest risk

The Group has no interest-bearing assets and therefore income and operating cash flows are substantially independent of changes in market interest rates.
The Group's interest risk is increased by long-term and short-term borrowings.
In particular, the long-term borrowings on 31st December 2018 of the Croup and the Company amounted to 8.643.140 euro (2017: 5.566.525 euros) and 7.593.467 euro (2017: 4.427.174 euro) while the short-term borrowings of the Group and the Company amounted at 14.082.749 euros (2017: 18.130.070 euro) and 6.990.587 euro (2017: 14.286.341 euro) respectively.
In case of +1% or -1% change of interest rate, the effects on equity and results of the Group and the Company are presented below:
A) Increase in interest rate by 1%
The results for the year and equity of the Group and the Company would burden by 227.259 and 145.841 euros respectively (2017: 236.966 and 187.135 euro).
B) Decrease in interest rate by 1%
The results of the year and the equity of the Group and the Company would increase by 227.259 and 145.841 euros respectively (2017: 236.966 and 187.135 euro).

B. Credit risk

Credit risk arises from cash and cash equivalents, deposits in banks, and credit reports of customers including significant receivables and transactions.
The Group does not have significant concentration of receivables in limited number of customers. Due to the large dispersion of the customer base, the group faces limited credit risks and makes systematic use of credit insurance and where appropriate advances, credit and bank guarantees are considered. The group's clientele includes international prestigious multinational corporations and therefore the existence of credit risk is limited.
The Group and the Company make provision for doubtful customers.
On 31st December 2018 the total amount of customers' and other trade receivables was EUR 51.510.557 (2017: 51.821.991) and EUR 36.835.405 (2017: 36.979.654) respectively and the provisions for doubtful debts were euros 8.486.103 (2017: 6.908.618) and euros 5.514.674 (2017: 4.951.235) respectively i.e. 16,47% (2017: 13,33%) and 14,97% (2017: 13,39%)

which the Management of the Company considers satisfactory in an environment of increased credit fluctuations.

Also, the debit balances of subsidiaries on December 31st 2018 amounted to EUR 1.264.741 (2017: 1.048.231 euro) which the Company's Management believes that presenting no risk of non-collecting since subsidiaries are controlled 100% by the parent.

C. Capital management risk

The capital management aims to ensure the Group the ability to continue its activities in order to provide profits to the shareholders and benefits for other interested parties, while maintaining a capital structure that minimizes the cost of capital. The tools of capital management are the dividend policy, the issuance or return of capital and trading of assets.

The main index used in the management of capital is the leverage factor, which is calculated as net borrowing divided by total usable capital.

Net borrowing is calculated as total borrowings (including short- and long-term loans) minus cash and cash equivalents.

The total usable capital is calculated by the equity that is displayed in the balance sheet plus the net borrowing.

	GROUP		COMPANY	
	31/12/2018	**31/12/2017**	**31/12/2018**	**31/12/2017**
Total of borrowings	22.725.889	23.696.595	14.584.054	18.713.515
Less: Cash and cash equivalents	-2.630.590	-4.832.391	-1.707.721	-4.476.137
Net Borrowing	**20.095.299**	**18.864.204**	**12.876.333**	**14.237.378**
Equity	51.786.156	50.395.091	46.854.651	44.722.736
Total usable capital	**71.881.455**	**69.259.295**	**59.730.984**	**58.960.114**
Leverage factor	**27,96%**	**27,24%**	**21,56%**	**24,15%**

It is observed that the leverage factor on 31 December 2018 for the Group appears almost in the same level with the previous fiscal year 2017 while it appears to be reduced for the Company due to profitability and reduction of loan liabilities.

On 20/06/2018 at the Ordinary General Meeting of the Shareholders it was decided dividend distribution at the amount of 1.069.207,48 euro, thus 0,04 euro per share.

D. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of financing through sufficient credit operations.

The table below analyzes the financial liabilities of the Group and the Company classified in groups by date, calculated in accordance with the remaining period from the balance sheet date until the contractual maturity date.

Group 31/12/2018	up to 1 year	from 1 until 5 years	over 5 years	Total
Borrowing	14.082.749	7.035.997	1.607.143	22.725.889
Trade and other liabilities	16.862.232	0	0	16.862.232
Total	**30.944.981**	**7.035.997**	**1.607.143**	**39.588.121**

Group 31/12/2017	up to 1 year	from 1 until 5 years	over 5 years	Total
Borrowing	18.130.070	4.462.974	1.103.551	23.696.595
Trade and other liabilities	19.134.024	0	0	19.134.024
Total	**37.264.095**	**4.462.974**	**1.103.551**	**42.830.619**

Company 31/12/2018	up to 1 year	from 1 until 5 years	over 5 years	Total
Borrowing	6.990.587	5.986.324	1.607.143	14.584.054
Trade and other liabilities	12.560.492	0	0	12.560.492
Total	**19.551.079**	**5.986.324**	**1.607.143**	**27.144.546**

Company 31/12/2017	up to 1 year	from 1 until 5 years	over 5 years	Total
Borrowing	14.286.341	4.427.174	0	18.713.515
Trade and other liabilities	12.904.701	0	0	12.904.701
Total	**27.191.043**	**4.427.174**	**0**	**31.618.216**

Group considers that all the obligations to suppliers are short term. In the same category include other short-term obligations and the tax liabilities.

E. Fire risk

The Group's fixed assets (buildings, warehouses, offices, machinery and furniture) and the inventories of the Company are fully insured against fire, lightning, storm, storm, other natural disasters and acts of terrorism.

The inventories that are in warehouses of the company are insured at their acquisition value against all these risks. Additionally, there are insurance programs for loss of gross profit as a consequence of business interruption, from coverage of property damage, as well as programs covering financial losses or contingent liabilities of third parties.

Despite security of facilities, stock and employees, in any partial or total destruction or accident related to the above risks, it cannot be any confirmation that the Company will be indemnified directly and in full by the insurance company.
In addition, the Group's buildings are in very good condition and have been taken all appropriate measures to address this risk and minimize its consequences.

SECTION C
Important Transactions with Related Parties

This section includes the most important transactions between the Company and its related parties, as they are defined by International Accounting Standard 24.
Especially in this section include:
a) Transactions between the Company and any related party made during the fiscal year 2018, which have materially affected the financial position or performance of the Company during this period,
b) Any changes in the transactions between the Company and any related party described in the last annual report that could have a material effect on the financial position or performance of the Company during the fiscal year 2018.
Note that the reference to those transactions which follows includes the following items:
a) The amount of such transactions for the period 1.1-31.12.2018,
b) The outstanding balance at end of period (31.12.2018)
c) The nature of the related party relationship with the issuer and
d) Any information on transactions, which are necessary for an understanding of the financial position of the Company, but only if such transactions are substantial and not been concluded under normal market conditions.
In particular the transactions and the balances between the Company and the related legal entities (subsidiaries), as defined by the International Accounting Standard 24, for the period 1.1.2018-31.12.2018 and 31 December 2018 were as follows (amounts in euro):

TRANSACTIONS OF ELTON SA WITH RELATED PARTIES				
	SALES		PURCHASES	
COMPANY	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
ELTON CORPORATION SA	367.466	459.300	287.524	248.691
ELTON CORPORATION EOOD	136.230	138.955	53.381	106.381
ELTON CORPORATION DOO	109.153	124.176	0	14.040
ELTON CORPORATION LLC	1.360	7.429	0	0
ELTON MARMARA A.S.	82.345	209.000	0	0
TOTAL	**696.554**	**938.860**	**340.905**	**369.112**

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TRANSACTIONS OF ELTON SA WITH RELATED PARTIES				
	RECEIVABLES		OBLIGATIONS	
COMPANY	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
ELTON CORPORATION SA	41.148	25.713	1.273.444	1.337.952
ELTON CORPORATION LTD	1.100.658	722.570	0	0
ELTON CORPORATION DOO	120.535	273.114	0	0
ELTON CORPORATION LLC	1.360	709	0	0
ELTON MARMARA A.S.	1.040	26.125	0	0
TOTAL	**1.264.741**	**1.048.231**	**1.273.444**	**1.337.952**

Analytically and with the objective of specific determination of the above transactions are specified the following:
Transactions and balances with related natural persons, as defined by the International Accounting Standard 24, for the period 1.1-31.12.2018 and on 31st December 2018 respectively for the period 1.1-31.12.2017 and on 31st December 2017 were as follows (amounts in euros):

	GROUP		COMPANY	
	1/1-31/12/18	**1/1-31/12/17**	**1/1-31/12/18**	**1/1-31/12/17**
Transactions and fees of managers and members of the administration from payroll and profits	961.998	935.916	619.289	610.135
Receivables from managers and BoD members	0	0	0	0
Obligations to key management personnel and BoD members	24.337	24.337	24.337	24.337

There were no changes in the transactions between the Company and its connected persons which could have a material effect on the financial position and performance of the Company for the period 1.1-31.12.2018.
All transactions described above have been concluded under normal market conditions, i.e. under conditions identical to those that would apply for the same or similar transactions between independent enterprises.

SECTION D

Detailed information according to Article 4 § 7 of L.3556/2007 as valid today (Explanatory Report)

Structure of the share capital of the Company

The Company's share capital amounts to 13.899.697 euro. It is divided to 26.730.187 ordinary shares with a nominal value of 0,52 euro each.

The shares are nominal and registered and listed for trading on the Hellenic Exchange Market (under "Mid Cap") of the Athens Stock Exchange.

Each share empowers the entitlement of one vote at the General Assembly.

Each share provides all the rights and creates all the obligations identified by the Law and the Company's Articles of Association. The responsibility of shareholders is limited to the nominal value of their shares.

Restrictions to the transfer of shares of the Company

The transfer of shares is done as stipulated by Law and there are no restrictions from the Association.

Important direct or indirect participations

The significant holdings of the Company are the following:

a) ELTON CORPORATION SA, Romanian subsidiary in which the Company holds 100% of shares and voting rights

b) ELTON CORPORATION EOOD, Bulgarian subsidiary in which the Company holds 100% of the share capital.

c) ELTON CORPORATION DOO, Serbian subsidiary in which the Company holds 100% of the share capital.

d) ELTON PLS A.E., subsidiary in Greece, in which the Company holds 100% equity.

e) ELTON CORPORATION LLC, Ukrainian subsidiary, in which the Company holds 100% of the share capital.

f) ELTON MARMARA KIMYA SANAYI VE TICARET A.S., associated in Turkey, in which participates 70% the Romanian subsidiary ELTON CORPORATION S.A. in the share capital.

Furthermore, at 31/12/2018 the significant (more than 5% of the total voting rights of the Company) direct or indirect participations to the share capital and to the voting rights of the Company, in the sense of articles 9 to 11 of the Law 3556/2007 are the following:

- Papathanasiou Nestor, 9.673.936 shares and voting rights - percentage 36,19% (direct participation).

- Papathanasiou Eleni, 4.896.630 shares and voting rights - percentage 18,32% (direct participation).
- Papathanasiou Panagiota, 3.568.336 shares and voting rights - percentage 13,35% (direct participation).
- Papathanasiou Alkistis, 1.914.045 shares and voting rights - percentage 7,16% (direct participation).

Shares that offer special control rights

There are no shares that offer special control rights.

Limitations in voting rights

There is no provision in the Statute of limitations on voting rights.

Agreements among shareholders of the Company

The Company is not aware neither provided by its Articles of Association of any agreements among shareholders entailing limitations on the transfer of shares or limitations on the voting rights.

Rules of appointment and replacement of the Board of Directors members and amendment of Articles of Association that differ from the provisions of Law 2190/1920

The rules concerning the appointment and replacement of members of the Board of Directors and the amendment of the provisions of the Articles of Association of the Company do not differ from those envisaged in Law 2190/1920.

Responsibility of the Board of Directors or some of its members to issue new shares or purchase own shares of the Company according to the Article 16 of Law 2190/1920

There is no specific authority of the Board of Directors or certain members of the Board of Directors to issue new shares, while the Board of Directors has not been authorized by the General Meeting of shareholders to purchase own shares in accordance with Article 16 of Law 2190/1920.

Significant agreements which are put in force, amended or terminated in the event of a change in the control of the Company following a public offer

The Company has no agreements which are put in force, amended or terminated in the event of a change in the control of the Company following a public offer.

Significant agreements with members of the Board of Directors or its employees

There are not any significant agreements with members of the Board of Directors or its employees providing for the payment of compensation, especially in the case of resignation or dismissal without reasonable cause, or in case of any other public offer.

SECTION E

Information for Labor issues

The management of the companies of the Group is based on a team of experienced and qualified staffs, which have full knowledge of the companies' subject and market conditions and contribute to the proper functioning and development of the companies.

In these circumstances the company executives are in harmonious cooperation among themselves and with the general management of the company. The infrastructure of the company enables direct replacement of executive without significant impact on the progress of its work.

The relations of the managers with the working staff are excellent and there aren't any labor problems. The result of these relations is the lack of court cases involving labor issues.

The Group and the Company as at 31.12.2018 are employing 248 and 122 people respectively, against 241 and 119 respectively on 31.12.2017.

One of the basic principles governing the operation of the Group is the continuous training of personnel and the strengthening of corporate culture at all levels of operations and activities of the Group.

SECTION F

Environmental issues

The respect and the protection of the environment constitute for the Group absolute compatible aspirations with the economic and business development.

To this end, it closely monitors all changes in environmental protection legislation and ensures that all necessary measures are taken in advance in order to avoid the risk of non-timely compliance with the legislation but also to Minimize its environmental footprint.

SECTION G

Financial and non, basic performance indices and analysis of basic financial figures of Group and the Company as compared with the prior year.

<u>Financial and non, basic performance indices of the Group</u>

Key performance ratios of the Group	31/12/2018	31/12/2017	Comments
Current Assets/Total Assets	77,02%	77,89%	these ratios show the proportion of funds that have been allocated to current and fixed assets
Fixed Assets/Total Assets	22,98%	22,11%	
Equity/Total Obligations	126,70%	113,78%	this ratio points to economic self-sufficiency of the company
Total Obligations/Total Liabilities	44,11%	46,78%	these ratios show the leverage of the company
Equity/Total Liabilities	55,89%	53,22%	
Equity/Fixed Assets	260,48%	257,09%	this ratio shows the extent of funding the Company's assets from equity
Current Assets/Short term Obligations	230,62%	197,91%	this ratio shows the Company's ability to cover its short-term obligations by current assets
Net Results before Taxes/Total Sales	3,85%	3,62%	this ratio illustrates the overall performance of the company compared to total revenue
Net Results before Taxes/Equity	9,88%	9,12%	this ratio illustrates the effectiveness of the Company's equity
Gross Results/Total Sales	15,58%	16,25%	this ratio illustrates the percentage size of the gross profit on sales of the Company

Basic financial figures of 2018

Consolidated turnover of ELTON at the fiscal year 2018 amounted to 132.7 mil. euro from 126.9 mil. euro in the respective period of 2017, having an increase of 4,56%. The turnover of the parent Company amounted to 85.68 mil. euro from 79.25 mil. euro in the corresponding period last year, having an increase of 8,11%.

Despite the continuing economic downturn and in 2018, the gross profit margin remained at a very good level, slightly decreased in both the Company and the Group ELTON recording percentages 15,79% and 15,58% (the corresponding figures of 2017 were 16,30% in the Company and 16,25% for the Group).
Consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) of fiscal year 2018 reached 7.26 million euro from 6.74 million euro a year earlier, increased at 7,72%.
Earnings before interest, taxes, depreciation and amortization (EBITDA) of the parent Company amounted in the fiscal year 2018 to 6.01 mil. euro from 4.37 mil. euro in 2017, increased at 37,42%.
Net earnings before taxes (EBT) of the parent at the fiscal year 2018 amounted to 4.74 mil. euro from 3.01 mil. euro in 2017, increased at 57,56%. Net earnings before taxes (EBT) of the Group at the fiscal year of 2018 amounted to 5.11 mil. euro increased 11,32% from 4.60 mil. euro in 2017.
Profit after tax (NIAT) of the parent Company at the fiscal year 2018 amounted at 3.28 mil. euro from 2.07 mil. euro at 2017, increased at 58,00%.
Consolidated profit after tax (NIAT) for the period 2018 amounted to 3.49 mil. euro from 3.36 mil. euro in the previous fiscal year, increased 4,00%.

Changes of key figures of Financial position Statement for the year 2018

It follows a brief presentation of changes to other basic key figures during the fiscal year 2018. The most important changes are those:
Stock at the ending period of the Group and the Company was increased at 1.447.443 euro and 916.071 euro respectively which is an increase of 6,56% and 7,37% respectively, remaining at the same level of stock kept in relation with turnover (2018 and 2017 respectively, Group 17,71% and 17,38%, Company 15,57% and 15,67%).
The cash and cash equivalents of the Group and the Company, thus inversely affecting Group and Company obligations, decreased by euro 2.201.801 and euro 2.768.416 respectively, a decrease of 45,56% and 61,85% respectively.
Company’s bank borrowing during fiscal year 2018 is decreased 4.129.461 euro which is percentage 22,07%.
The equity of the Group and of the Company increased by 1.391.065 euros and 2.131.915 euros respectively, an increase rate of 2,76% and 4,77% respectively.
By the 20/06/2018 Ordinary Annual Meeting of Shareholders it was decided dividend payment at the amount of 1.069.207,48 euro.

SECTION H

Alternative performance measures (APMs)

As Alternative Performance Measure (APM) is considered, according to the definition of the European Securities and Markets Authority, a financial index of measure historical or future financial performance, financial position or cash flow, but which is not defined or provided in the current Financial Reporting Framework (IFRS). Although not included in IFRSs, EMAs should be evaluated as ancillary and always in combination with the results arising from / included in IFRS.

The Group uses to a limited extent Alternative Performance Measurement Indicators ("APMs") when publishing its financial performance in order to better understand the Group's operating results and financial position. As a general principle, the presentation of these measurement indicators should be clear so that the indicators are appropriate and useful for decision-making by the users of the financial statements.

The following amounts are presented in euro.

A. Net Debt (Net Liquidity): It is an indicator used to estimate the Group's capital structure. It is calculated as the difference between total borrowings (long-term and short-term) and total cash

	GROUP		COMPANY	
Net Debt (liquidity)	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Total long-term borrowings	8.643.140	5.566.525	7.593.467	4.427.174
Total short-term borrowings	14.082.749	18.130.070	6.990.587	14.286.341
Total Borrowings	**22.725.889**	**23.696.595**	**14.584.054**	**18.713.515**
Less: Cash and cash equivalents	(2.630.590)	(4.832.391)	(1.707.721)	(4.476.137)
Net Borrowing	**20.095.299**	**18.864.204**	**12.876.333**	**14.237.378**

B. Profit before Interest, Taxes, Depreciation and Amortization - EBITDA: It is the most used indicator of operating profitability because it only takes into consideration operating expenses. It is calculated as the sum of the operating results (Profit before tax, financial and investment results), depreciation and impairment. The EBITDA margin (%) is calculated as the quotient of EBITDA with the Total Turnover:

	GROUP		COMPANY	
Margin EBITDA	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Operating results (Profit before tax, financial & investment results)	6.301.282	5.862.050	5.391.140	3.742.206
Total depreciation	961.751	880.678	616.986	629.848
EBITDA (A)	**7.263.033**	**6.742.728**	**6.008.126**	**4.372.054**
Turnover (B)	132.709.642	126.923.231	85.678.302	79.252.711
Margin EBITDA (A) / (B)	**5,47%**	**5,31%**	**7,01%**	**5,52%**

SECTION I

Corporate Governance Statement

(The present statement is compiled according to article 43bb of the Law 2190/1920 and is part of the Annual Report of the Board of Directors of the Company)

TABLE OF CONTENTS:

INTRODUCTION

The term "corporate governance" describes the way with which companies are managed and controlled.

Corporate governance is stipulated as a system of relationships between the management of the Company, the Board of Directors, the shareholders and other interested parts and constitutes the structure through which the targets of the company are set, the means with which to achieve these targets are set and the observation of the performance of the management is monitored.

The application of corporate governance principles promotes the competitiveness of companies and the increased transparency it offers has as a result the improvement of overall transparency in economic activity of private companies and public organizations and institutions.

On October 2013, the new Code of Corporate Governance was published. This Code was drafted at the initiative of the Hellenic Federation of Enterprises (SEV), and was later on amended, in the context of its first review by the Hellenic Corporate Governance Council (HCGC).
The Hellenic Corporate Governance Council, was founded in 2012 and is the result of synergy of the Hellenic Exchanges Group (HELEX) and the Hellenic Federation of Enterprises (SEV) that together recognized the contribution of corporate governance to the continuous enhancement of the Greek corporate institutional framework and broader business environment and also to the increase of reliability of the Greek market. Hence, since then HCGC works towards this direction.

1. Code of Corporate Governance

1.1 Disclosure of willing compliance of the Company with the Code of Corporate Governance

In Greece the framework of corporate governance has been developed mainly via the adoption of mandatory legislation or regulation, such as 3016/2002, which mandates the participation of non-executives and independent non-executives on the boards of Greek listed companies, as well as the establishment of an internal control function and the adoption of internal charters.
Moreover, a number of other later laws such as 3693/2008, which mandates the creation of Audit Committees and a number of significant disclosure obligations as regards the ownership and governance of companies, and Law 3884/2010 on the rights of shareholders, which includes further obligations regarding disclosure of information to shareholders, prior to General Meetings, transposed several European directives in the area of the company law, for the protection and effective updating of the whole of the shareholders.
Moreover, the Law 3873/2010 incorporates into Greek legislation EU Directive 2006/46/EC, makes obligatory the adoption of a Code of Corporate Governance.
Our company is in full compliance with the above-mentioned laws (and more specifically 2190/1920, 3016/2002 and 3693/2008), which comprise the minimum content of any Code of Corporate Governance and at the same time constitute such a Code, though an informal one.

In view of the above, the Company declares and the current fiscal year that at the present time it adopts as Corporate Governance Code (CGC) the Code of Corporate Governance was formed from the Hellenic Corporate Governance Council (HCGC), available at http://www.helex.gr/documents/10180/906743/HCGC_GR_20131022.pdf/e8e7b6da-6dd0-4c30-90e9-79fe9ca8383d and states is subject to that Code by the following deviations and exceptions.

1.2 Deviations from the Code of Governance and explanation of the non- compliance. Specific provisions of the Code that are not applied by the Company and explanation of the reasons for non-implementation

The Company states that it conforms to all the legal obligations (law 2190/1920, law 3016/2002 and law 3693/2008).

These obligations embody the minimum of any Corporate Governance Code, of listed companies.

An important addition to the new Corporate Governance Code is the adoption of the standard of non-compliance of the Company with special practices of the Code. This means that the new Code follows the rule of "comply or explain" and requires from listed companies that choose to imply it, to publish their intentions and either comply with the whole of the Code's special practices or explain the reasons of non-compliance with specific provisions.

Regarding the above-mentioned additional practices and rules the new CGC applies, some deviations (including the case on the non-compliance) are observed in the current period, for which a short explanation follows.

Part A - BoD and its members

I. Role and authority of the Board of Directors

- The BoD has not created separate committees, to manage the procedure of nominations to the Board and for the preparation of proposals for election in the BoD concerning the remuneration of the members of the BoD and the Management Team.

This divergence is justified by the fact that the Company's policy regarding remuneration of members of the Bod and Management Team members is considered regular, consistent, stable and reasonable, and always adjusted to the current economic environment conditions and Group's performance. This policy is always sustained and applied by the BoD, in order to avoid cases of extortionate compensations, that don't coincide with the provided services and the general economic situation of the country.

Furthermore, the non-existence of a separate committee that manages the procedure of applying candidates for the election of the BoD members is explained by the fact that the applying for election candidates, from the establishment of the Company since today, meets all the necessary prerequisites and provides all the guarantees for being elected as members of the Board of Directors. They also stand out for their high professional brilliance, their knowledge, qualifications and experience. They are also of exceptional moral and personal integrity and therefore since today, there is no need for forming such a committee.

II. Size and composition of the BOD

- The BOD is not comprised in majority by non-executive members.

The existing BOD of the Company consists today of eight (8) members, five (5) of which are executive and the rest three (3) are non-executive members, in which two (2) independent and non-executive are included.

The present balanced composition of the BoD has ensured during all the previous years the productive and effective operation of the Company.

The presence of two (2) independent, non-executive members of the BoD, ensures the needed objectivity and neutrality in the making of decisions, without any influences of psychological, professional, family or financial character from individuals conducting the management of the Company and act as a sufficient factor to the effective operation of the BoD.

The before mentioned divergence from this particular rule of the Corporate Governance Code, cannot be set in specific time frames, since the Company with its current structure and operation is not willing to comply immediately with this requisition, which is considered not to correspond with its needs, structure and operational organization.

- The policy of diversity, including the genders equilibrium of the BoD members, as this has been adopted by the BoD will be available at the Company's site. In the Corporate Governance Code, a special statement should be included: a) regarding the diversity policy of the Company regarding the composition of the BoD and of the Management Team members and b) the percentage of each gender's representation respectively.

The present Board of Directors, and all previous compositions, consists of five (5) men and three (3) women ensuring a satisfactory balance between genders for its members. The diversity and balance among the members of the Board are not determined by specific written policies to be uploaded on the website of the Company.

III. Role and characteristics of the President of the BoD

- There is no specific discern between the President and the CEO.

This non-compliance is because it is not considered as needed, given the structure and operation of the Company. If the Company's needs alter in the future, this matter of discernment of the Chairman and CEO will be reevaluated.

- The BoD does not appoint an independent Vice President arising from its independent Members.

This divergence has not a negative impact on the achievement of corporate aims that are defined and supported in the most effective way of existing members and existing responsibilities.

IV. Duties and conduct of the members of the BoD

- the BoD has not adopted as part of its internal rules, policies to ensure that the BoD holds enough information to make decisions regarding transactions between associated parties with the diligence of a prudent businessman. These policies should also be applied during transactions of the subsidiaries of the Company with the associated parties.

Corporate Governance Statement should include a special report on the policies applied by the Company, regarding all the above-mentioned.

Although such a special and specific policy towards that direction does not exist, one that forms the framework for provision of sufficient information from the side of the BoD, in order for decisions for transactions between associated parties to be made under the diligence of a prudent businessman, the BoD while managing the Company's business issues and therefore also to transactions between the Company and its associated parties, has the diligence of a prudent businessman, in order for these transactions to be absolutely transparent and in accordance with the markets terms and conditions, but also in absolute compliance with the existing regulative law, as defined by the relevant regulations of the corporate and tax legislation. The same diligence is also shown regarding transactions of the subsidiaries of the Company with associated parties.

If it is considered necessary, the Company will proceed to the formation of a business unit that will define the procedures for guaranteeing and obtaining on behalf of the BoD, enough information, in order to base its decisions for transactions between associated parties, following the standard of the prudent businessman. Nevertheless, this moment and due to the vertically integrated structures of the Company such a need does not exist.

- There is no obligation for analytical disclosure of any professional bounds of the BoD members (including important non-executive bounds to companies and non-profitable organizations) before their appointment in the BoD.

This deviation is justified by the fact that the members of the BoD are distinguished for their high level of education, their professionalism and their concrete devotion to the Company, and therefore besides the absence of a statutory analytical disclosure of any professional bounds of the members of the BoD, prior their election to the Board, they would proceed to such a disclosure, if they considered that any danger of conflict of interests existed.

V. Nomination of candidates for the BoD

- there was no discrepancy in maximum terms of four (4) years incumbency of Board members According to Article 11 paragraph 3 of the Articles of Association: "The term of service of Board members is three years, to be postponed until the deadline within which to meet the next Annual General Meeting, which may not exceed four years".

- There is no committee for selecting candidates for the BoD.

This deviation is justified by the size, structure and operation of the Company and its BoD at the time being, which do not make necessary the existence of such a committee for selecting candidates.
Besides that, every time before the election of a new BoD or new member, the Management of the Company, assures the existence and appliance of a transparent procedure, evaluates the size and the composition of the BoD or its members to be elected, examines the qualifications, knowledge, views, skills, experience, morals and integrity of the candidates and therefore the mission of a committee for selecting candidates if that existed, is fully accomplished.

VI. Operation of the BoD

- There is no specific rule for the operation of the BoD.

This deviation is justified by the fact that the Company's Articles of Association and internal regulations are considered to be adequate for the organization and operation of the BoD and ensure the full, right and on time fulfillment of its duties and the satisfactory examination of all the matters upon which the BoD makes decisions.

- the BoD at the beginning of every calendar year does not adopt a calendar of convocations and a 12month program of actions, which is eligible to alterations, according to the Company's needs.

This divergence is easily understood by the fact that all the members of the BoD are residents of Attica and therefore the calling and convocation of the BoD is easy every time is required by the needs of the Company or law, without the existence of a strict pre-defined program of actions.

- There is no provision for the support of the BoD during its work by competent, specialized and experienced secretary, which will be present during the meetings.

This is justified by the fact that a state-of-the-art technology exists to record and map the convocations of the BoD. Furthermore, all BOD members have the ability, if it is considered necessary, to ask for support from the legal consultants of the Company, in order to ensure the compliance of the BoD with the existent legal and regulatory legislation.
It is noted that according to the new Corporate Governance Code, a high level employee or a legal consultant, can act as a secretary, whilst the purpose of the secretary is the provision of practical support to the chairman and to the rest of the members of the BoD, in person and as a whole, with aim the total compliance of the BoD with the legal and Memorandum regulations and provisions. The Company will examine in the near future, the need for such a secretary.

- There is no provision for existence of programs for the introductory information for the new members of the BoD or the constant education of the rest of the members.

This deviation is explained by the fact that as members of the BoD are proposed individuals with satisfactory and proven experience, high level of knowledge, as well as organizational and managerial skills. Besides that, the Group has as a basic rule the constant education and training of its employees and managers, but also the reinforcement of the corporate consciousness in all levels, by conducting frequently educational seminars according to the sector its member is working or the duties it is responsible for. Therefore, the constant training and education is the philosophy of the Company regarding all of its operations and is not restricted to the level of the members of the BoD.

- There is no provision for the supply of sufficient resources to the committees of the BoD for the fulfillment of their obligations and for the hiring of external consultants to the degree they are needed.

This deviation is explained by the fact that the Management of the Company examines and approves such resources for the hiring of external consultants based every time on the needs of the company, for being able to control the operating expenses of the Company.

VII. Evaluation of the BoD

-The assessing of BoD and its' committee's effectiveness does not take place at least every two (2) years and not based on specific process. The Board does not asses the performance of the President in a process directed by the Vice President or other independent non-executive member, in no existence of independent Vice President.

During the current period does not exist an institutional procedure aiming to assess the effectiveness of the BoD and its committees neither is assessed the performance of the Chairman of the BoD, during a procedure directed by the independent vice-president, or even another non-executive member of the BoD in absence of the independent vice- President .

Such a procedure is not considered to be necessary due to the organizational structure of the Company, since there are no boundaries between the members of the BoD. Therefore, whenever weaknesses or malfunctions concerning the organization and operation of the BoD are identified, meetings are conducted and analytical discussions are made, during which the problems are presented, critique is being made to decisions made and other actions or statements of all the members of the BoD take place. Besides, the BoD observes and re-evaluates regularly the implementation of their made decisions, based on time plans set, while the BoD is annually assessed by the Regular General Meeting of the shareholders of the company, conducted according to the regulations and the procedure described in detail in law 2190/1920 as well as to the Articles of Association of the Company.

The Company in order to comply with this rule of the new Corporate Governance Code, is currently in a procedure of examining the necessity of introducing a system of control and evaluation of the BoD, though the time frame of its completion cannot be accurately defined.

Part B- Internal Audit

I. Internal Control – Audit Committee

- There is no divergence in the existence of a regulation for the Audit Committee.

The company was directly complied to the increased upgrade requirements of the Audit Committee under article 44 of N. 4449/2017 and of the Hellenic Capital Market Commission's recommendation 1302/28.04.2017 and drew up a Regulation for the Operation of the Audit Committee (Submitted by the Audit Committee on 11/7/2017 and approved by the Board of Directors on 17/10/2017).

- There is no divergence in the number of meetings of the Audit Committee / meets at least four (4) times a year.

The internal audit informs the Company's BoD, four times a year in accordance with the law, of the results of its audit. It should be pointed out in this regard that neither the recent Law 4449/2017, which also refers to the Audit Committee and which comes from relevant Community legislation, contains any provision for the minimum number of meetings of the Commission per year.

- No specific funds are given out to the committee for the use of external consultants.

This deviation is justified by the current composition of the audit committee and the special knowledge and experience of its members, which ensures the correct and effective operation of the committee in a sufficient way. Therefore, the external service of consultants is not considered to be necessary.

In any case, if it considered to be necessary, in order to improve the structure and operation of the committee, it is implicit that the Company will provide the budget needed.

Part C- Compensation

I. Level and structure of the compensation

- there is no committee of compensation, comprising exclusively of non -executive members, independent in their majority, which aims at defining the compensation of the executive and non-executive members of the BoD and thus there are no rules for the tasks of this committee, the frequency of its convocations and other issues concerning its operation.

This divergence is explained by the way the Company is structured and organized, a way that does not require the establishment of such a committee. Until today the Management of the Company redacts the procedure of defining the compensation and ensures this procedure is characterized by objectivity, transparency, professionalism and is deprived by any conflicts of interest. Regarding the specification of compensation of the BoD members, executive and non-executive ones, the Management of the Company, acts with the principle of creating a long-term company value, the sustainability of balance and meritocracy, for the shill of executives, that have the needed qualifications for the effective operation of the Company.

The BoD, while defining the compensation of the BoD members and especially for the executive ones, takes into consideration the duties and responsibilities, their performance in relation to pre-defined quantitative and qualitative criteria, the economic environment, the performance and future prospects of the Company, the level of compensation for similar services in other

relative companies, as well as the level of compensation of the Company's and Group's employees.
From the above described procedure for determining the remuneration of the Board members, executives and non-executives it arises that the formation of such a specific committee is not necessary, since the duties and responsibilities of such a committee are efficiently performed by the management of the Company.
- in the contracts of the executive members of the BoD, there is no provision that the BoD may ask for part or full refund of the bonuses paid due to the revised financial statements of previous years or in general wrong financial data that were used to calculate such a bonus.
This is explained by the fact that rights for bonuses rise, only after the final approval of financial statements. Also, since today, because of the state-of-the-art organization and auditing procedures, the phenomenon of a bonus calculation based on inaccurate financial statements and data has never occurred.
However, and for purposes of compliance with that Corporate Governance Code requirement, the Management of the Company is seriously considering importing to the relevant contracts of the executive members of the Board, provision for the right of the Board to require the return of all or part of the bonus that is awarded because of misconduct or false financial statements and other financial data.
- The compensation of every executive member of the BoD is not approved by the BoD after the proposal of the audit committee, without the presence of its executive members
This divergence is explained by the fact that such a committee does not exist.

Part D - Relationship with shareholders

I. Communication with shareholders

- The Company has not adopted a special practice regarding communication with its shareholders that includes the policy of the Company for questions made from shareholders to the BOD.
At this time, it doesn't exist an established special procedure regarding questions made by shareholders to the BOD, since every shareholder can address the Investors' Relation Service, making requests and questions. In case it is considered necessary, these are transferred in groups to the BoD for further processing and the relative answer or update is given to the interested party.
Moreover the rules of article 39 of the law 2190/1920, describe in a detailed way the procedure of participation of the shareholders of minority to the General Assemblies of the Shareholders, a procedure always followed in every General Assembly, in order to ensure the valid and on time information of the shareholders, in relation to the evolvement of the corporate issues.
Despite all the above-mentioned safeguards, the Company examines the possibility of adoption of a special policy, for upgrading the procedure for shareholders setting questions to the

Company, through the Investors Relation Service, although the direct communication of shareholders with BoD members is not considered to be necessary and appropriate.

II. The General Assembly of the share holders

- No deviation was observed

General Note regarding the time point of release of the non-compliance of the Company with the special practices adopted by the new CGC

As it was mentioned before (Introduction of Corporate Governance Statement), the new CGC, as it stands from October 2013 follows the "comply or explain" rule and demands from the listed companies that choose to apply it, to publish their intention and either comply with the whole of the special practices of the Code, either explain the reasons for non-compliance with certain special practices.

Furthermore, the relevant explanation for non-compliance, is not only restricted to a simple mention of the general principle or the special practice with which the Company does not comply, but among others the Company should disclose whether this divergence is time framed and its intentions to comply with the code's principle.

The divergences of the Company from the practices established by the new CGC are not thought to be subject to a strict time-frame, taken into consideration that these practices do not correspond to the structure, organizational structure, tradition, corporate values and ownership status and needs of the Company and maybe the compliance with these practices makes more difficult the application of the substance of the code's principles.

In any case, no code can or is supposed to substitute the context of principles, values and structure of any Company and therefore the adoption of rules not compatible with these principles are not reasonable.

Nevertheless, the Company has already formed a working group, that examines the existing divergences from the special practices of the new CGC, investigates the possibility of compliance with these and evaluates the possibility of establishment of its own Corporate Governance Code, the identity and regulations of which, will respond to the needs and specificities of the Company. This would promote the long-term success and robust the competitiveness of the Company. After the resolution of the new law for Corporate Governance the conditions will be suitable for the completion of that project.

1.3 Practices for corporate governance that the company applies over the provisions of the law

The company abides to the provisions of the text as in its legal framework concerning corporate governance. There are no practices applied over the above mentioned.

2. Board of Directors

2.1 Composition and Services of the BoD

2.1.1 The company's BoD is composed, according to article 11 of the Articles of Association of the company, of three (3) up to nine (9) members, which are elected by the General Assembly of the Shareholders by absolute majority of the votes, which are represented in the Assembly.
The members of the BoD may be Shareholders of the company or other natural entities (non-shareholders). The members of the BoD are unlimitedly re-electable and freely revocable from the General Assembly irrespective of the time their service ends.
The service of the BoD members is three (3) years, that start the following date of the election of the BoD and expiring the relevant date of the third year. In case upon the expiration of its' service that a new BoD has not been elected, its' service is extended up to the first ordinary General Assembly which shall be converged upon the expiration of its' service, which in no case can supersede four years. Each member must participate in the deliberations of the BoD.
Each member of the BOD must keep strictly confidential the information of the company, which he may know due to his position.

2.1.2 The BOD convenes at the registered office of the company whenever the law, the Articles of Association or the needs of the company demand it after the invitation of its President or his replacement. In the invitation the agenda must be clearly stated, or else decisions can only be made when all the members of the BOD are present, and no one controverts the decision making. The BoD can convoke outside its registered seat, in another place, in or out of the country, if in the convocation all the members of the BOD are present, and no one controverts the realization of the convocation and the decision making. The BoD may convoke via teleconference. In this case the invitation to the members of the BoD must include all the necessary information concerning their participation in the convocation. In the convocations of the BoD its President or his legal representative presides.

2.1.3 The BoD has quorum and dully convokes, when the 50% plus one (1) of the directors is present and represented. In no case however the number of the Directors who appear in person, may not be less than three (3).

2.1.4 The BoD decides with the absolute majority of the present or represented members. In case of tie votes the vote of the President does not dominates. Every Director has one (1) vote. Exceptionally may have two (2) votes when represents another director. The voting in the BoD is apparent, unless by its decision is defined that for a specific matter secret voting will be conducted, in which case the vote shall be by ballot.

2.1.5 The discussions and decisions of the BoD are kept in the minutes which are registered in a special book of minutes which can be kept by the software system. After the request of a Board member, the President is obliged to record to the minutes, accurate summary of his opinion. In the minutes is posted also a list of the present or represented directors during the convocation of the Board. Copies of minutes of meetings of the Board for which a registration requirement in the Companies Registry pursuant to Article 7a of Law 2190/20 as applicable, shall be submitted to the competent supervisory authority within twenty (20) days of the meeting of the Board. The minutes of the Board shall be signed by the President or if he is incapacitated from legal substitute. Nobody consultant cannot deny signing the minutes of meetings took place but is entitled to request indicating the opinion in the minutes if they disagree with the decision taken . However, the non- signing of the minutes of the meeting by stander involves no nullity of the decision taken legally if the refusal to sign is referred. Copies and extracts of the minutes of the Board shall be authenticated by the Chairman or if he is incapacitated from legal substitute without requiring other validation.

2.1.6 The BoD may appoint some or all its powers and jurisdictions (apart from those that require collective decision) and its representation to one or more persons, that may or may not be its members, also defining the extent of this appointment.

2.1.7 If possibly any member of the BoD, departs or deceases or is declared fallen for any reason before the expiration of its service, the remaining directors of the BoD, so long as they are at least three (3), are obliged to elect a replacer for the remaining of the service of the member who is replaced on condition that the replacement is not feasible from alternate members, who have been elected by the General Assembly. The above election by the Board shall be taken by the remaining members if they are at least three (3) and is valid for the remaining of the duty of the member being replaced. The decision of the election must be published according to the Article 7b of Law 2190/1920 and announced by the Board of Directors at the next General Assembly, which can replace the elected, even if it is not relevant item on the agenda.

2.1.8 In case of resign, death or loss for any reason the capacity of member or members of BOD, the remaining members may continue the management and representation of the company without replacing the fallen members, according to the previous paragraph, with the prerequisite that they are over the half members, as they were before these facts. In any case the members cannot be less than three (3).

2.2 Information concerning the members of the BoD

2.2.1 The existing BOD of the company consists of eight members and has the following persons:

I) Nestor Papathanasiou, President of the BoD and CEO, executive member
II) Alkistis Papathanasiou, executive member
III) Katy Andreou, executive member
IV) Electra Papathanasiou, non-executive member
V) Michalis Chatzis, independent, non-executive member
VI) Christos Poulis, independent, non-executive member
VII) Epameinondas Taflabas, executive member
VIII) Dimitrios Giotopoulos, executive member

The above-mentioned BoD was elected by the annual Ordinary Shareholders Meeting of the Company, which took place on June 20th 2018 and its service is three years long lasting until June 20th 2021.

The above-mentioned BoD was re-assembled as a body, during its meeting on the 20th of June 2018, registration number 1411461/27.06.2018 by the Ministry of Finance.

2.2.2 The brief resumes of the members of the BoD are:

I) Nestor Papathanasiou: Born in 1941.

Graduate of the Chemistry University of Athens, holder of the two years postgraduate in the Economy University of Business Administration (A.S.O.E.E.). He has many years of professional experience in the area of production, sales and marketing, working experience in the selling of chemicals products since 1978.

II) Alkistis Papathanasiou: Born in 1969.

Graduate of the Chemistry department of the Thessaloniki University. She is responsible of the Quality Assurance Department.

III) Katy Andreou: Born in 1967.

She is head Manager of sales department. Graduate of the Chemistry department of Athens University.

IV) Electra Papathanasiou: Born in 1975.

Graduate of the English college with many years of professional experience in Logistics and customers service.

V) Michalis Chatzis: Born in 1952.

Chemical engineer with Post graduate studies (M.S.C.) in operations research – Aston University of Birmingham, American Purchasing & Inventory control society Certificate. He has many years of professional experience as a director of Logistics, Property manager and operations manager of Greek and multinational major companies.

VI) Christos Poulis: Born in 1948.

He is Graduate of Panteion University. He has been Director of human resources on a large multinational company and member of its BoD for 25 years.

VII) Epameinondas Taflabas : Born in 1959

Graduate of the Chemistry department of the Patra University. He has many years of experience in raw material sales for the industry and is the Manager of the Food business unit (B.U.).

VIII) Dimitrios Giotopoulos : Born in 1969.

Graduate of Energy Technology Engineering and MBA from the Hellenic Management Association (EEDE). He has many years of experience (20 years) in the construction industry, particularly in the field of composite projects and industries.

2.3 Audit Committee

2.3.1 The Company fully compliant with the provisions and requirements of article 44 par. 1 and 3 of N. 4449/2017 has set up an Audit Committee - by the decision n.10 of the Ordinary General Meeting of Shareholders that was held on 28/6/2017 and reelected its members by the decision n.8 of the Ordinary General Meeting of Shareholders that was held 20/06/2018 - composed of the following members:

1) Eirinaios Theodorou, Chairman of the Committee (statutory auditor in suspension)
2) Electra Papathanasiou, non-executive member
3) Michalis Chatzis, independent, non-executive member
4) Christos Poulis, independent, non-executive member

2.3.2. In 2017, Law 3693/2008 was replaced by Law 4449/2017 (Government Gazette A 7 / 24.01.2017) "Compulsory audit of annual and consolidated financial statements, public oversight of audit work and other provisions".

According to the new law, with respect to the Audit Committee, its members are independent of the Company, on the basis of the definition of independence provided for in the provisions of Law 3016/2002 on Corporate Governance, and the supervision of compliance with the provisions related with the said Commission, is now exercised by the Hellenic Capital Market Commission. The company was directly and fully adapted to the provisions of the new law, bearing in mind also the reference letter No. 1302/28.04.2017 of the Hellenic Capital Market Commission.

2.3.3 The responsibilities and duties of the Audit Committee, in conjunction with Article 44 of Law 4449/2017, consist of the following:

a) Inform the Company's Board of Directors of the outcome of the statutory audit and explain how the statutory audit contributed to the integrity of the financial information and about the role of the audit committee in the process,

b) Monitor the financial reporting process and make recommendations or proposals to ensure its integrity,

c) Monitor the effectiveness of the company's internal control, quality assurance and risk management systems and, where applicable, its internal control department, with regard to the financial information of the company, without violating its independence,

d) Monitor the statutory audit of the annual and consolidated annual financial statements, and in particular its performance, taking into consideration any findings and conclusions of the competent authority (in this case the Accounting Standards and Audit Committee);

e) Review and monitor the independence of certified auditors or audit firms and, in particular, the appropriateness of providing non-audit services to the company; and

f) is responsible for the selection process of the certified auditors or audit firms and proposes the certified auditors or the auditing firms to be appointed.

2.3.4 Mission of the Audit Committee is ensuring the efficiency of the company's proceedings affairs, the control of the credibility of the financial information that is provided to the investing public and the shareholders of the company, the compliance of the company with the laws, the safeguard of investments and assets of the company and the detection and confrontation of the most important risks.

2.3.5 The audit committee during 2018 (01.01.2018-31.12.2018) convened six (6) times.

2.3.6 It is also clarified that the Auditor of the company who audits the annual and interim financial statements, does not offer any other auditing or other service to the company, or is connected to the company so his objectivity, impartiality and independence. This except for special tax auditing, that is required by article 65 A N.4174/2013, upon which the "Annual Tax Certificate" is issued.

3. General Assembly of Shareholders

3.1 Way of operation of the General Assembly and its basic Authorities

3.1.1 The General Assembly is the supreme body of the Company and is entitled to decide for any company matter and to conclude upon all matters, which are submitted or said.

More specifically it is exclusively competent to decide upon:

a) The amendments of the articles of association. As amendments are meant also the increases or decreases of the capital share, apart from the cases are mentioned in article five (5) paragraph 1 of the Articles of Association and other cases that are enforced by law,

b) The election of Auditors,

c) The approval or reforming of the balance sheet and the annual financial statements of the Company,

d) The distribution of annual profits,

e) The merge, fracture, conversion, revival of the Company,

f) The conversion of shares into public limited,

g) The extension or abbreviation of the duration of the company,

h) The dissolution of the Company and the appointment of liquidators,

i) The appointment of members of the BoD, apart from the case of article 12 of the present and

j) The approval of the election according to article 12 of the Articles of Association, the temporary members replacing the members that resigned, passed away of have fallen out of their position.

3.1.2 The decisions of the General Shareholders Meeting are obligatory for the shareholders that are absent or disagree.

3.1.3 The General Assembly is always convened by the BoD and convenes regularly at the seat of the company or in the district of the seat of the company, at least once in every business year and always in the first semester from the expiration of the business year. The General Assembly may convene at another place in Greece or abroad when at the Assembly are present or represented shareholders which representing the entire share capital with voting rights and no one of them is opposed to the meeting held and the decision making. The General Assembly may convene in the district of the municipality where the seat of the Athens Stock Exchange is.
The BoD may convene an extra ordinary Shareholders Meeting when it considers it is fit or if the shareholders that represent the required (by the law or the Articles of Association) percentage.
3.1.4 The Shareholder Meeting, with the exception of the repeating Meetings and those that simulate it, must convene twenty (20) days at least before its date including the non-working days. The date of publication of the invitation and the day of the General Assembly are not calculated.
In the invitation to the General Assembly, the date, year, day time and place of the General Assembly must be determined, the matters of the agenda, the shareholders that have the right to take part in the Shareholder Meeting as well as accurate directions of how to take part in Shareholder Meeting and exercise their rights in person or via representative or even from a distance. An invitation for the General Assembly is not required when the shareholders that are represented represent the total of the share capital and none of them contradict its realization and the making of decisions.
3.1.5 The Shareholder Meeting has a quorum and duly convokes in the matters of the agenda when in the said shareholders who represent one fifth (1/5) at least of the paid capital share are represented.
If such quorum is not achieved the General Assemble converges again in twenty (20) days from the date of the meeting which was cancelled since is invited for that purpose ten (10) at least days earlier. The said repetitive meeting duly convokes for the matters of the initial agenda no matter what percentage of the share capital represented is.
3.1.6 The decisions of the General Assembly are taken by absolute majority of votes, which are represented.
Exceptionally, when it concerns decisions regarding: a) the alteration of the Company's nationality, b) the alteration of the Company's registered office, c) the alteration of the purposed or object of the Company's business, d) the alteration of the Company's shares to public limited, e) the increase of the obligations of shareholders, f) the increase of share capital, with the exception increases of Article 5 of the Statute or imposed by law or done by capitalization of reserves or decrease of the share capital, except if is done in accordance with paragraph 6 of article 16 of Codified Law 2190/20 as applicable, g) the issuance of Bond Loans according to articles 3a and 3b of 2190/1920, h) the alteration of the mode of distribution of profits, i) the merging, dispersion, alteration, revival of the company, j) the extension or

reduction of the duration of Company, ja) the company's dissolution, jb) the giving or renewing of authority to the BoD for increase of share capital according to par. 1 art. 13 of 2190/1920, and jc) every other case for which the law determines, the General Assembly has a quorum and duly convokes when shareholders representing two thirds (2/3) of the paid share capital are represented.

3.1.7 The President of the BoD or when he is hindered his lawful replacer presides temporarily in the General Assembly and defines as secretary one (1) of the shareholders who are present, until the list of shareholders is certified by the General Assembly, who are entitled to participate in the Assembly. After this control, the General Meeting begins its work and by vote elects the regular Bureau and a Secretary who shall act as vote- teller.

3.1.8 The discussions and the decisions of the General Assembly are restricted to the mattes of the agenda. The agenda is drawn by the BoD and includes the proposals of the BoD towards the Assembly, as well as proposals of auditors or shareholders towards the Assembly, who represent the one twentieth (1/20) of the paid Share Capital. The discussions and decisions of the General Assembly are registered in a special Book (Book of Minutes) and the relevant minutes are signed by the President and the Secretary of the Assembly.

Upon request of shareholder, the President of the Assembly is obliged to register in the minutes an accurate summary of shareholders' opinion. In this book is recorded and a list of present or represented at the General Assembly issued according with article 26 of the Statute. If in the General Assembly one (1) shareholder is present, the assembly is also attended by a Notary who countersign its minutes.

3.2 Shareholder Rights

3.2.1 Rights to participate and vote

3.2.1.1 The shareholders exercise their rights, concerning the management of the company, only in General Assemblies and according to the law and the Articles of Association. Each share gives the right for one vote in the General Assembly according to Law 2190/1920 as it stands today.

3.2.1.2 In the General Assemble anyone who appears as a shareholder in the Dematerialized Securities System which is managed by Athens Stock Exchange S.A. has a right to participate.

The proof of shareholders identity is established by the relevant written assurance of the above-mentioned organization or by direct electronic connection of the Company with the organization.

The person must be a shareholder five (5) days before the General Assembly (record date), and the relevant receipts or the electronic receipts concerning the shareholding capacity must come to the company at the latest the third (3) day before the General Assembly.

3.2.1.3 In the General Assembly only those who are shareholders in the said date have a right to participate in the General Assembly. In case of noncompliance to article 28a of the law 2190/1920, the said shareholder participates in the General Assembly only after its license.
3.2.1.4 The fulfilling of the above-mentioned rights does not require the prior bound of the shareholders' shares or any other procedure that limits the possibility of selling or transferring shares in the time between the record date and the date of the General Assembly.
3.2.1.5 The shareholder participates in the General Assembly and votes either in person or via proxies. Each shareholder may appoint up to three (3) proxies. Legal entities may participate in the General Assembly appointing as proxies up to three natural entities. However, if the shareholder owns shares of the company that appears in more than one account, he may appoint different proxies. A proxy that acts on behalf of different shareholders may vote differently for each shareholder. The proxy must inform the Company before the beginning of the General Assembly, any fact that may be useful to assess the risk that the proxy may cater to interests other than the represented shareholder. A conflict of interests regarding this paragraph may rise when the proxy: a) is a shareholder controlling the Company, or another legal entity controlled by the particular shareholder, b) is a member of the BoD, or the management team of the Company, or a shareholder that controls the Company, or another legal entity controlled by a shareholder, which controls the Company, c) is an employee or auditor of the Company, or a shareholder that controls the Company, or another legal entity controlled by a shareholder, d) is a spouse or a first degree relative with one of the entities that are mentioned above in cases (a) to (c)
The appointment and reverse of a proxy takes place in writing and is announced to the company at least three (3) days before the date of the general Assembly.

3.2.2 Other rights of shareholders

3.2.2.1 Ten (10) days before the general Assembly each shareholder may take from the Company copies of the Annual Reports and the Reports of the BoD and the auditors. These documents should be submitted on time to the Company's Office, by the BoD.
3.2.2.2 Upon application of Shareholders that represent the one twentieth (1/20) of the paid capital, the BoD is obliged to convene an extra- ordinary General Assembly. The day of the Assembly must not abstain more than forty-five (45) days from the date that the application was served to the Chairman of the BoD. The application must also contain the matters that are going to be discussed. If the General Assembly is not convened after twenty (20) days from the relevant application, the Assembly is convened by the shareholders with the expense of the company by decision of the First Instance Court of the headquarters of the Company, issued in the process of interim measures. This decision shall state the time and place of the meeting and the agenda.

3.2.2.3 By application of the shareholders that represent one twentieth (1/20) of the share capital, the BoD is obliged to add additional matters in the agenda that has already convene, if the relevant application comes to the BoD at least fifteen (15) days before the general Assembly. The additional matters have to be published, under the responsibility of the BoD, according to art. 26 of the law 2190/1920, seven (7) days at least before the General Assembly. If these matters are not published, the shareholders applicants may ask for the postponement of the General Assembly, according to paragraph 3 of article 39 of the law 2190/1920 and may also proceed to publish it themselves as stated before, with Company's expenses.

3.2.2.4 Upon application of the one twentieth (1/20) of the paid share capital, the Chairman of the General Assembly is obliged to postpone only once the taking of the decisions of the ordinary or extra- ordinary General Assembly and defines as date of the decision making the date mentioned in the application of the shareholders. The said date may not abstain more than thirty (30) days from when the postponement was granted. The adjourned General Assembly is a continuation of the previous one and does not require repetition of the formalities of publication of shareholders, and it may be attended by new shareholders, subject to the provisions of Articles 27 § 2 and 28 of the Law 2190/20 as applicable.

3.2.2.5 After an application of any shareholder, submitted to the Company at least five (5) days prior the General Assembly, the B.O.D. has to present to the General Assembly the necessary information for the affairs of the company to the point that they are useful for the true estimation of the matters of the agenda.

3.2.2.6 Upon application of the one twentieth (1/20) of the paid share capital, which must be submitted five (5) days before the General Assembly, the BoD must announce to the General Assembly, if it is ordinary, the amounts that in the last two years have been paid for any reason to the members of the BoD or its Directors or other employees as well as any other contract that was drawn up with the same persons. The BoD is required to give out such information if it is useful for the assessment of the matters of the agenda. The BoD may decline to give out such information and post in the minutes the relevant reason. Such reason may be, under the circumstances, the representation of the requesting shareholders to the Board pursuant to paragraphs 3 or 6 of article 18 of Codified Law 2190/20 as amended.

3.2.2.7 Upon application of the one fifth (1/5) of the paid share capital, which is submitted within the deadline of the previous paragraph, the BoD has to offer the General Assembly information regarding the course of company affairs and the assets of the company. The BoD may decline to give out such information and post in the minutes the relevant reason. Such reason may be, under the circumstances, the representation of the requesting shareholders to the Board in accordance with paragraph 3 or 6 of article 18 of Codified Law 2190/20 as valid if the respective members of the Board of Directors have received the relevant information in a sufficient manner.

3.2.2.8 In cases of § 3.2.2.5 and § 3.2.2.7 of this section, any dispute as to the correctness or otherwise of the reasons for refusal to provide information, is resolved by the First Instance Court of the Company's seat, with Decision issued by the proceedings for interim measures. In the same judgment the Court obliges the company to provide the information refused.
3.2.2.9 Shareholders of the company, that represent at least one twentieth (1/20) of the share capital have the right to ask for the control of the company from the Court of First Instance of the district in which the company has its registered address, in the procedure of voluntary jurisdiction. The control is ordered if are suspected actions that violate the provisions of the Laws or Articles of Association or resolutions of the General Assembly. In any case the request for control must be submitted within three (3) years from the approval of the financial statements for the year in which the alleged acts took place.
3.2.2.10 Company Shareholders representing one fifth (1/5) of the paid share capital, have the right to ask the control of the company by the First Instance Court of the district in which the company is located, as long as from the overall course of the Company it is believed that the administration of corporate affairs is not exercised according to the sound and prudent management.
3.2.2.11 In all cases of this section, the shareholders who ask for control must prove their shareholder status and the number of shares they held during the exercise of the right.

4. System of Internal Control and Risk Management

4.1 Main characteristics of the Internal Control

4.1.1. The Internal Control of the company is conducted by the Service of internal control according to the programmed control included in the Internal Rulebook of the company.
It is noted that the control on the base of which the relevant report is drawn up within the law 3016/2002, as it stands, and specifically in accordance with Articles 6, 7 and 8 of this law as well as Decision 5/204/2000 of the Hellenic Market Committee, as it stands after its alteration by the Decision of the BoD of the Hellenic Market Committee no 3/348/19.7.2005.
4.1.2 During the auditing the Service of Internal Control takes into account all the necessary books, files, bank accounts and portfolios of the company and asks for the complete and constant cooperation of the Management to ensure that all the necessary information and data provided, with the purpose to reach conclusions in their Report, does not entail substantial inaccuracies. This control does not include any assessment of the appropriateness of the accounting principles that were adopted as well as the estimations made from the management as these are a matter of the legal auditor of the Company.
4.1.3 The scope of control is the evaluation of the general level of the procedures of the system of internal control. In every controlled period several scopes of control are chosen, while the

*These financial statements and notes on the financial statements have been translated to English from the original statutory notes that have been prepared in the Greek language.
In the event that differences exist between this translation and the original Greek language financial statements, the Greek version will prevail over this document

organization and operation of the BoD is constantly controlled as well as the Service of Servicing Shareholders and Investor Relations that operate based on the law 3016/2002.
4.1.4 It is noted though, that the Internal Control and Risk Management systems, provide reasonable and not absolute security, because they are designed to restrict the possibility of the upcoming risks, without being able to eliminate them completely.

4.2 Risk management concerning the financial statements (company and consolidated)
The Group has invested in the development and maintenance of advanced IT infrastructures that through a series of safeguards ensure the correct display of figures. At the same time an analysis of the results is made on a daily basis covering all the important fields of business activity. The actual, historical and budgeted revenue and expense figures are compared with adequate explaining of all the important deviations.

5. Other managerial or supervisory committees of the company

No other managerial or supervisory committees exist at the time. According to all the above mentioned and in the context of creating its own Corporate Governance Code, the Company examines the case of establishing such committees that will help substantially and not typically the BoD.

SECTION K

Assessment for the evolution of the activities of the Company and the Group during 2019

During the closing fiscal year, sales and results significantly increased compared to the previous year.
This year was an excellent year for Greece in levels of sales and profitability.
Abroad there were commercial pressures on price levels that influenced turnover and profitability on the Romanian and Bulgarian markets.
An improvement in all figures was achieved in Serbia and Ukraine.
In Turkey in terms of operation we had another excellent year which was influenced in the first 8 months by the dramatic slippage of the lyra which we in a part faced with the right tools/practices. Part of the exchange rate impact from valuation we recovered in the last four months.
The Greek economy enters the 2019 with improved dynamics, exploiting the positive trends that were recorded, already, in 9 months of 2018 (GDP growth of 2,1% per annum). During the previous year, the decline in uncertainty, coupled with the boost from tourism and exports, supported employment, the profitability of competing businesses, incomes and domestic

demand. Private consumption increased annually, in the nine months of 2018, while consumer confidence was moving on a steadily upward trajectory throughout 2018.

This dynamic was based, in particular, on: (i) Healthy employment growth, (ii) The small recovery of hourly wages, particularly in more competitive sectors after years of shrinking by more than 20% cumulatively over the last decade, and (iii) increasing the costs of those households, which were not in financial difficulties, but postponed their costs due to increased uncertainty in previous years.

It is indicative that the sub-indicators of the European Commission's consumer confidence survey, illustrating the intention of households to make significant costs both directly and over a 12-month period, amounted to a high of 9 years in December of 2018.

These trends are estimated to be further reinforced in 2019, when domestic demand is expected to receive further boost from wage increases, resulting from the gradual reactivation of sectoral negotiations and possible legislation of the proposed by the Government, an increase of the basic salary of 5%-10% (from the beginning of 2019).

These factors, in combination, could lead to an increase in hourly nominal remuneration of 2% per annum, on average, in 2019.

Wage increases, coupled with an estimated employment boost of 1,3% per annum in 2019 (from 1,7% annually in 2018), the positive impact of statutory fiscal expansion measures for 2019 (almost 0,5% of GDP) and ongoing increase in other sources of income (e.g. rents and dividends), it is estimated that they will be translated into a boost of the actual (deflated) available household income by 1,9% per annum in 2019 from 1,1% annually in 2018.

At the same time, consumer spending will also be supported by an estimated reduction in international oil prices annually.

Therefore, private consumption is expected to increase by 1,6% annually in 2019, compared to 0,9% annually in 2018, recommending a key pillar of GDP growth, estimated at 2,1% per annum in 2019 from 2,0% per annum in 2018.

Investments continued to fall short of expectations at this stage of the economic cycle.

Even the most competitive and extrovert enterprises remain very cautious regarding their investment decisions and they promote self-financing and the further shrinking of their operating costs in an environment of limited pricing power and increased volatility internationally. However, the improvement of domestic demand, coupled with the acceleration of the public investment program and the synergies with private projects, which decreased in 2018, are expected to support an annual increase in investments of 10,9% at constant prices in 2019 (from a low base of comparison) in relation to the anemic performance of 2018.

The real estate market shows constant signs of improvement. The increase of residential construction activity and the strong increase in the issuance of new building licenses bode

further reinforcement of the residential construction activity in 2019, starting however from a very low base.
Exports of goods retained notable resilience by the end of 2018, despite increasing uncertainty about the economic performance of key partners such as Italy and Turkey, marking a new annual increase of 8,6% in the 9 months of 2018 (at fixed prices), with their percentage in GDP amounted to the historical high of 18,7%, 3% in the 3rd quarter of 2018.
However, the expected slowdown in economic growth in the Eurozone in 2019, coupled with enhanced competition, at price level, resulting from exports to the EU and other export markets, countries with undervalued currencies (c. Turkey), are expected to lead to a slowdown in exports of goods to 3,9% annually in 2019, from 8,0% annually in 2018 (at fixed prices).

Accordingly, both tourist revenues and arrivals are expected to score a low (single digit) increase in 2019, following record increases in previous years.
On the contrary, imports of goods will continue to grow at a steady rate (4,6% annually in 2019 versus 3,8% annually in 2018), reflecting the dynamics of domestic demand as well as the country's consistently high dependence on inputs of production materials, and durable consumer goods.
Net exports are therefore expected to have a negative impact on the change in GDP in 2019.
The 2019 is a focal year for the diffusion of growth in the economy, following the significant macroeconomic improvement that occurred in 2018.

However, the increase of volatility internationally, combined with the Greek business environment, weakened the integration of the above positive trends in the valuations of Greek financial data, which remained extremely sensitive to international fluctuations.

Although the estimated economic growth mix for 2019 shows, for the most part, a relatively small degree of sensitivity to exogenous factors, its individual components, such as investments, continue to be influenced by the intense external fluctuations, and the prospect of forthcoming national elections.
The volatility and uncertainty of the modern world has very significant effects on the chemical industry.
The global chemical industry is expected to overcome in the long term, and by 2035, growth in GDP, considering reaching 5,600 billion.
However, these considerations for the development of the sector are relatively low compared to the past due to the slowdown in Asia. European producers watch their domestic markets declining.
For 2019 the chemical industry is expected to balance 0,5% growth compared to 2018, driven by the expectations for industrial production growth up to 1,5%.

The Group's management continues to focus its efforts both to new openings and reach new shares due to the reorganization of the market, and the consistent effort and further cost containment.

Avlonas Attica, 10th April 2019

The asserting,

President of BoD and CEO	Executive BoD member	Executive BoD member
Nestor D. Papathanasiou	Alkistis N. Papathanasiou	Katy I. Andreou
ID card AB 606775	ID card AE 105490	ID card AB 237937

ΣΟΛ Crowe

To the Shareholders of ELTON INTERNATIONAL TRADING COMPANY S.A.

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of ELTON INTERNATIONAL TRADING COMPANY S.A. (the Company), which comprise the separate and consolidated statement of financial position as at 31 December 2018, the separate and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of ELTON INTERNATIONAL TRADING COMPANY S.A. and its subsidiaries (the Group) as at 31 December 2018, their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as incorporated into the Greek Legislation. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the separate and consolidated Financial Statements" section of our report. We are independent of the Company and its consolidated subsidiaries throughout our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated into the Greek Legislation and the ethical requirements that are relevant to the audit of the separate and consolidated financial statements in Greece, and we have fulfilled our other ethical responsibilities in accordance with the requirements of the current legislation and the above-mentioned IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the audited period. These matters and the related risks of material misstatement were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

ΣΟΛ Crowe

Key audit matter	Addressing the audit matter
Valuation of inventories	
At 31.12.2018, the Group holds inventories amounting € 23.500 thousand (€ 22.183 thousand at 31.12.2017). Group Inventory items are measured at the lower of cost and net realizable value. Management constantly reviews the net realizable value of inventories and performs appropriate impairments based on detailed analyses for slow-moving inventories and plans for their future liquidation. We consider the assessment of the valuation of the Group's inventories to be one of most significance matter, on the one hand, because the inventories are a significant item of the Assets and, secondly, because of the need for systematic monitoring of inventories concerning items with expiry dates. Information concerning the Group's accounting policies for inventories is referred to in notes 2.11 and 12 to the financial statements.	Our audit procedures concerning the valuation of inventories included among other also the following main procedures: • We recorded and examined the effectiveness of internal control for inventory management adopted by the Group. • We examined and monitored the inventory counting process and performed sample physical inventory at its central warehouse. • We carried out analytical procedures with regard to the movement of inventories. • We examined a sample of inventories to confirm the correct determination of the acquisition cost of inventories according to the purchase invoices. • We examined the correct application of the valuation method. • We selected a sample of inventories to compare the purchase price to the selling price. • We examined the warehouse trial balance for identifying idle and slow - moving inventories. • We assessed the adequacy and appropriateness of the disclosures in note 12 to the financial statements.

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Key audit matter	Addressing the audit matter
Recoverability of trade receivables	
At 31.12.2018, the trade receivables of the Group amount to € 43.024 thousand (€ 44.913 thousand at 31.12.2017). In the case of customer insolvency, the Group is exposed to increased credit risk when customers are unable to meet their contractual obligations. The Management for assessing the amount of impairment of its trade receivables, assesses the recoverability of trade receivables by reviewing the customers aging analysis, their credit history and the settlement of subsequent payments according to each settlement. Provided the significant amount of the item and the level of judgment and the estimates required by Management for the above matter, we consider this to be one of most significance matter. Information concerning the Group's accounting policies for trade receivables is referred to in notes 2.10 and 13 to the financial statements.	Our audit procedures regarding the recoverability of trade receivables included, among other, the following procedures: • We understood and examined the Group's credit control procedures as well as the internal control for granting of credit to customers. • We assessed the assumptions and the methodology used by the Group for determination of recoverability of its trade receivables or their classification as doubtful. • We assessed the impact of IFRS 9 adoption in the closing year, which resulted in a respective adjustment of the accounting policy of the Company and the Group to address impairment losses for trade receivables. • We examined the reply letters of the lawyers, in order to identify any matters indicating trade receivable balances not recoverable in the future. • We assessed the customers' aging analysis at the end of the year for identifying any debtors in financial difficulty. • We received third party confirmation letters for a representative sample of trade receivables and implemented procedures subsequent to the date of the financial statements for collections against the year-end balances. • We assessed the calculation regarding the impairment of trade receivables taking into account particular data of debtors such as maturity of balances, debtors of large balance as well as debtors of high risk. • We assessed the adequacy and appropriateness of the disclosures in note 13 to the financial statements.

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Other Information

Management is responsible for the other information. The other information comprises the information included in the Board of Directors' Report for which reference is made to the "Report on other Legal and Regulatory Requirements", to the Statements of the Members of the Board of Directors but does not include the financial statements and the auditor's report thereon.

Our opinion on the separate and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with IFRSs, as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee (art. 44 L. 4449/2017) of the Company is responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs, as incorporated into the Greek Legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs as incorporated into the Greek Legislation, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal control relevant to the audit 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 and the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the company and of its subsidiaries audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the audited period and are therefore the key audit matters.

Report on other Legal and Regulatory Requirements

1. Board of Directors' Report

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report and the Corporate Governance Statement included in this report, according to the provisions of paragraph 5 of article 2 (part B') of L. 4336/2015, we note that:

a) The Board of Directors' Report includes the Corporate Governance Statement that provides the data and information defined under article 43bb of cod. L. 2190/1920.

b) In our opinion the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of the articles 43a and 107A and the paragraph 1 (cases c' and d') of the article 43bb of cod. L. 2190/1920 and its content corresponds with the accompanying financial statements for the year ended 31/12/2018.

c) Based on the knowledge we obtained during our audit of ELTON INTERNATIONAL TRADING COMPANY S.A. and its environment, we have not identified any material misstatements in the Board of Directors' Report.

2. Additional Report to the Audit Committee

Our audit opinion on the accompanying separate and consolidated financial statements is consistent with the Additional Report to the Company's Audit Committee referred to in Article 11 of European Union (EU) Regulation 537/2014.

3. Provision of Non-Audit Services

We have not provided to the Company and its subsidiaries the prohibited non-audit services referred to in Article 5 of EU Regulation 537/2014 or other permitted non-audit services.

4. Auditor's Appointment

We have been appointed for the first-time statutory auditors of the Company by the dated 22/06/2011 decision of the annual ordinary general meeting of shareholders. Since then, our appointment has been constantly renewed for a total period of 8 years based on the annual decisions of the Annual General Meetings of the Company Shareholders.

Athens, 12 April 2019

IOANNIS TH. SAVADIS
Certified Public Accountant Auditor
Institute of CPA (SOEL) Reg. No. 33391

SOL S.A.
Member of Crowe Global
3, Fok. Negri Str., 112 57 Athens, Greece
Institute of CPA (SOEL) Reg. No. 125

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ANNUAL FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION		GROUP		COMPANY	
(Amounts in euro)	**Note**	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
ASSETS					
Non-current assets					
Tangible fixed assets	6	17.432.133	16.974.968	10.730.890	11.076.543
Intagible assets	7	2.448.983	2.626.986	2.333.435	2.491.297
Goodwill	8	712.150	712.150	0	0
Investments in Subsidiaries	9	0	0	13.191.326	12.882.361
Not consolidated investments in subsidiaries	9	0	0	0	0
Deferred tax receivables	10	586.316	518.631	568.072	510.335
Other non-current assets	11	115.711	107.229	65.542	54.356
		21.295.292	**20.939.963**	**26.889.265**	**27.014.891**
Current Assets					
Inventories	12	23.500.458	22.053.015	13.338.677	12.422.606
Trade Receivables	13	43.024.454	44.913.373	31.320.731	32.028.419
Other current assets	14	2.209.875	1.949.308	1.941.034	1.742.636
Cash and cash equivalents	15	2.630.590	4.832.391	1.707.721	4.476.137
		71.365.377	**73.748.087**	**48.308.163**	**50.669.798**
TOTAL ASSETS		**92.660.670**	**94.688.050**	**75.197.428**	**77.684.689**
EQUITY AND LIABILITIES					
Capital and reserves					
Share Capital	16.1	13.899.697	13.899.697	13.899.697	13.899.697
Share premium	16.1	133.417	133.417	133.417	133.417
Other reserves	16.2	2.907.341	3.022.001	2.983.154	2.838.728
Profits carried forward	16.2	34.598.405	33.006.891	29.838.383	27.850.893
Total shareholders' equity (a)		**51.538.861**	**50.062.006**	**46.854.651**	**44.722.736**
Non-controlling interests (b)		247.295	333.085	0	0
Total Equity (c) = (a) + (b)		**51.786.156**	**50.395.091**	**46.854.651**	**44.722.736**
LIABILITIES					
Long term liabilities					
Long term Borrowings	17	8.643.140	5.566.525	7.593.467	4.427.174
Provisions for employee benefits	18	540.832	501.740	540.832	501.740
Other provisions		0	115.496	0	115.496
Grants of assets	19	657.399	726.501	657.399	726.501
Deferred tax obligations	10	88.162	89.039	0	0
Other long-term liabilities		0	29.564	0	0
Total Long-term Liabilities		**9.929.533**	**7.028.865**	**8.791.698**	**5.770.911**
Short-term Liabilities					
Short-term Borrowings	17	14.082.749	18.130.070	6.990.587	14.286.341
Suppliers	20	12.680.746	14.452.604	8.816.780	9.242.839
Current tax liabilities	21	2.804.369	2.331.325	2.685.758	2.209.751
Other short-term liabilities	20	1.377.116	2.350.096	1.057.953	1.452.112
Total short-term Liabilities		**30.944.981**	**37.264.095**	**19.551.079**	**27.191.043**
Total Liabilities (d)		**40.874.514**	**44.292.959**	**28.342.777**	**32.961.953**
TOTAL EQUITY AND LIABILITIES (c) + (d)		**92.660.670**	**94.688.050**	**75.197.428**	**77.684.689**

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INCOME STATEMENT		**GROUP**		**COMPANY**	
(Amounts in euro)	**Note**	**1.1-31.12.2018**	**1.1-31.12.2017**	**1.1-31.12.2018**	**1.1-31.12.2017**
Turnover	**5.2**	**132.709.642**	**126.923.231**	**85.678.302**	**79.252.711**
Cost of Sales	**22**	112.036.254	106.297.574	72.153.305	66.337.829
Gross Profit		**20.673.388**	**20.625.657**	**13.524.997**	**12.914.882**
Other operating income	**24**	455.983	626.292	196.214	365.106
Distribution expenses	**23**	-10.332.585	-10.370.204	-6.006.274	-6.285.528
Administrative expenses	**23**	-3.796.925	-4.089.768	-2.245.889	-2.776.837
Other operating expenses	**24**	-698.578	-929.927	-77.907	-475.417
Profit before taxes,financing & investing results		**6.301.282**	**5.862.050**	**5.391.140**	**3.742.206**
Financial income		182.192	22.243	5.750	640
Financial expenses		-1.369.405	-1.290.273	-657.055	-734.597
Profit before taxes		**5.114.069**	**4.594.021**	**4.739.834**	**3.008.250**
Income Tax	**25**	-1.622.545	-1.236.781	-1.461.084	-933.065
Net Profit/(Loss) of period (A)		**3.491.524**	**3.357.240**	**3.278.750**	**2.075.185**
Attributable to:					
Owners of the parent		3.465.124	3.322.825	3.278.750	2.075.185
Non-controlling interests		26.400	34.815	0	0
Other comprehensive income :					
Data that will not be reclassified subsequently to results					
Effect from tax rate change		-3.966	0	-3.966	0
Actuarial profits / (losses) on defined benefit pension plans		-13.696	-12.671	-13.696	-12.671
Deferred taxes of actuarial profits / (losses) of defined benefit pension plans		3.424	3.675	3.424	3.675
Data that are reclassified subsequently to the results					
Rate influence from the conversion of financial statements of subsidiaries in foreign currency		-371.275	-402.111	0	0
Other comprehensive income after taxes (B)		-385.514	-411.107	-14.238	-8.996
Total comprehensive income after taxes (A+B)		**3.106.011**	**2.946.133**	**3.264.512**	**2.066.189**
Attributable to:					
Owners of the parent		3.191.801	2.961.597	3.264.512	2.066.189
Non-controlling interests		-85.790	-15.464	0	0
		3.106.011	**2.946.133**	**3.264.512**	**2.066.189**
Depreciation of the period		**961.751**	**880.678**	**616.986**	**629.848**
Profit before taxes, financing & investing results and depreciation (EBITDA)		**7.263.033**	**6.742.728**	**6.008.126**	**4.372.054**
Profit after taxes per share -basic (in Euro)	**26**	**0,1296**	**0,1243**	**0,1227**	**0,0776**

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STATEMENT OF CHANGES IN EQUITY

(Amounts in euro)

GROUP	Share Capital	Difference from shares issued above par	Other reserves	Profits carried forward	Total	Non Controlling interests	TOTAL EQUITY
Balance on 1st January 2017	**16.038.112**	**133.417**	**3.956.707**	**29.110.588**	**49.238.824**	**348.549**	**49.587.373**
Net profit/(loss) of period	0	0	0	3.322.825	3.322.825	34.415	3.357.240
Other comprehensive income	0	0	-352.232	-8.996	-361.228	-49.879	-411.107
Total comprehensive income	**0**	0	**-352.232**	**3.313.829**	**2.961.597**	**-15.464**	**2.946.133**
Capital decrease	**-2.138.415**	0	0	0	-2.138.415	0	-2.138.415
Regular Reserve	0	0	70.256	-70.256	0	0	0
Reserve of Grant by Law 3299/2004	0	0	58.503	-58.503	0	0	0
Transfer from reserves	0	0	-711.233	711.233	0	0	0
Balance on 31st December 2017	**13.899.697**	**133.417**	**3.022.001**	**33.006.891**	**50.062.005**	**333.085**	**50.395.091**
Balance on 1st January 2018	**13.899.697**	**133.417**	**3.022.001**	**33.006.891**	**50.062.006**	**333.085**	**50.395.091**
Effect from IFRS9 adoption	0	0	0	-645.739	-645.739	0	-645.739
Adjusted balance on 1st January 2018	**13.899.697**	**133.417**	**3.022.001**	**32.361.152**	**49.416.267**	**333.085**	**49.749.353**
Net profit/(loss) of period	0	0	0	3.465.124	3.465.124	26.400	3.491.524
Other comprehensive income	0	0	-259.085	-14.238	-273.323	-112.190	-385.514
Total comprehensive income	**0**	**0**	**-259.085**	**3.450.886**	**3.191.801**	**-85.790**	**3.106.011**
Dividends distribution	0	0	0	-1.069.207	-1.069.207	0	-1.069.207
Regular Reserve	0	0	144.425	-144.425	0	0	0
Balance at 31st December 2018	**13.899.697**	**133.417**	**2.907.341**	**34.598.405**	**51.538.861**	**247.295**	**51.786.156**

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STATEMENT OF CHANGES IN EQUITY
(Amounts in euro)

COMPANY	Share Capital	Difference from shares issued above par	Other reserves	Profits carried forward	Total
Balance at 1st January 2017	**16.038.112**	**133.417**	**3.421.203**	**25.202.230**	**44.794.962**
Net profit/(loss) of period 1/1-31/12/17	0	0	0	2.075.185	2.075.185
Other comprehensive income	0	0	0	-8.996	-8.996
Total comprehensive income	**0**	**0**	**0**	**2.066.189**	**2.066.189**
Capital decrease	**-2.138.415**	0	0	0	**-2.138.415**
Regular Reserve	0	0	70.256	-70.256	0
Reserve of Grant by Law 3299/2004	0	0	58.503	-58.503	0
Transfer from reserves	0	0	-711.233	711.233	0
Balance at 31st December 2017	**13.899.697**	**133.417**	**2.838.728**	**27.850.893**	**44.722.736**
Balance at 1st January 2018	**13.899.697**	**133.417**	**2.838.728**	**27.850.893**	**44.722.736**
Effect from IFRS9 adoption	0	0	0	-63.390	-63.390
Adjusted balance on 1st January 2018	**13.899.697**	**133.417**	**2.838.728**	**27.787.504**	**44.659.346**
Net profit/(loss) of period 1/1-31/12/18	0	0	0	3.278.750	3.278.750
Other comprehensive income	0	0	0	-14.238	-14.238
Total comprehensive income	**0**	**0**	**0**	**3.264.512**	**3.264.512**
Dividends distribution	0	0	0	-1.069.207	-1.069.207
Regular Reserve	0	0	144.425	-144.425	0
Balance at 31st December 2018	**13.899.697**	**133.417**	**2.983.154**	**29.838.383**	**46.854.651**

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CASH FLOW STATEMENT (indirect method)	GROUP		COMPANY	
amounts in euro	01/01-31/12/18	01/01-31/12/17	01/01-31/12/18	01/01-31/12/17
Operating Activities				
Profit before taxes (continuing operations)	5.114.069	4.594.021	4.739.834	3.008.250
Adjustments for:				
Depreciation and Amortization	1.030.229	879.428	686.088	629.848
Amortization of Grants	-69.102	-51.543	-69.102	-51.543
Provisions	925.960	2.847.483	545.316	1.384.618
Exchange Differences	-281.207	-250.894	-14.908	2.731
(Gain) or Loss from Investing activities	-86.682	55.975	18.473	1.089
Interest and similar charges	1.340.549	1.271.117	651.306	733.956
Working capital changes				
Decrease/(increase) of inventory	-1.562.939	-3.678.340	-1.031.567	-1.035.133
Decrease/(increase) of trade receivables	108.346	-6.328.117	-50.427	-3.660.550
(Decrease)/Increase of liabilities (except loans)	-2.367.754	3.716.674	-402.898	1.894.468
Less:				
Interest and similar charges paid	-1.317.625	-1.242.014	-656.015	-733.556
Tax paid	-1.605.162	-2.056.712	-1.440.585	-1.775.157
Total cash/(used in) generated from operating activities (a)	**1.228.682**	**-242.922**	**2.975.514**	**399.022**
Investing Activities				
Acquisition of Subsidiary	-41.000	0	-349.965	0
Purchase of Intagible Assets, Property	-1.481.752	-1.708.027	-201.046	-285.397
Sale of fixed and Intagible assets	731	1.564	0	0
Interest received	182.192	22.243	5.750	640
Total cash/(used in) generated from investing activities (b)	**-1.339.829**	**-1.684.219**	**-545.262**	**-284.756**
Financing Activities				
Proceeds from capital increase of non controlling interests	0	0	0	0
Proceeds from Borrowings	16.526.466	27.834.889	9.300.000	13.025.000
Repayment of Borrowings	-17.547.912	-24.977.792	-13.429.461	-11.825.945
Return of capital to shareholders	-1.069.207	-2.138.415	-1.069.207	-2.138.415
Total cash/(used in) generated from financing activities (c)	**-2.090.653**	**718.682**	**-5.198.668**	**-939.360**
Net increase/(decrease) in Cash and Cash equivalents (a)+(b)+(c)	**-2.201.801**	**-1.208.458**	**-2.768.416**	**-825.094**
Cash and Cash equivalents at the beginning of the period	**4.832.391**	**6.040.849**	**4.476.137**	**5.301.231**
Cash and Cash equivalents at the end of the period	**2.630.590**	**4.832.391**	**1.707.721**	**4.476.137**

NOTES TO THE FINANCIAL STATEMENTS

1. General Information

ELTON CHEMICALS SA has been established in 1981 (Gov.3958/13.11.1981) and has General Commercial Reg. Number: 346001000. In 2002 the company changed its name from ELTON CHEMICALS Anonymous Trade Industrial Company (ELTON CHEMICALS SA) turned to ELTON INTERNATIONAL TRADING Anonymous Trade Industrial Company under name ELTON SA (Gov. 8469/8.8.2002). ELTON INTERNATIONAL TRADING COMPANY SA is licensed to practice Trade Representative Import and Export and has been registered with number 29945 in the Trade Representatives Register. Representative person for representative work is the President and Chief Executive Officer, Mr. Nestor D. Papathanasiou.

The web site address of the Company is www.elton.gr

The composition of the Board of Directors is the following:

- Nestor D. Papathanasiou, President and CEO
- Alkistis N. Papathanasiou, executive member
- Katy I. Andreou, executive member
- Epameinondas Taflabas, executive member
- Dimitrios Giotopoulos, executive member
- Electra N. Papathanasiou, non-executive member
- Christos K. Poulis, non-executive independent member
- Michalis Chatzis, non-executive independent member

Main activity of the company is trading raw materials, additives, chemicals and other specialized products, which are mainly used as raw materials in various industries.

Part of Turnover comprises revenues from the sale of chemical products and services specifically in brokerage commissions from selling products companies represented by the company.

The consolidated financial statements of the company include the company and its subsidiaries (the Group). Subsidiaries are companies over which control is exercised by the parent.

Subsidiaries are fully consolidated (full consolidation) from the date that is taken control upon them and cease to be consolidated from the date that control ceases to exist.

The financial statements for the fiscal year 2018 (January 1st – 31st December 2018) were approved by the Board of Directors on 10/4/2019 and are under the approval of the Annual Ordinary General Meeting of its shareholders.

2. Framework of the Financial Statements

2.1. Basis of Preparation of annual Financial Statements

The consolidated and simple financial statements of ELTON SA have been prepared under the historical cost and the going concern business (going concern) convention and are in accordance with International Financial Reporting Standards (IFRS) and the Interpretations of the Interpretations Committee of the International Financial Reporting Standards as they have been adopted by the European Union and IFRS that have been issued by the International Accounting Standards Board (IASB).

The accounting policies used in the preparation and presentation of the annual financial statements are consistent with those used in preparing the financial statements at 31 December 2017 except for the following amendments, which were adopted on 1st January 2018. The Company and the Group applied for the first time IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments. The nature and effect of these changes are analyzed below, in accordance with the requirements of IAS 8.

Various other amendments and interpretations were applied for the first time in 2018 but did not have a material impact on the consolidated and company financial statements for the year ended 31 December 2018.

The policies referred below have been applied consistently in all periods presented.

The preparation of financial statements in accordance with IFRS requires the use of estimations and judgments in applying the accounting policies of the Company. Important assumptions made by management in applying the accounting methods have been highlighted where appropriate.

2.2 Reclassification of prior year funds

Where necessary, the comparative figures have been redistributed to match the changes in the presentation of the current financial statements. Specifically, an amount of € 130.000 relating to provisions for unused, delayed and destroyed inventories and appearing in the line "Other provisions" in the corporate and consolidated for the year ended 31 December 2017 has been depicted as a deduction from the "Inventories" item.

2.3 New standards, amendments to standards and interpretations

Application of new and amended International Financial Reporting Standards (IFRS) for the current fiscal year 2018.

New standards, amendments to standards and interpretations that affect the amounts presented and / or disclosures in the separated and consolidated financial statements.

*These financial statements and notes on the financial statements have been translated to English from the original statutory notes that have been prepared in the Greek language.
In the event that differences exist between this translation and the original Greek language financial statements, the Greek version will prevail over this document

IFRS 9 Financial Instruments: The standard introduces new requirements for classification and measurement, impairment, and hedge accounting.

The adoption of IFRS 9 has changed the Group's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. For trade receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.
The Group considers the non-collection of non-insured receivables over a year is a default event. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Group.
The Group adopted the new standard as of 1 January 2018 without restating comparative information. The cumulative effect of the adjustments arising from the new requirements are therefore recognized in the opening balance of retained earnings on 1 January 2018.
The application of IFRS 9 resulted in an increase in losses from provisions for doubtful debts minus deferred tax with a corresponding negative impact on equity as at 1 January 2018 by euro 645.739.

The following table shows the adjustments recognized for each individual line item. Line items that were not affected by the changes have not been included. The adjustments are presented in more detail below.
IFRS 9 impact on the statement of financial position (increase/(decrease)) as at 1st January 2018:

Group	**31 December 2017 as it published**	**IFRS 9**	**1/1/2018 after effect of IFRS 9**
Non-current Assets			
Deferred income tax assets	518.631	21.130	539.760
Current Assets			
Trade and other receivables	44.913.373	(666.868)	44.246.505
Equity and reserved			
Retained earnings	33.006.891	(645.739)	32.361.152

Company	**31 December 2017 as it published**	**IFRS 9**	**1/1/2018 after effect of IFRS9**
Non-current Assets			
Deferred income tax assets	510.335	21.130	531.464
Current-Assets			
Trade and other receivables	32.028.419	(84.519)	31.943.900
Equity			
Retained earnings	27.850.893	(63.390)	27.787.504

IFRS 15 Revenue from Contracts with Customers: IFRS 15 establishes a five-step model that applies to revenue earned from a contract with a customer (with limited exceptions), regardless of the type of revenue transaction or the industry. The standard's requirements also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not in the Group's ordinary activities (e.g. sales of property, plant and equipment or intangible). As from 1 January 2018, the Group applies the new standard using the modified retrospective method, therefore the initial application did not result in any restatement of comparative data. The new standard did not have any significant impact on the Group's consolidated financial statements, upon adoption since, no material differences from applying the new accounting policies were identified. Therefore, it did not have any impact on retained earnings and no transition adjustments were required as a result of its application. Although the implementation of IFRS 15 does not generally represent a material change from the Group's current practices the Group revised its respective accounting policy as follows:
The Group recognizes revenue when (or as) a contractual promise to a customer (performance obligation) is fulfilled by transferring a promised good or service (which is when the customer obtains control over the promised goods or services).
If a contract contains more than one performance obligation, the total transaction price of the contract is allocated among the individual, separate performance obligations based on their relative standalone selling prices. The amount of revenue recognized is the amount allocated to the satisfied performance obligation based on the consideration that the Group expects to receive in accordance with the terms of the contracts with the customers. Variable considerations are included in the amount of revenue recognized only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur in the future.
Options for prospective volume related discounts are assessed by the Group to determine whether they constitute a material right that the customer would not receive without entering into that contract. For all such options that are considered as material rights, the Group

assesses the likelihood of its exercise and then the portion of the transaction price allocated to the option is deferred and recognized when it is either exercised or lapsed.
Under the new requirements, the Group concluded that prospective volume discounts constitute a material right which should be deferred and recognized when exercised or lapsed. The Group provides volume discounts to customers based on thresholds specified in contracts. All such discounts are accrued within the financial year and therefore the application of the new standard has a nil effect in the annual Financial Statements.
In addition, the Group concluded that it transfers control over its products at a point in time, upon receipt by the customer, because this is when the customer benefits from the respective products.

IFRS 15 (Clarifications) Revenue from Contracts with Customers: The objective of the Clarifications is to clarify the IASB's intentions when developing the requirements in IFRS 15 Revenue from Contracts with Customers, particularly the accounting of identifying performance obligations amending the wording of the "separately identifiable" principle, of principal versus agent considerations including the assessment of whether an entity is a principal or an agent as well as applications of control principle and of licensing providing additional guidance for accounting of intellectual property and royalties. The Clarifications also provide additional practical expedients for entities that either apply IFRS 15 fully retrospectively or that elect to apply the modified retrospective approach.

IFRS 2 (Amendments) Classification and Measurement of Share based Payment Transactions: The Amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, for share-based payment transactions with a net settlement feature for withholding tax obligations and for modifications to the terms and conditions of a share based payment that changes the classification of the transaction from cash-settled to equity-settled.

- **IAS 40 (Amendments) Transfers to Investment Property:** The Amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The Amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration: The Interpretation clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency. The Interpretation covers foreign currency transactions when an entity recognizes a nonmonetary asset or a non-monetary liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income.

The Interpretation states that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the nonmonetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, then the entity must determine a date of the transactions for each payment or receipt of advance consideration.

The IASB has issued the Annual Improvements to IFRSs (2014 – 2016 Cycle), which is a collection of amendments to IFRSs. The improvement didn't have material effect on the consolidated and company financial statements for the fiscal year ended 31st December 2018.

- IAS 28 Investments in Associates and Joint Ventures: The amendments clarify that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is venture capital organization, or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition.

Standards issued but not yet effective and not early adopted

The Group has not early adopted any other of the following standard, interpretation or amendment that has been issued but is not yet effective. In addition, the Group assessed all standards, interpretations and amendments issued but not yet effective, and concluded that, except for IFRS 16, which is analyzed below, they will not have any significant impact on the consolidated financial statements.

IFRS 16 Leases: The standard is effective for annual periods beginning on or after 1 January 2019. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ("lessee") and the supplier ("lessor"). IFRS 16 replaces existing leases guidance based on IAS 17 Leases, IFRIC 4 Determining whether an Agreement contains a Lease, SIC-15 Operating Leases- Incentives and SIC-27 Evaluating the substance of transactions which have the legal form of a lease.

The new standard requires lessees to recognize most leases on their financial statements. Lessees will have a single accounting model for all leases, with certain exemptions.

Lessor accounting is substantially unchanged. More specifically, IFRS 16 introduces a single, on-balance sheet lease accounting model for leases. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains like the current standard – i.e. lessors continue to classify leases as finance and operating leases.

The standard will affect primarily the accounting for the Group's operating leases. The Group has not assessed yet the estimated impact that initial application of IFRS 16 will have on its consolidated financial statements.

Transition to the new standard

The Group plans to apply IFRS 16 initially on 1 January 2019, using the modified retrospective approach. Under this approach the Group will a) recognize a lease liability and will measure that lease liability at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at the date of initial application and b) recognize a right-of-use asset and measure that right-of-use asset by an amount equal to the lease liability.

The cumulative effect of adopting IFRS 16, if such need arises, will be recognized as an adjustment to the opening balance of retained earnings at 1 January 2019, with no restatement of comparative information.

The Group plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply IFRS 16 to all contracts entered before 1 January 2019 and identified as leases in accordance with IAS 17 and IFRIC 4. Furthermore, the Group will elect to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value. Finally, the Group decided to apply a single discount rate to a portfolio of leases with reasonably similar characteristics (such as leases with similar remaining lease term for similar class of underlying assets in a similar economic environment).

The Group will recognize new assets and liabilities for its operating leases of commercial properties such as petrol stations and office buildings as well as motor vehicles and equipment. Subsequent to initial recognition, the Group will a) measure the right-of-use asset by applying the cost model and depreciate it on a straight line basis up to the end of the lease term and b) measure the lease liability by increasing and reducing the carrying amount to reflect interest on the lease liability and lease payments made, respectively.

- IFRS 10 (Amendment) Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture: The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU.
- IFRS 9 (Amendment) Prepayment features with negative compensation: The amendment is effective for annual reporting periods beginning on or after 1 January 2019 with earlier application permitted. The Amendment allows financial assets with prepayment features that permit or require a party to a contract either to pay or receive reasonable compensation for the

early termination of the contract (so that, from the perspective of the holder of the asset there may be "negative compensation"), to be measured at amortized cost or at fair value through other comprehensive income.

• IAS 28 (Amendments) Long-term Interests in Associates and Joint Ventures: The amendments are effective for annual reporting periods beginning on or after 1 January 2019 with earlier application permitted. The amendments relate to whether the measurement (mainly the impairment) of long-term interests in associates and joint ventures that, in substance, form part of the 'net investment' in the associate or joint venture should be governed by IFRS 9, IAS 28 or a combination of both. The amendments clarify that an entity applies IFRS 9 Financial Instruments, before it applies IAS 28, to such long-term interests for which the equity method is not applied. In applying IFRS 9, the entity does not take account of any adjustments to the carrying amount of long- term interests that arise from applying IAS 28. These amendments have not yet been endorsed by the EU.

• IFRIC Interpretation 23: Uncertainty over Income Tax Treatments: The interpretation is effective for annual periods beginning on or after 1 January 2019 with earlier application permitted. The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12. The Interpretation provides guidance on considering uncertain tax treatments separately or together, examination by tax authorities, the appropriate method to reflect uncertainty and accounting for changes in facts and circumstances.

• IAS 19 (Amendments) Plan Amendment, Curtailment or Settlement: The amendments are effective for annual periods beginning on or after 1 January 2019 with earlier application permitted. The amendments require entities to use updated actuarial assumptions to determine current service cost and net interest for the remainder of the annual reporting period after a plan amendment, curtailment or settlement has occurred. The amendments also clarify how the accounting for a plan amendment, curtailment or settlement affects applying the asset ceiling requirements. These amendments have not yet been endorsed by the EU.

• Conceptual Framework in IFRS standards: The IASB issued the revised conceptual framework for financial reporting on 29 March 2018. The conceptual framework sets out a comprehensive set of concepts for financial reporting, standard setting, guidance for preparers in developing consistent accounting policies and assistance to others in their efforts to understand and interpret the standards.

IASB also issued a separate accompanying document, amendments to references to the conceptual framework in IFRS standards, which sets out the amendments to affected standards in order to update references to the revised conceptual framework. Its objective is to support transition to the revised conceptual framework for companies that develop accounting policies using the conceptual framework when no IFRS Standard applies to a particular transaction.

For preparers who develop accounting policies based on the Conceptual Framework, it is effective for annual periods beginning on or after 1 January 2020.

• IFRS 3 Business Combinations (Amendments): The IASB issued amendments in definition of a Business (amendments to IFRS 3) aimed at resolving the difficulties that arise when an entity determines whether it has acquired a business or a group of assets.

The amendments are effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2020 and to asset acquisitions that occur on or after the beginning of that period, with earlier application permitted. These amendments have not yet been endorsed by the EU.

• IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of "material" (Amendments). The amendments are effective for annual periods beginning on or after 1 January 2020 with earlier application permitted. The amendments clarify the definition of material and how it should be applied. The new definition states that, "Information is material if when omitting, misstating or obscuring it could reasonably be expected to influence the decisions of the primary users of financial statements, decisions which are being taken based on the financial statements, which provide financial information about a specific reporting entity". In addition, the explanations accompanying the definition have been improved. The amendments also ensure that the definition of material is consistent across all IFRS standards. These Amendments have not yet been endorsed by the EU.

The IASB has issued new cycle Annual Improvements of IFRS 2015 – 2017, which is a collection of amendments to IFRS. The amendments are effective for annual periods beginning on or after 1 January 2019 with earlier application permitted. These annual improvements have not yet been endorsed by the EU.

- IFRS 3 Business Combinations and IFRS 11 Joint Arrangements: The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business.

The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.

- IAS 12 Income Taxes: The amendments clarify that the income tax consequences of payments on financial instruments classified as equity should be recognized according to where the past transactions or events that generated distributable profits has been recognized.
- IAS 23 Borrowing Costs: The amendments clarify paragraph 14 of the standard that, when a qualifying asset is ready for its intended use or sale, and some of the specific borrowing related to that qualifying asset remains outstanding at that point, that borrowing is to be included in the funds that an entity borrows generally.

2.4. Consolidated financial statements

Subsidiaries: are all companies managed and controlled, directly or indirectly, by another company (parent), whether through ownership of most shares in the company in which the investment was made, either through its dependence on the expertise provided by the Group. Namely, subsidiaries are the companies that are controlled by the parent. ELTON acquires and exercises control through voting rights. The existence of potential voting rights that are exercisable at the preparation time of the financial statements is considered in order to substantiate whether the Group controls another entity. Subsidiaries are fully consolidated (full consolidation) with the acquisition method from the date that control is taken over them and cease to be consolidated from the date that control ceases.
The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, shares issued, and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the Group' share of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.
Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.
The Company accounts for its investment in subsidiaries, in its stand-alone accounts, on the cost less impairment basis.

Associates: are entities over which the Group has significant influence, but they do not fulfill the conditions to be classified as subsidiaries. The assumptions used by the group imply that voting rights percentage between 20% and 50% of a company suggests significant influence on the company. Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost. At the end of every fiscal year, the cost is increased by the proportion of the investing company in the changes in equity of the invested company and decreased with the received dividends from the associate.
The Group's share of its associates' post-acquisition profits or losses is recognized in the income statement, and its share of post-acquisition movements in reserves is recognized in reserves. Accumulated changes affect the book value of investments in associated companies.

When the Group's participation of losses in an associate company equals or exceeds its participation in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's participation in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed to ensure consistency with the policies adopted by the Group.

2.5. Segment reporting

The operational segments business sector is defined as a group of assets and operations engaged in providing products and services that are subject to risks and returns that are different from those of other business segments.

A geographical segment is a geographical region in which products and services are subject to risks and returns different from other areas. For the year 2018 the 64,56% of the consolidated turnover derived from activities carried out in Greece (2017: 62,44%).

2.6. Foreign exchange conversions

Functional and presentation currency

The data of the financial statements of the companies of the Group are measured in the currency of the primary economic environment in which the Group operates (its functional currency).

The consolidated financial statements are reported in Euro, which is the functional currency and reporting currency of the parent company and all its subsidiaries.

Transactions and balances

Transactions in foreign currencies are converted to the functional currency using the exchange rates prevailing at the transaction date. Profits and losses from foreign exchange differences arising from the settlement of such transactions during the period and from the conversion of monetary items expressed in foreign currency using the exchange rates at the balance sheet date are recorded in the results.

Companies of the Group

The translation of the financial statements of the Group companies (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency of the Group is as follows:

• Assets and liabilities are translated at the rates prevailing at the balance sheet date,
• Revenues and expenses are translated at average exchange rates
• All resulting exchange differences are recognized in equity reserve and transferred to the income statement as part of the gain or loss on sale.

The structure of the Group as at 31/12/2018 is as follows:

COMPANY	COUNTRY	PARTICIPATION PERCENTAGE	CONSOLIDATION METHOD
ELTON SA	GREECE	PARENT	
ELTON CORPORATION SA	ROMANIA	100%	FULL
ELTON CORPORATION EOOD	BULGARIA	100%	FULL
ELTON CORPORATION DOO	SERBIA	100%	FULL
ELTON MARMARA KIMYA SANAYI VE TICARET A.S.	TURKEY	70%	FULL
ELTON CORPORATION LLC	UKRAINE	100%	FULL (*from 1.1.16)
ELTON PLS SA	GREECE	100%	NOT CONSOLIDATED

2.7. Tangible fixed assets

Fixed assets are reported in the Financial Statements at cost less subsequent depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items.
Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group higher than the initially expected according to the initial return of the financial asset and under the assumption that the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

In the current financial statements, the depreciation of other tangible fixed assets (excluding land which is not depreciated) is calculated with method over their estimated useful lives, which are as follows:

1. Buildings	25 to 50 years
2a Mechanical Equipment	3 to 15 years
2b Metal Tanks	15 years
2c.Photovoltaic	20 years
3. Cars	4 to 10 years
4. Other Equipment	5 to 10 years
4a. Furniture	4 to 10 years
4b. Electronic computers	3 to 7 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. When the carrying amounts of the tangible assets are higher than their recoverable amount, the resulting difference (impairment loss) is recognized immediately as a loss in the income statement.

In case of sale of tangible assets, the difference between the sale proceeds and the carrying amount is recognized as profit or loss in the income statement. Repairs and maintenance are charged to the expenses of the period they occur.

Self-produced tangible assets constitute an addition to the cost of fixed assets on values that include the direct payroll cost of personnel involved (including the relevant costs), cost of materials and other general costs.

2.8. Intangible assets

Intangible assets include software licenses and also buying costs of trademarks and rights. Software licenses are valued at cost less depreciation. Depreciation is calculated using the straight-line method over the useful life of these assets, which range from 1 to 5 years. The trademarks and rights are depreciated using the straight-line method over their useful life. Expenses required for the development and maintenance of the software are recognized as expenses when incurred.

2.9. Impairment of assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment and whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.
Assets that are subject to amortization are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.
The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Impairment losses are recognized as an expense to the Comprehensive Income Statement, when they occur.

2.10. Financial assets

Financial asset is any contract that creates a financial asset to one entity and a financial liability or equity instrument to another enterprise.

Initial recognition and subsequent measurement of financial assets

From 1 January 2018, financial assets are classified at initial recognition and subsequently measured at amortized cost, at fair value through other comprehensive income or at fair value through the results. The classification of financial assets at initial recognition is based on the contractual cash flows of the financial assets and the business model in which the financial asset is held.
Except for customer receivables, the Group initially assesses a financial asset at its fair value plus transaction costs in the case of a financial asset that is not measured at fair value through results. Receivables from customers are initially measured at transaction value as defined by IFRS 15.
In order to classify and measure a financial asset (excluding equity securities) at amortized cost or at fair value through other comprehensive income, must be created cash flows that are "exclusive capital and interest payments" on the not paid outstanding capital. This evaluation is known as the SPPI ("solely payments of principal and interest") criterion and is made at the level of an individual financial instrument.

After initial recognition, financial assets are classified into three categories:
- at amortized cost
- at fair value through other comprehensive income
- fair value through results

The Group does not have assets that are measured at fair value through other comprehensive income and results as at 31 December 2018. The Company presents investments in subsidiaries at their fair value.

Financial assets at amortized cost

Financial assets classified at amortized cost are subsequently measured using the effective interest method (EIR) and are subject to impairment testing. Profits and losses are recognized in results when the asset ceases to be recognized, modified or impaired.

Impairment of financial assets

The Group assesses at each financial statement date whether the value of a financial asset or a group of financial assets has been impaired as follows:

<u>Trade receivables</u>

For receivables from customers and contractual assets, the Group applies the simplified approach for calculating the expected credit losses. Therefore, at each reporting date, the Group measures the provision for impairment for a financial instrument at an amount equal to the expected credit losses over the life of the instrument without monitoring the changes in credit risk.

Receivables from customers who are in late payment and for which the Group has identified objective evidence of impairment are individually assessed. Among other things, the Group considers objective evidence of impairment the beginning of legal action against the client and the client's position in liquidation. Expected credit losses are recognized as the difference between the contractual cash flows attributable to the Group and those that the Group expects to receive.

The remaining receivables from customers are collectively assessed by the Group. Upon initial recognition, a provision for loss is recognized at an amount equal to the expected credit loss over the life of the claim, based on historical loss indices.

Historical loss indices are calculated using historical sales figures and doubtful debts or actual write-offs as a percentage of sales. Historical loss indicators are adjusted if deemed appropriate based on management's assumptions about future information and the effect of expected changes in the economic, regulatory and technological environment as well as external market indicators.

The amount of the impairment provision is recognized as an expense in the income statement for the year in which the impairment loss was incurred.

At each reporting date, all estimated non-cashed receivables are reviewed on a case-by-case basis to determine whether an impairment provision is required or not. It is a policy of the Group to clear bad debts only when all possible ways of collection (including legal remedies) are exhausted.

Derecognition of financial assets

A financial asset (or part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to the inflow of cash resources have expired,
- the Group retains the right to cash inflows from the specific asset but has also undertaken to pay them to third parties fully without undue delay in the form of a transfer agreement; or
- the Group has transferred the right to receive cash flows from that asset while either (a) it has transferred substantially all the risks and rewards thereof, or (b) has not transferred substantially all the risks and rewards but has transfer the control of that item.

When the Group transfers the rights to receive cash flows from an asset or concludes a transfer agreement, it assesses the extent to which it retains the risks and rewards of ownership of the asset. When the Group neither transfers nor retains substantially all the risks and rewards of the transferred asset and retains control of the asset, then the asset is recognized to the extent that the Group continues to participate in the asset. In this case, the Group also recognizes a related liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and commitments that the Group has retained.

Initial recognition and subsequent measurement of financial liabilities

All financial liabilities are initially measured at their fair value less costs to trade, in the case of loans and payable obligations.

Derecognition of financial liabilities

A financial liability is deleted when the obligation arising from the liability is canceled or expires. When an existing financial liability is replaced by another by the same lender but under substantially different terms or the terms of an existing liability are significantly changed, such exchange or amendment is treated as a derecognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognized in the income statement.

Settlement of financial assets

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when there is a legally enforceable right to set off the amounts recognized and there is an intention to settle on a net basis or to recover the asset and settle the obligation to at the same time. The legally enforceable right should not depend on future events and should be exercised in the ordinary course of business, as well as in cases of default, insolvency or bankruptcy of the Company or the counterparty.

2.11. Inventories

At the date of balance sheet, the inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less any costs related to sale. The acquisition cost of inventories is defined by the weighted average of the month. The cost of inventories doesn’t include financial expenses.
For impaired inventories it has been formed provision of 247.052 euro (2017: 130.000 euro).

2.12. Cash and cash equivalents

Cash and cash equivalents include cash, sight deposits and short term up to 3 months with high liquidity and low risk investments.

2.13. Share capital

Share capital includes common shares of the Company that are classified as equity.
Expenses that were made for the issuance of the shares, presented after deducting the income tax, to a decrease of the proceeds. Expenses related to the issuance of shares for the acquisition of companies are included in cost of the acquired company.
During the acquisition of own shares, the price paid - including related costs - is depicted as deducted equity (share premium reserve).

2.14. Income tax and deferred tax

The period’s charge with income tax consists of the current tax and deferred taxes, i.e. taxes or tax relief related to the financial benefits that arise during the period but have been or will be imputed by the tax authorities in different periods. Income tax is recognized in the income statement of the period, except from the tax that refers to transactions recorded directly in equity, in which case it is recorded directly in a similar way to equity.
Current income taxes include short term obligations or claims from fiscal authorities relating to taxes payable on the taxable income of the period and any additional income taxes from previous years.
Current taxes are measured according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to the short term tax assets or obligations are recognized as a component of tax expense in the income statement.

Deferred income tax is determined by the liability method that results from the temporary differences between the accounting value and taxation basis of assets and liabilities. Deferred income tax is not accounted if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, which at the time of the transaction did not affect either accounting or taxable profit or loss.

Deferred tax claims and liabilities are valued based on the tax rates expected to applied in the period during which the claim or liability will be settled, taking into consideration tax rates (and tax laws) that have been enacted or essentially in effect until the balance sheet date. In case of failure to identify the timing of reversal of temporary differences, is applies the tax rate that is in effect on the following day of the balance sheet date.

Deferred tax claims are recognized to the extent that there will be future taxable profit for the use of the temporary differences that creates the deferred tax claim.

Deferred income tax is recognized for temporary differences that arise from investments in subsidiaries and associates, except in the case that reversal of the temporary difference is controlled by the Group and it is possible that the temporary differences will not reverse in the foreseeable future.

Most changes in deferred tax claims or liabilities are recognized as a part of the tax expenses in the income statement. Only the changes in assets or liabilities that affect the temporary differences are recognized directly in equity of the Group, such as the revaluation of property, result in the relevant change in deferred tax claims or liabilities to be charged against the relevant equity account.

2.15. Employee Benefits

Short-term benefits: Short-term employee benefits (except benefits from employment termination), monetary and in items, are recognized as an expense when they accrue.

Benefits after leaving the service: According to the Greek Laws 2112/20, the Company pays the employees compensations for dismissals or resignations due to pensions. The aforementioned payments depend on the years of working experience, the remunerations, and the way of leaving the company (dismissal or resignation). The compensations for pensions and dismissals fall under the defined benefit plans according to the IFRS 19 «Employee benefits». The above obligations are calculated based on an actuarial projected unit credit method. The provisions that concern the fiscal year, are included in the relative personnel cost in the attached consolidated financial statements and consist of the current and previous personnel cost, the relative financial cost, the actuarial profits or losses and any other possible charges. According to the non-recognized actuarial profits or losses, the amended IAS 19 is applied, which includes a series of amendments regarding the accounting of defined benefit plans.

1. Actuarial gains and losses will be recognized in other comprehensive income and their definitive exclusion from the income statement.

2. Not recognizing more of the expected returns of investment of the program to the income statement but the recognition of such interest on the net liability/(claim) of benefit, calculated based on the discount rate that is used to measure the defined benefit obligation
3. Past service costs are recognized in the income statement in the period when a plan is amended.
4. Other changes include extended disclosures, as quantitative sensitivity analysis

2.16. Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events and when it is probable that an outflow of resources and estimating the amount of the obligation can be reliably estimated. Provisions are reviewed at each balance sheet date and adjusted to reflect the present value of the expenditure expected be required for the settlement of the obligation. Contingent obligations are not recognized in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is minimal. Contingent claims are not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

2.17. Revenue and Expense Recognition

Revenue: Revenues include the fair value of projects, sales of goods and services, net of Value Added Tax, rebates and discounts. Intercompany revenues within the Group are eliminated in full. The recognition of revenue is as follows:

- **Income from sales of goods and services**

The Group recognizes revenue when a contractual obligation to the individual customer is met by the delivery of the good or the service (which is the same as when the control over the good or service passes to the customer).
If a contract includes more than one contractual obligation, the total value of the contract is allocated to the individual obligations based on the individual sales values. The amount of revenue recognized is the amount attributed to the corresponding contractual obligation that has been settled, based on the fee expected to be received by the Group in accordance with the terms of the contract. Any variable fee is included in the amount of revenue recognized, to the extent that it is unlikely that this amount will be reversed in the future.
The rights to future sales volume discounts are assessed by the Group in order to determine whether they are material rights that the client would not acquire if he had not entered into the specific contract. For all these rights, the Group assesses the probability of exercising them and then the proportion of revenue attributable to that right is recognized when the right is either exercised or expired.

- **Interest income:** Interest income is recognized on a time proportion basis using the actual interest rate method.
- **Dividends:** Dividends are recognized as income when there is right to receive payment.

Expenses: expenses are recognized in results on an accrual basis.

2.18. Leases

Leases of fixed assets, which transfer to the Group all the risks and benefits related to the ownership of an asset, regardless of the finally transfer or not of the ownership title of that asset, are classified as finance leases. Finance leases are capitalized at the lease's inception at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease is allocated between the liability and the financial charges so as to achieve a fixed interest rate on the remaining financial obligation. The corresponding rental obligations, net of financial charges, are reported in liabilities.
The part of financial expenses relating to finance leases is recognized in income statement during the lease period. Fixed assets that acquired through financial leasing are depreciated the shorter period of the useful life of the asset or the duration of the lease. There were no such leases until the period presented.
Lease agreements where the lessor transfers the right to use an asset for an agreed period, without transferring the risks and rewards of ownership of the asset are classified as operating leases. Payments made for operating leases (net of any incentives offered from the lessor) are recognized in the results proportionately by the lease period.

2.19. Distribution of dividends

The distribution of dividends to parent company’s shareholders is recognized as a liability in the financial statements on the date on which the distribution is approved by the General Assembly of Shareholders.

2.20. Grants

Grants related to assets are government grants, which according to IAS 20 "Accounting for Government Grants', whose primary condition is that an enterprise qualifying for them should purchase, construct or any other way acquire long-term assets.
Government grants related to assets must be shown in the balance sheet either as deferred income or by deducting the accounting value of the related assets. The company chose to display the government grant of Law 3299/2004 as deferred income, which will be recorded in systematic and rational basis as revenue during the useful life of assets.

2.21. Trade obligations

Trade payables include the payment obligations for products and services acquired in the ordinary course of business of the Group by the suppliers. Trade payables are recorded as current liabilities when they are due to be paid in the next financial year. If their payment can be made beyond the next 12 months, then trade obligations are recorded in long-term liabilities.
Suppliers and other liabilities are initially recognized at their fair value and subsequently measured at unamortized cost using the effective interest method.
Management considers that the carrying amount of trade liabilities approximates their fair value

2.22. Borrowing

Loans are recorded initially at their fair value, less any costs to complete the transaction.
Borrowings are subsequently valued at the unamortized cost using the effective interest rate method.
Borrowings are classified as short-term liabilities unless the Group has the right to defer the repayment of the liability for at least twelve months from the balance sheet date.

3. Risk management

3.1 Financial risk factors

The Group is exposed to a variety of financial risks such as market risk (changes in exchange rates, interest), credit risk, liquidity risk, cash flow risk and fair value interest rate risk.
The overall risk management of the Group focuses on the unpredictability of financial markets and seeks to minimize their potential negative effect in the financial performance of the Group.

a) Market Risk

1. Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures.
Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and investments which having their head office and operate abroad.
The Group has certain investments in subsidiaries that are depicted in the table below, whose assets are exposed to currency risks.

COMPANY	COUNTRY	PARTICIPATION PERCENTAGE
ELTON CORPORATION SA	ROMANIA	100%
ELTON CORPORATION EOOD	BULGARIA	100%
ELTON CORPORATION DOO	SERBIA	100%
ELTON CORPORATION LLC	UKRAINE	100%
ELTON MARMARA KIMYA SANAYI VE TICARET A.S.	TURKEY	70%

2. Price Risk

The Group is not exposed to securities price risk because of the complete lack thereof. However, is exposed to changes in the value of goods moved (Bulk chemicals) and this because their price is directly linked to the price of petroleum, as it is valued in the current market. This risk is managed through a comparable change in selling prices of the goods available.

3. Cash flow and fair value interest

A. Interest risk

The Group has no interest-bearing assets and therefore income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest risk is increased by long-term and short-term borrowings.

In particular the long-term borrowing on 31st December 2018 of the Group and the Company amounted to 8.643.140 euro (2017: 5.566.525 euro) and 7.593.467 euro (2017: 4.427.174 euro) accordingly, while the short-term bank borrowing of the Group and the Company at 14.082.749 euro (2017: 18.130.070 euro) and 6.990.587 euro (2017: 14.286.341 euro) accordingly.

The long-term bank borrowing has been concluded with interest based on EURIBOR plus fixed margin (spread).

In case of +1% or -1% change of interest rate, the effects on equity and results of the Group and the Company are presented below:

A) Increase in interest rate by 1%

The results for the year and equity of the Group and the Company would burden by 227.259 and 145.841 euros respectively (2017: 236.966 and 187.135 euro)

B) Decrease in interest rate by 1%

The results of the year and the equity of the Group and the Company would increase by 227.259 and 145.841 euros respectively (2017: 236.966 and 187.135 euro).

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B. Credit risk

Credit risk arises from cash and cash equivalents, deposits in banks, and credit reports of customers including significant claims and transactions.

The Group does not have significant concentration of receivables in limited number of customers. Due to the large dispersion of the customer base, the group faces limited credit risks and makes systematic use of credit insurance and where appropriate advances, credit and bank guarantees are considered. The group's clientele includes international prestigious multinational corporations and therefore the existence of credit risk is limited.

The Group and the Company make provision for doubtful customers.

On 31st December 2018 the total amount of customers' and other trade receivables was 51.510.557 euro (2017: 51.821.991) and 36.835.405 euro (2017: 36.979.654) respectively and the provisions for doubtful debts were 8.486.103 euro (2017: 6.908.618) and 5.514.674 euro (2017: 4.951.235) respectively i.e. 16,47% (2017: 13,33%) and 14,97% (2017: 13,39%) which the Management of the Company considers satisfactory in an environment of increased credit fluctuations.

Also, the debit balances of subsidiaries on 31st December 2018 amounted to 1.264.741 euro (2017: 1.048.231 euro) which the Company's Management believes that presenting no risk of non-collecting since subsidiaries are controlled 100% by the parent.

C. Capital risk management

The capital management aims to ensure the Group's opportunity to continue its activities in order to provide profits to the shareholders and benefits for other interest parties, while maintaining a capital structure that minimizes the cost of capital. The capital management tools are the dividend policy, the issuance or return of capital and trading of assets.

The main index used in the management of capital is the leverage factor, which is calculated as net borrowing divided by total usable capital.

Net borrowing is calculated as total borrowings (including short- and long-term loans) minus cash and cash equivalents.

The total usable capital is calculated by the equity that is displayed in the balance sheet plus the net borrowing.

	GROUP		COMPANY	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
Total of borrowings	22.725.889	23.696.595	14.584.054	18.713.515
Less: Cash and cash equivalents	-2.630.590	-4.832.391	-1.707.721	-4.476.137
Net Borrowing	**20.095.299**	**18.864.204**	**12.876.333**	**14.237.378**
Equity	51.786.156	50.395.091	46.854.651	44.722.736
Total usable capital	**71.881.455**	**69.259.295**	**59.730.984**	**58.960.114**
Leverage factor	**27,96%**	**27,24%**	**21,56%**	**24,15%**

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It is observed that the leverage factor on 31 December 2018 for the Group appears almost in the same level with the previous fiscal year 2017 while it appears to be reduced for the Company due to profitability and reduction of loan liabilities.
On 20/06/2018 at the Ordinary General Meeting of the Shareholders it was decided dividend distribution at the amount of 1.069.207,48 euro, thus 0,04 euro per share.

D. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of financing through sufficient credit operations.
The table below analyzes the financial liabilities of the Group and the Company classified in groups by date, calculated in accordance with the remaining period from the balance sheet date until the contractual maturity date.

Group 31/12/2018	**up to 1 year**	**from 1 until 5 years**	**over 5 years**	**Total**
Borrowing	14.082.749	7.035.997	1.607.143	22.725.889
Trade and other liabilities	16.862.232	0	0	16.862.232
Total	**30.944.981**	**7.035.997**	**1.607.143**	**39.588.121**

Group 31/12/2017	**up to 1 year**	**from 1 until 5 years**	**over 5 years**	**Total**
Borrowing	18.130.070	4.462.974	1.103.551	23.696.595
Trade and other liabilities	19.134.024	0	0	19.134.024
Total	**37.264.095**	**4.462.974**	**1.103.551**	**42.830.619**

Company 31/12/2018	**up to 1 year**	**from 1 until 5 years**	**over 5 years**	**Total**
Borrowing	6.990.587	5.986.324	1.607.143	14.584.054
Trade and other liabilities	12.560.492	0	0	12.560.492
Total	**19.551.079**	**5.986.324**	**1.607.143**	**27.144.546**

Company 31/12/2017	**up to 1 year**	**from 1 until 5 years**	**over 5 years**	**Total**
Borrowing	14.286.341	4.427.174	0	18.713.515
Trade and other liabilities	12.904.701	0	0	12.904.701
Total	**27.191.043**	**4.427.174**	**0**	**31.618.216**

The Group considers that the total liabilities to suppliers are short term. In the same category includes other current liabilities as well as tax liabilities.

E. Fire risk

The Group's fixed assets (buildings, warehouses, offices, machinery and furniture) and the inventories of the Company are fully insured against fire, lightning, storm, storm, other natural disasters and acts of terrorism.

The inventories that are in warehouses of the company are insured at their acquisition value against all these risks. Additionally, there are insurance programs for loss of gross profit because of business interruption, from coverage of property damage, as well as programs covering financial losses or contingent liabilities of third parties.

Despite security of facilities, stock and employees, in any partial or destruction or accident related to the above risks, it cannot be provided any confirmation that the Company will be indemnified directly and in full by the insurance company.

In addition, the Group's buildings are in very good condition and have been taken all appropriate measures to address this risk and minimize its consequences.

4. Basic accounting estimations and judgments

Accounting estimations and judgments must continually be assessed based on historical experience and other factors, including expectations for future events that are considered under the circumstances.

The Group conducts provisions relating to the future. The calculated accounting estimations will rarely be equal the related actual results.

The annual financial statements of 31st December 2018 were compiled with the basic accounting principles and estimations of the balance sheet of 31st December 2017.

5. Financial information by segment

The operational segments business sector is defined as a group of assets and operations engaged in providing products and services that are subject to risks and returns that are different from those of other business segments.

A geographical segment is a geographical region in which products and services are subject to risks and returns different from other areas.

5.1 Primary reporting sector by Business Unit

The financial statements of the Group by Business Unit for the periods 1/1-31/12/2018 & comparable 1/1-31/12/2017 analyzed as follows:

Period 01/01-31/12/2018	Industrial	Food- Agrochemicals	Other	Total
Total Gross Sales per sector	71.971.262	60.239.328	1.743.608	133.954.198
Sales between Group companies	-668.678	-559.678	-16.200	-1.244.556
Net sales to third parties	**71.302.583**	**59.679.650**	**1.727.409**	**132.709.642**
EBITDA	4.150.977	3.024.846	87.210	7.263.033
Depreciation of the period				-961.751
Financial cost				-1.187.214
Results before taxes				**5.114.069**
Income Taxes				-1.622.545
Profit after tax				**3.491.524**

Period 01/01-31/12/2017	Industrial	Food- Agrochemicals	Other	Total
Total Gross Sales per sector	67.222.657	59.512.757	1.752.837	128.488.251
Sales between Group companies	-818.789	-724.881	-21.350	-1.565.020
Net sales to third parties	**66.403.868**	**58.787.876**	**1.731.487**	**126.923.231**
EBITDA	3.651.205	2.958.495	133.028	6.742.728
Depreciation of the period				-880.678
Financial cost				-1.268.029
Results before taxes				**4.594.021**
Income Taxes				-1.236.781
Profit after tax				**3.357.240**

Allocation of Assets and Liabilities by Business Unit on 31st December 2018 on a consolidated basis and the comparable period 31st December 2017:

Assets Total	31/12/2018	31/12/2017
Industrial	51.233.621	50.751.583
Food- Agrochemicals	42.882.101	45.045.873
Other	1.241.209	1.326.742
Intercompany	-2.696.261	-2.436.149
Total	**92.660.670**	**94.688.050**

Liabilities Total	31/12/2018	31/12/2017
Industrial	23.409.820	24.385.485
Food- Agrochemicals	19.593.818	21.703.755
Other	567.137	639.244
Intercompany	-2.696.261	-2.435.525
Total	**40.874.514**	**44.292.959**

5.2 Allocation of sales by geographic area

The company's registered office and the main country of activity is Greece. The Group's activities are mainly in Greece whereas operates in Romania, Bulgaria, Serbia, Turkey and Ukraine.

Sales refer to the country which are established the customers. The total assets refer to geographical location.

Period 01/01-31/12/2018	Sales	Total of Assets
Greece	85.678.302	75.197.428
Romania	22.327.920	19.345.703
Turkey	6.469.107	3.128.489
Serbia	9.072.309	4.928.077
Bulgaria	8.167.445	7.426.683
Ukraine	2.239.115	971.715
Intercompany/consolidation deletions	-1.244.556	-18.337.425
Total	**132.709.642**	**92.660.670**

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Period 01/01-31/12/2017	Sales	Total of Assets
Greece	79.252.711	77.684.689
Romania	24.010.378	18.888.005
Turkey	6.666.372	3.203.110
Serbia	8.449.179	4.422.568
Bulgaria	8.262.163	7.142.262
Ukraine	1.847.448	633.703
Intercompany/consolidation deletions	-1.565.020	-17.286.287
Total	**126.923.231**	**94.688.050**

6. Tangible Assets

The fixed assets of the Group and the Company are analyzed as follows:

GROUP	Land & Buildings	Mechanical equipment & transportation means	Furniture & other equipment	Tangible assets under construction & advances	Total
Cost value					
Balance at 1st January 2017	17.714.271	4.887.927	1.516.816	86.300	24.205.315
Additions	33.821	321.713	78.664	1.209.535	1.643.734
Exchange differences	-48.588	-42.228	-18.990	-25.915	-135.721
Reductions	0	-151.641	-47.784	0	-199.425
Impairment of value	-33.208	0	0	0	-33.208
Balance at 31st December 2017	**17.666.296**	**5.015.771**	**1.528.707**	**1.269.920**	**25.480.695**
Additions	1.711.593	230.503	183.455	986.647	3.112.197
Exchange differences	-4.319	-103	-2.016	489	-5.949
Reductions	-8.630	-259.924	-28.786	-1.902.745	-2.200.084
Balance at 31st December 2018	**19.364.940**	**4.986.247**	**1.681.360**	**354.311**	**26.386.859**
Depreciation					
Balance at 1st January 2017	3.531.249	3.313.951	1.180.878	0	8.026.078
Additions	394.397	242.075	141.177	0	777.648
Exchange differences	-6.089	-5.093	-3.940	0	-15.122
Reductions	0	-242.864	-40.014	0	-282.878
Balance at 31st December 2017	**3.919.557**	**3.308.068**	**1.278.101**	**0**	**8.505.726**
Additions	417.156	298.606	71.124	0	786.886
Exchange differences	-21.064	-425	-73.460	0	-94.949
Reductions	-2.388	-216.770	-23.779	0	-242.937
Balance at 31st December 2018	**4.313.261**	**3.389.480**	**1.251.985**	**0**	**8.954.726**
Undepreciated value at 31st December 2018	**15.051.679**	**1.596.768**	**429.375**	**354.311**	**17.432.133**
Undepreciated value at 31st December 2017	**13.746.739**	**1.707.703**	**250.606**	**1.269.920**	**16.974.968**

At the end of December, it was completed the construction of a new privately-owned warehouse with total surface 7.718 m2 at total cost amount of 1.709.200 euro including the plot.
On the property of the subsidiary in Bulgaria there are encumbrances for the provision of loan liabilities amounting to € 2.357.860.

COMPANY	Land & Buildings	Mechanical equipment & transportation means	Furniture & other equipment	Tangible assets under construction & advances	Total
Cost value					
Balance at 1st January 2017	**12.279.550**	**4.190.977**	**1.266.861**	**0**	**17.737.387**
Additions	0	261.355	15.927	4.000	281.283
Reductions	0	-72.702	-4.290	0	-76.992
Balance at 31st December 2017	**12.279.550**	**4.379.630**	**1.278.498**	**4.000**	**17.941.678**
Additions	0	154.306	36.277	0	190.582
Reductions	-8.630	-218.659	-1.673	0	-228.961
Balance at 31st December 2018	**12.270.920**	**4.315.277**	**1.313.102**	**4.000**	**17.903.299**
Depreciation					
Balance at 1st January 2017	2.671.319	2.737.720	1.072.863	0	6.481.902
Additions	257.926	177.999	23.211	0	459.135
Reductions	0	-71.627	-4.276	0	-75.903
Balance at 31st December 2017	**2.929.245**	**2.844.092**	**1.091.798**	**0**	**6.865.135**
Additions	260.392	203.790	53.581	0	517.762
Reductions	-2.388	-206.429	-1.671	0	-210.488
Balance at 31st December 2018	**3.187.249**	**2.841.453**	**1.143.707**	**0**	**7.172.409**
Undepreciated value at 31st December 2018	**9.083.671**	**1.473.824**	**169.395**	**4.000**	**10.730.890**
Undepreciated value at 31st December 2017	**9.350.305**	**1.535.538**	**186.700**	**4.000**	**11.076.543**

There are no mortgages or encumbrances on fixed assets against borrowings.
The additions to the fixed assets of the Group and of the Company are mainly improvements of buildings and purchase of vehicles, machinery and equipment.

7. Intangible assets

GROUP	Accounting programms	Goodwill- Other rights	Total
Cost value			
Balance at 1st January 2017	**1.020.446**	**2.875.847**	**3.896.293**
Additions	51.495	13.070	64.565
Exchange differences	-2.283	903	-1.380
Reductions	-2.145	-64.428	-66.573
Balance at 31st December 2017	**1.067.513**	**2.825.392**	**3.892.905**
Additions	61.268	13.224	74.492
Exchange differences	7	56	63
Reductions	-5.894	-11.893	-17.787
Balance at 31st December 2018	**1.122.894**	**2.826.779**	**3.949.673**
Depreciation			
Balance at 1st January 2017	**846.333**	**280.342**	**1.126.675**
Additions	52.076	130.158	182.234
Exchange differences	-41.171	327	-40.844
Reductions	-2.145	0	-2.145
Balance at 31st December 2017	**855.092**	**410.827**	**1.265.920**
Additions	112.714	130.292	243.006
Exchange differences	-3.454	23	-3.431
Reductions	-4.805	0	-4.805
Balance at 31st December 2018	**959.548**	**541.142**	**1.500.690**
Undepreciated value at 31st December 2018	**163.347**	**2.285.637**	**2.448.983**
Undepreciated value at 31st December 2017	**212.421**	**2.414.565**	**2.626.986**

COMPANY	Accounting programms	Goodwill- Other rights	Total
Cost value			
Balance at 1st January 2017	**937.946**	**2.790.000**	**3.727.946**
Additions	4.114	0	4.114
Balance at 31st December 2017	**942.060**	**2.790.000**	**3.732.060**
Additions	10.464	0	10.464
Balance at 31st December 2018	**952.524**	**2.790.000**	**3.742.524**
Depreciation			
Balance at 1st January 2017	**796.118**	**273.933**	**1.070.051**
Additions	42.811	127.901	170.712
Balance at 31st December 2017	**838.929**	**401.834**	**1.240.764**
Additions	40.424	127.901	168.325
Balance at 31st December 2018	**879.354**	**529.735**	**1.409.089**
Undepreciated value at 31st December 2018	**73.171**	**2.260.265**	**2.333.435**
Undepreciated value at 31st December 2017	**103.131**	**2.388.166**	**2.491.297**

Intangible assets include software licenses, trademarks and supplier contracts. Intangible assets are valued at cost less depreciation. Depreciation is calculated using the straight-line method over the useful life of these assets, which ranges from 5 to 20 years.

8. Surplus value/ Goodwill

	Goodwill
Acquisition value	
Balance at 1st January 2017	**712.150**
Derecognition of goodwill	-
Balance at 31st December 2017	**712.150**
Derecognition of goodwill	-
Balance at 31st December 2018	**712.150**
Impairments	
Balance at 1st January 2017	-
Impairment loss in period	-
Balance at 31st December 2017	**0**
Impairment loss in period	-
Balance at 31st December 2018	**0**
Undepreciated value at 31st December 2018	**712.150**
Undepreciated value at 31st December 2017	**712.150**

ELTON Group through its 100% subsidiary company ELTON CORPORATION SA Romania, acquired a participating interest of 70% in SA "Marmara Endustriyel Kimyevi Maddeler Sanayi ve Ticaret Anonim Sirketi" located in the Municipality of Besiktas Istanbul and 31/10/2015 was the date of the effective exercise control over of the company's activities.

9. Investments in subsidiaries

In company’s statements, participation in subsidiaries is relating to participations in companies that are not listed on the Stock Exchange.

In the company’s financial statements, investments in subsidiaries are valued at cost less any impairment losses. In consolidated financial statements the value of participation in subsidiaries is eliminated in full.

The investments of the parent in subsidiaries at 31st December 2018 and 2017 were as follows:

COMPANY	31/12/2018	31/12/2017
ELTON CORPORATION SA	8.689.839	8.689.839
ELTON CORPORATION EOOD	397.682	397.682
ELTON CORPORATION DOO	3.103.805	3.103.805
ELTON CORPORATION LLC	1.000.000	691.035
TOTAL	**13.191.326**	**12.882.361**

The main financial figures of the three consolidated subsidiaries are presented in the table below:

COMPANY	Country of Origin	Assets	Liabilities	Income	Profit before taxes/(loss)
ELTON CORPORATION SA (*)	Romania	20.024.354	6.926.725	28.797.027	555.786
ELTON CORPORATION EOOD	Bulgaria	7.426.683	6.020.594	8.167.445	-464.671
ELTON CORPORATION DOO	Serbia	4.928.077	2.042.898	9.072.309	261.502
ELTON CORPORATION LLC	Ukraine	971.715	237.781	2.239.115	20.994

(*) The above financial figures also include the financial figures of the subsidiary in Turkey. The parent company's participation in Turkey's subsidiary amounts to 70% (indirectly) and was acquired in October 2015.

On 11th October 2010, the ELTON PLS subsidiary was established in Greece. The participation of the parent company in the company was initially 70% and during the 1st half of 2018 it was acquired 30% by the old shareholders for 41.000 euros. The subsidiary was not consolidated due to the absence of any material results.

The investments of the parent in unconsolidated subsidiaries at 31st December 2018 and 2017 are as follows:

COMPANY	31/12/2017	Period changes	31/12/2018
ELTON PLS SA			
Participation value	700.000	41.000	741.000
Impairment provisions	-700.000	-41.000	-741.000
TOTAL	**0**	**0**	**0**

Impairment test

Because of the continuous negative results during recent years that subsidiary ELTON PLS had it was performed impairment test of the participation and specifically it was chosen this control to build throughout the Company as the adjusted equity.

The results of this method have shown that on 31st December 2017, the value of the investment in the subsidiary had been fully impaired.

The increase in the value of the participation in the subsidiary ELTON PLS in 2018 was fully impaired at the results of the current year.

An impairment test was conducted in the Group for the cash-generating unit that relates to the assets of the indirect subsidiary ELTON MARMARA, which is 70% controlled by ELTON S.A. For the purpose of calculating the value, cash flow projections based on estimates by the Group's Management covering a five-year period were used.
There was not any issue of impairment of the value of the participation.

Basic assumptions

Cash flows after the first three years have been achieved using an estimated growth rate of 0,75%, reflecting mainly the management's forecasts for the growth prospects of the industry as well as the country.
The discount rate used to discount the cash flows arising from the application of the above method is variable and amounts to 10,7% to 11,17% for the three-year period and 13,46% for the perpetuity and was based on the following:

- The risk-free rate was determined based on the 10-year bond yield rate and is equal to 0,54%.
- The additional market risk premium for a mature market investment was set at 5,96%
- The country risk was set at 5,00%

10. Deferred tax

Deferred taxes are calculated on temporary differences, according to the liability method, using tax rates applicable in the countries where the companies of the Group are active.
The calculation of deferred taxes of the Group and the Company are reviewed each year, so that the balance on the balance sheet to reflect the current tax rates.

Deferred tax receivables / liabilities as they result from temporary tax differences are as follows:

	GROUP				
(amounts in euro)	Balance on 1/1/2018	Recognition at the results statement (*)	Recognition in Other Comprehensive Income (**)	Effect of IFRS9 (***)	Balance on 31/12/2018
Provision for staff indemnities	145.505	-9.754	-542	-	135.208
Provision for doubtful receivables	391.454	69.599	-	28.360	489.412
Provision for obsolete inventory	37.700	23.674	-	-	61.374
Provision of participations impairment	203.000	-17.750	-	-	185.250
Value adjustment of land	168.827	-35.430	-	-	133.397
Tangible fixed assets	-342.253	19.705	-	-	-322.548
Intagible assets	-174.642	-9.299	-	-	-183.941
Total	**429.591**	**40.745**	**-542**	**28.360**	**498.153**

	GROUP			
(amounts in euro)	Balance on 1/1/2017	Recognition at the results statement	Recognition in Other Comprehensive Income	Balance on 31/12/2017
Provision for staff indemnities	139.041	2.789	3.675	145.505
Provision for doubtful receivables	145.580	245.874	-	391.454
Provision for obsolete inventory	37.700	-	-	37.700
Provision of participations impairment	79.750	123.250	-	203.000
Value adjustment of land	168.827	-	-	168.827
Tangible fixed assets	-308.100	-34.152	-	-342.253
Intagible assets	-136.171	-38.471	-	-174.642
Total	**126.627**	**299.290**	**3.675**	**429.591**

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(*) Deferred tax recognized in the income statement has arisen (a) from the calculation of the temporary differences that arose in the current year of € 107.169 and (b) from the effect of the change in tax rates (€ 66.425).

(**) In the other comprehensive income has also been recognized the effect of the change in tax rates of EUR 3.966.

(***) The effect of the application of IFRS 9 had as result an increase in the deferred tax claim of doubtful debts of € 28.360 out of which € 21.130 was recognized directly to Shareholders Equity on 1/1/2018.

	COMPANY				
(amounts in euro)	**Balance on 1/1/2018**	**Recognition at the results statement (*)**	**Recognition in Other Comprehensive Income (**)**	**Effect of IFRS9 (***)**	**Balance on 31/12/2017**
Provision for staff indemnities	145.505	-9.754	-542	-	135.208
Provision for doubtful receivables	383.158	59.651	-	28.360	471.168
Provision for obsolete inventory	37.700	23.674	-	-	61.374
Provision of participations impairment	203.000	-17.750	-	-	185.250
Value adjustment of land	256.865	-35.430	-	-	221.435
Tangible fixed assets	-341.251	18.828	-	-	-322.423
Intagible assets	-174.642	-9.299	-	-	-183.941
Total	**510.335**	**29.920**	**-542**	**28.360**	**568.072**

	COMPANY			
(amounts in euro)	**Balance on 1/1/2017**	**Recognition at the results statement**	**Recognition in Other Comprehensive Income**	**Balance on 31/12/2017**
Provision for staff indemnities	139.041	2.789	3.675	145.505
Provision for doubtful receivables	107.658	275.500	-	383.158
Provision for obsolete inventory	37.700	-	-	37.700
Provision of participations impairment	79.750	123.250	-	203.000
Value adjustment of land	256.865	-	-	256.865
Tangible fixed assets	-306.598	-34.653	-	-341.251
Intagible assets	-136.171	-38.471	-	-174.642
Total	**178.245**	**328.415**	**3.675**	**510.335**

(*) Deferred tax recognized in the income statement has arisen (a) from the calculation of the temporary differences that arose in the current year of € 96.344 and (b) from the effect of the change in tax rates (€ 66.425).

(**) In the other comprehensive income has also been recognized the effect of the change in tax rates of EUR 3.966.

(***) The effect of the application of IFRS 9 had as result an increase in the deferred tax claim of doubtful debts of € 28.360 out of which € 21.130 was recognized directly to Shareholders Equity on 1/1/2018.

The deferred tax receivables and liabilities at the Statement of Financial Position are as follows:

	GROUP		COMPANY	
	31/12/2018	**31/12/2017**	**31/12/2018**	**31/12/2017**
Deferred tax receivables	1.004.642	946.486	1.074.436	1.026.228
Deferred tax liabilities	-506.489	-516.895	-506.364	-515.893
Deferred tax receivables at Balance Sheet	**586.315**	**518.630**	**568.072**	**510.335**
Deferred tax Liabilities at Balance Sheet	**-88.162**	**-89.039**	**0**	**0**

The above deferred tax obligations of the Group amounting to 88.162 euro (2017: 89.039 euro liabilities) come from subsidiaries and are not offset against deferred tax receivables of other companies located in other countries as the ability by IAS 12 is not provided to offset deferred tax receivables with obligations that are not reported in the same Tax Authority.

The income tax rates of the parent and its subsidiaries are as follows:

Country	Income Tax Rate
Greece	29%
Romania	16%
Bulgaria	10%
Serbia	15%
Ukraine	18%

11. Other non-current assets

Other non-current assets relating to long-term receivables are analyzed as follows:

	GROUP		COMPANY	
Other non-current assets	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Guarantees	115.711	107.229	65.542	54.356
	115.711	**107.229**	**65.542**	**54.356**

12. Inventories

Inventories of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	31/12/2018	**31/12/2017**	**31/12/2018**	**31/12/2017**
Inventories	19.897.293	18.916.735	10.049.002	10.230.014
Finished and semi-finished products	2.542.872	1.398.826	2.540.725	1.398.630
Raw& Auxiliary materials, packing items	1.307.345	1.867.455	994.446	923.963
Total	**23.747.510**	**22.183.015**	**13.584.173**	**12.552.606**
Less: Provision for scrap, slow moving and damaged inventory (see liabilities "Other Provisions")	(247.052)	(130.000)	(245.496)	(130.000)
Total net liquidating value	**23.500.458**	**22.053.015**	**13.338.677**	**12.422.606**

The Group takes all the necessary measures (insurance, storage) to minimize the risk and potential damages due to natural disasters, theft, fire, etc.

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13. Customers and other trade receivables

Customers and other trade receivables of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
Trade and other receivables	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Customers	33.335.307	30.556.707	20.189.958	18.324.320
Notes receivable	166.482	215.016	166.482	215.016
Promissory Notes in delay	296.018	239.132	296.018	239.132
Cheques receivable	12.896.222	16.119.750	11.516.932	13.685.890
Checks in delay	3.697.592	3.771.914	3.697.592	3.771.914
Advances for purchase of inventories	1.118.935	919.471	968.422	743.381
	51.510.557	**51.821.991**	**36.835.405**	**36.979.654**
Less: Provision for doubtful debts	(8.486.103)	(6.908.618)	(5.514.674)	(4.951.235)
Grand total of customers and other trade receivables	**43.024.454**	**44.913.373**	**31.320.731**	**32.028.419**

The movement of provisions for bad and doubtful debts is as follows:

	GROUP		COMPANY	
	31/12/2018	**31/12/2017**	**31/12/2018**	**31/12/2017**
Starting balance	**6.908.618**	**5.095.329**	**4.951.235**	**4.001.235**
Provision for doubtful receivables according to IFRS 9	817.580	0	113.439	0
Provision for doubtful receivables of current year	887.843	1.837.124	450.000	950.000
Amounts recovered in the current year	-128.422	-23.835	0	0
Exchange differences	484	0	0	0
Ending Balance	**8.486.103**	**6.908.618**	**5.514.674**	**4.951.235**

According to management's estimates, the amounts of provisions 8.486.103 euro (2017: 6.908.618 euro) and 5.514.674 euro (2017: 4.951.235 euro) for the Group and the Company respectively, are considered enough to cover possible losses arising from the non-collection of receivables. All the above claims are short-term and are not required to prepay them at the balance sheet date.

Also, the debit balances of subsidiaries on 31st December 2018 amounted to 1.264.741 euro (2017: 1.048.231 euro), which the Company's management believes that present no risk of non-collection since subsidiaries are controlled 100% by the parent.

14. Other current assets

Other receivables of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
Other current assets	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Sundry Debtors	1.994.734	1.711.639	1.744.753	1.534.381
Accounts of advances-credits	2.722	1.762	2.722	1.762
Deferred expenses	212.419	235.907	193.559	206.493
	2.909.875	**1.949.308**	**1.941.034**	**1.742.636**

Furthermore, the sundry debtors are analyzed as follows:

	GROUP		COMPANY	
Sundry debtors	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Advance payment of Tax Income	1.202.569	966.848	1.202.569	966.848
Receivables from the Greek State (Investment Law 3299/2004)	0	111.315	0	111.315
Other Debtors	792.164	633.475	542.183	456.217
	1.994.734	**1.711.639**	**1.744.753**	**1.534.381**

All the above claims are short-term and do not require prepayment at the balance sheet date.

15. Cash and cash equivalents

	GROUP		COMPANY	
Cash and cash equivalents	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Cash	15.049	23.911	4.199	5.409
Sight and time deposits	2.615.541	4.808.480	1.703.522	4.470.728
	2.630.590	**4.832.391**	**1.707.721**	**4.476.137**

Sight deposits and cash are cash and cash equivalents presented in the cash flow statement.

16. Equity

16.1 Share capital and share premium

The share capital of the Company is analyzed as follows:

	Number of shares	Nominal value per share	Share capital	Above par	Total
31/12/2017	26.730.187	0,52	13.899.697	133.417	14.033.114
+/- Acts during 2018	0	0	0	0	0
31st December 2018	**26.730.187**	**0,52**	**13.899.697**	**133.417**	**14.033.114**

The shares are registered and listed for trading in the Exchange Market (under "Mid Cap") of the ASE.

16.2 Other reserves and retained earnings

The other reserves of the Group are analyzed as follows:

	GROUP		COMPANY	
Reserves and Retained Earnings	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Statutory reserves	2.061.301	1.916.876	1.796.873	1.652.448
Extraordinary reserves	1.066.491	1.066.491	1.066.491	1.066.491
Untaxed reserves	119.790	119.790	119.790	119.790
Other Reserves	2.489.730	2.489.730	0	0
Reserves of Exchange Differences	-2.829.971	-2.570.886	0	0
Retained earnings	34.598.405	33.006.891	29.838.383	27.850.893
	37.505.747	**36.028.892**	**32.821.537**	**30.689.622**

16.3 Dividends

Dividends payable in accordance with the IASF are recognized as a liability at the date of approval by the General Meeting of Shareholders of the proposed distribution by the Board of Directors.

According to the decision of the Board of Directors will be proposed to the Annual General Meeting of shareholders the dividend distribution 0,06 euro per share.

17. Loan liabilities

The borrowings on 31st December 2018 are analyzed as follows:

	GROUP		COMPANY	
	31/12/2018	**31/12/2017**	**31/12/2018**	**31/12/2017**
Long Term Loans				
Bank Borrowings	8.643.140	5.566.525	7.593.467	4.427.174
Bond Borrowing	0	0	0	0
	8.643.140	**5.566.525**	**7.593.467**	**4.427.174**
Short Term Loans				
Bank Borrowings	14.082.749	18.130.070	6.990.587	14.286.341
Bond Borrowing	0	0	0	0
	14.082.749	**18.130.070**	**6.990.587**	**14.286.341**
Total borrowings	**22.725.889**	**23.696.595**	**14.584.054**	**18.713.515**

The maturity dates of the loans of the Group and the Company are as follows:

	GROUP		COMPANY	
(ammount in euro)	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
From 1 to 2 years	3.009.803	1.837.974	2.968.467	1.802.174
From 2 to 5 years	4.026.194	2.625.000	3.017.857	2.625.000
Over 5 years	1.607.143	1.103.551	1.607.143	0
Total	**8.643.140**	**5.566.525**	**7.593.467**	**4.427.174**

On 10th November 2016, it was concluded a long-term loan with the National Bank of Greece at the amount of 3.000.000 euro with variable Euribor interest and fixed spread. The maturity of the loan is four (4) years and according to the agreed repayment schedule it will be repaid in 16 equal quarterly installments. This obligation was recognized at cost that reflects the fair value of the amounts received.

On 12th September 2017, it was concluded a long-term loan with the Alpha Bank at the amount of 2.000.000 euro with variable Euribor interest and fixed spread. The maturity of the loan is four (4) years and according to the agreed repayment schedule it will be repaid in 16 equal quarterly installments. This obligation was recognized at cost that reflects the fair value of the amounts received.

On 21st December 2017, it was concluded a long-term loan with the Eurobank at the amount of 2.000.000 euro with variable Euribor interest and fixed spread. The maturity of the loan is four (4) years and according to the agreed repayment schedule it will be repaid in 8 equal semi-annual installments. This obligation was recognized at cost that reflects the fair value of the amounts received.

On 8th February 2018, it was concluded a long-term loan with the National Bank of Greece at the amount of 2.000.000 euro with variable Euribor interest and fixed spread. The maturity of the loan is two (2) years and 3 months and according to the agreed repayment schedule it will be repaid in 9 equal quarterly installments. This obligation was recognized at cost that reflects the fair value of the amounts received.

On 28th March 2018, it was concluded a long-term loan with the Eurobank at the amount of 5.000.000 euro with variable Euribor interest and fixed spread. The maturity of the loan is seven (7) years and according to the agreed repayment schedule it will be repaid in 28 equal quarterly installments. This obligation was recognized at cost that reflects the fair value of the amounts received.

In 2017, ELTON CORPORATION EOOD concluded a loan with ProCredit Bank amounting to 1.350.000 euros for investment purposes with a floating Euribor rate and a fixed spread. The maturity of the loan is on February 27th , 2026. To secure this loan, mortgages have been written on the company's property and a guarantee has been given by the parent company.

18. Employee benefits obligations due to termination of service

Based on IASF the Group recognizes as a liability the present value of the legal commitment that has been undertaken of the lump sum indemnity to staff members who are leaving due to dismissal or retirement.

The provision pursuant to IAS 19 that is based on independent actuarial report is required to be recorded in the balance sheet and income statement of each company.

According to the labor law, employees entitled to an indemnity in case of dismissal or retirement, the amount of which varies depending on salary, years of service and the manner of termination (dismissal or retirement).

Employees who resign or fairly dismissed are not entitled to compensation.

In Greece, employees who are retiring are entitled to 40% of such indemnity according to Law 2112/1920.

These programs are not funded and are defined benefit plans in accordance with IAS 19.

In the Group was not created other provision and this why the subsidiaries in the Balkans have no obligation to compensate their staff in the event of dismissal.

The following table presents the amounts recorded in the Financial Statements of the Group and the Company after the adoption of the revised IAS 19 on 31.12.2018 and 31.12.2017 respectively:

	GROUP		COMPANY	
	31/12/2018	**31/12/2017**	**31/12/20178**	**31/12/2017**
Balance sheet liabilities for:				
Pension benefits	540.832	501.740	540.832	501.740
Total	**540.832**	**501.740**	**540.832**	**501.740**
Charges to results				
Pension benefits	53.118	134.626	53.118	134.626
Total	**53.118**	**134.626**	**53.118**	**134.626**
Actuarially (profit) / loss (other comprehensive income)				
Pension benefits	13.696	12.671	13.696	12.671
Total	**13.696**	**12.671**	**13.696**	**12.671**

The amounts recorded in the balance sheet are the following:

	GROUP		COMPANY	
	31/12/2018	**31/12/2017**	**31/12/2018**	**31/12/2017**
Present value of obligation at end of period	540.832	501.740	540.832	501.740
Actual value of plan assets at end of period	0	0	0	0
Net liability in the balance sheet for registration at the end of period	**540.832**	**501.740**	**540.832**	**501.740**

The amounts that have been registered in the income statement are as follows:

	GROUP		COMPANY	
	31/12/2018	**31/12/2017**	**31/12/2018**	**31/12/2017**
Cost of current service	32.109	29.384	32.109	29.384
Interest expense	8.530	8.630	8.530	8.630
Cost (result) of Settlement	12.479	96.612	12.479	96.612
Total included in employee benefits	**53.118**	**134.626**	**53.118**	**134.626**

Change in the liability on the balance sheet:

	GROUP		COMPANY	
	31/12/2018	**31/12/2017**	**31/12/2018**	**31/12/2017**
Net liability to register in the balance sheet at the beginning of the year	**501.740**	**479.451**	**501.740**	**479.451**
Employer contributions paid	-27.722	-125.008	-27.722	-125.008
Expense to be registered in the income statement	53.118	134.626	53.118	134.626
Actuarial (profits) / losses	13.696	12.671	13.696	12.671
Net liability to register in the balance sheet at the end of the year	**540.832**	**501.740**	**540.832**	**501.740**

The main actuarial assumptions used for accounting purposes are as the following:

	GROUP		COMPANY	
	31/12/2018	**31/12/2017**	**31/12/2018**	**31/12/2017**
	%	**%**	**%**	**%**
Interest rate	1,60%	1,70%	1,60%	1,70%
Salary increase	2,00%	2,00%	2,00%	2,00%
Inflation	2,00%	2,00%	2,00%	2,00%

19. Other Provisions / Grants

At the account "Grants of Assets" it has been registered grant related to assets which had been included in Investment Law 3299/2004. During the fiscal year ended 2017, were finalized the audits by the competent State departments and part of the amount that initially had been recognized as a state grant with simultaneous recognition of an equal claim was limited by 634.715,69 euro.

Also amount 69.102 euro (2017:51.543 euro) was registered in favor of the fiscal year results.

20. Suppliers and other liabilities

Analysis of balances of suppliers and other related liabilities of the Group and of the Company is as follows:

	GROUP		COMPANY	
Suppliers and other payables	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Suppliers	11.878.389	13.748.968	8.061.652	8.601.916
Notes payable	33.641	91.314	33.641	91.314
Cheques payable	0	0	0	0
Advances from customers	768.717	612.322	721.488	549.609
	12.680.746	**14.452.604**	**8.816.781**	**9.242.839**

It follows the analysis of other short-term liabilities:

	GROUP		COMPANY	
Other Short Term Liabilities	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Insurance institutions	380.666	314.213	208.333	217.607
Dividends payable	0	0	0	0
Sundry creditors	948.479	1.502.056	834.085	1.122.462
Accrued Expenses	47.971	533.827	15.535	112.043
	1.377.116	**2.350.096**	**1.057.953**	**1.452.112**

All the above liabilities are short-term and is not needed prepayment at the balance sheet date.

21. Current tax liabilities

Current tax liabilities of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
Current tax liabilities	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Settlement Account of income tax	1.506.173	1.228.052	1.504.342	1.213.083
Other Liabilities from taxes	1.298.196	1.103.273	1.181.416	996.668
Total	**2.804.369**	**2.331.325**	**2.685.758**	**2.209.751**

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22. Cost of sales

The cost of sales is analyzed as follows:

	GROUP		COMPANY	
Cost of Sales	**1/1-31/12/18**	**1/1-31/12/17**	**1/1-31/12/18**	**1/1-31/12/17**
Cost of inventories recognized as an expense	111.793.346	106.077.126	71.907.897	66.117.381
Remuneration & Personnel expenses	25.554	35.429	25.554	35.429
Third party Fees & Expenses	208.654	179.340	208.654	179.340
Third party utilities and services	25	84	25	84
Taxes - Duties	0	0	0	0
Sundry Expenses	1.126	1.206	1.126	1.206
Depreciation of fixed assets	10.048	4.389	10.048	4.389
Operating provisions	0	0	0	0
	112.038.754	**106.297.574**	**72.153.305**	**66.337.829**

23. Administrative expenses - distribution

The administrative and distribution expenses are analyzed as follows:

	GROUP		COMPANY	
Administrative Expenses	**1/1-31/12/18**	**1/1-31/12/17**	**1/1-31/12/18**	**1/1-31/12/17**
Personnel payroll and expenses	1.673.956	1.804.184	1.078.117	1.176.015
Third party Fees & expenses	460.066	303.162	181.674	134.244
Third party utilities and services	287.965	451.503	194.702	296.472
Taxes and Duties	78.824	106.471	67.979	86.590
Sundry Expenses	544.944	284.892	140.014	123.887
Depreciation of fixed assets	609.268	604.027	542.402	534.629
Operating Provisions	141.903	535.530	41.000	425.000
	3.796.925	**4.089.768**	**2.245.889**	**2.776.837**

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Distribution Expenses	GROUP 1/1-31/12/18	GROUP 1/1-31/12/17	COMPANY 1/1-31/12/18	COMPANY 1/1-31/12/17
Personnel payroll and expenses	4.952.072	4.970.377	3.401.555	3.387.712
Third party Fees & expenses	521.965	402.141	92.330	99.954
Third party utilities and services	1.250.319	1.159.455	843.842	724.557
Taxes and Duties	175.626	158.798	147.178	126.910
Sundry Expenses	2.305.901	2.073.687	891.946	876.158
Depreciation of fixed assets	314.169	258.189	133.637	90.852
Operating Provisions	812.533	1.347.557	495.786	979.384
	10.332.585	**10.370.204**	**6.006.274**	**6.285.528**

24. Other operating income / expenses

Other operating income and expenses are analyzed as follows:

Other operating income	GROUP 1/1-31/12/18	GROUP 1/1-31/12/17	COMPANY 1/1-31/12/18	COMPANY 1/1-31/12/17
Amortisation of grants L.3299/2004	69.102	78.975	69.102	78.975
Income from rents	22.890	22.650	22.890	22.650
Extraordinary income	255.788	167.877	64.035	104.746
Extraordinary profit	13.399	0	13.399	0
Prior years' income	2.786	160.880	2.786	152.249
Other operating income	92.018	195.910	24.002	6.486
	455.983	**626.292**	**196.214**	**365.106**

Other operating expenses	GROUP 1/1-31/12/18	GROUP 1/1-31/12/17	COMPANY 1/1-31/12/18	COMPANY 1/1-31/12/17
Extraordinary expenses	565.034	805.110	27.091	440.869
Extraordinary losses	21.464	1.893	21.464	1.893
Expenses prior years	21.970	0	21.970	0
Exchange Differences	90.110	122.923	7.382	32.654
	698.578	**929.927**	**77.907**	**475.417**

25. Income Tax

The income tax charged to comprehensive income, is analyzed as follows:

	GROUP		COMPANY	
Income Tax	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Income Tax	1.673.399	1.522.842	1.498.233	1.213.083
Deferred tax expense / (income)	-50.855	-334.458	-37.150	-328.415
Other non-incorporated taxes	0	48.396	0	48.396
	1.622.545	**1.236.781**	**1.461.084**	**933.065**

Further the income tax presented in the income statement is analyzed in the following tables:

	GROUP		COMPANY	
	1.1-31.12.18	**1.1-31.12.17**	**1.1-31.12.18**	**1.1-31.12.17**
Profit before Taxes	5.114.069	4.594.021	4.739.834	3.008.250
Income Tax based of application of each country tax rate	1.459.681	1.159.164	1.374.552	872.392
Deffered tax changes due to tax rate change	66.425	0	66.425	
Changes to prior years tax	-6.109	0	-6.109	
Taxes not included in operating cost	0	48.396	0	48.396
Tax effect of not deductible expenses for tax purposes	135.282	29.220	26.216	12.276
Tax losses for which is not recognised deffered tax claim	-32.734	0	0	
Taxes in the income statement	**1.622.545**	**1.236.781**	**1.461.084**	**933.065**

26. Earnings per share

	GROUP		COMPANY	
	1/1-31/12/18	**1/1-31/12/17**	**1/1-31/12/18**	**1/1-31/12/17**
Profit attributable to the owners of the parent	3.465.124	3.322.825	3.278.750	2.075.185
Weighted average number of shares	26.730.187	26.730.187	26.730.187	26.730.187
Earnings after taxes per share - basic (in €)	**0,1296**	**0,1243**	**0,1227**	**0,0776**

27. Unaudited tax years

The unaudited tax years of the companies of the Group are as follows:

Company name	Unaudited tax fiscal years
ELTON INTERNATIONAL TRADING COMPANY SA (Greece)	-
ELTON CORPORATION SA (Romania)	2010-2018
ELTON CORPORATION EOOD (Bulgaria)	2010-2018
ELTON CORPORATION DOO (Serbia)	2010-2018
ELTON CORPORATION LLC (Ukraine)	2012-2018

From the year 2011 until 2015, the Greek companies that fulfilled specific requirements were obligated to be under annual tax control by their Certified Auditors, for their compliance to the regulations of the relative tax legislation.
The result of this audit was to issue a tax compliance audit report which, if the conditions were fulfilled, was a substitute for control by the public authority and allowed the company to terminate its tax obligations for the relevant fiscal year. The tax authorities, however, retained the right for future control.
The Company has already been audited for the years of 2011 until 2015 by its Certified Auditor and has received the Annual Tax Certificate without reservation.
In accordance with the applicable tax law (article 65A of law 4174/2013), the tax audit and the tax compliance audit report are also applicable for the year 2016 but on a voluntary basis. The company has already been audited for the fiscal year 2016 and 2017 by its auditor and has received the Annual Tax Certificate without reservation.
The tax audit for the year 2018 is already carried out by certified auditors.
Upon completion of the tax audit, the Company's Management does not expect that any significant tax liabilities to arise beyond those recorded and reported in the financial statements.

28. Transactions with related parties

Transactions with these parties take place at strictly commercial basis and on normal commercial terms.
The Group is not involved in any transaction of unusual nature or content which is material to the Group, or companies and persons closely associated with it, and has no intention to enter into such transactions in the future.

None of the transactions contain special or unusual terms and conditions. The cumulative amounts of sales and purchases for the year 2018 compared to 2017 and the balances of receivables and the Company's obligations arising from transactions with the affiliated within the meaning of IAS 24, of its parties are as follows:

TRANSACTIONS OF ELTON SA WITH RELATED PARTIES

	SALES		PURCHASES	
COMPANY	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
ELTON CORPORATION SA	367.466	459.300	287.524	248.691
ELTON CORPORATION EOOD	136.230	138.955	53.381	106.381
ELTON CORPORATION DOO	109.153	124.176	0	14.040
ELTON CORPORATION LLC	1.360	7.429	0	0
ELTON MARMARA A.S.	82.345	209.000	0	0
TOTAL	**696.554**	**938.860**	**340.905**	**369.112**

TRANSACTIONS OF ELTON SA WITH RELATED PARTIES

	RECEIVABLES		OBLIGATIONS	
COMPANY	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
ELTON CORPORATION SA	41.148	25.713	1.273.444	1.337.952
ELTON CORPORATION LTD	1.100.658	722.570	0	0
ELTON CORPORATION DOO	120.535	273.114	0	0
ELTON CORPORATION LLC	1.360	709	0	0
ELTON MARMARA A.S.	1.040	26.125	0	0
TOTAL	**1.264.741**	**1.048.231**	**1.273.444**	**1.337.952**

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Group Companies' Purchases- Sales of period 1/1- 31/12/2018							
	Purchase Company						
Sale Company	ELTON INT.SA	ELTON SA	ELTON EOOD	ELTON DOO	ELTON LLC	ELTON MARMARA	**Total**
ELTON INT.TRADING CO.SA	*	367.466	136.230	109.153	1.360	82.345	**696.554**
ELTON CORPORATION SA	287.524	*	34.888	47.422	0	0	**369.834**
ELTON CORPORATION EOOD	53.381	80.924	*	6.297	0	0	**140.602**
ELTON CORPORATION DOO	0	12.360	17.970	*	4.736	0	**35.066**
ELTON CORPORATION LLC	0	0	0	2.500	*	0	**2.500**
ELTON MARMARA AS	0	0	0	0	0	*	**0**
Total	**340.905**	**460.750**	**189.088**	**165.372**	**6.096**	**82.345**	**1.244.556**

Group Companies' Purchases- Sales of period 1/1- 31/12/2017							
	Purchase Company						
Sale Company	ELTON INT.SA	ELTON SA	ELTON EOOD	ELTON DOO	ELTON LLC	ELTON MARMARA	**Total**
ELTON INT.TRADING CO.SA	*	459.300	138.955	124.176	7.429	209.000	**938.860**
ELTON CORPORATION SA	248.691	*	67.130	54.600	28.280	0	**398.701**
ELTON CORPORATION EOOD	106.381	79.752	*	6.726	0	0	**192.859**
ELTON CORPORATION DOO	14.040	3.860	16.700	*	0	0	**34.600**
ELTON CORPORATION LLC	0	0	0	0	*	0	**0**
ELTON MARMARA AS	0	0	0	0	0	*	**0**
Total	**369.112**	**542.912**	**222.785**	**185.502**	**35.709**	**209.000**	**1.565.020**

Group Companies' Receivables - Obligations at 31/12/2018							
	Obligation of						
Claim of	ELTON INT.SA	ELTON SA	ELTON EOOD	ELTON DOO	ELTON LLC	ELTON MARMARA	**Total**
ELTON INT.TRADING CO.SA	*	41.148	1.100.658	120.535	1.360	1.040	**1.264.741**
ELTON CORPORATION SA	1.273.444	*	40.438	10.807	0	0	**1.324.689**
ELTON CORPORATION EOOD	0	80.924	*	6.297	0	0	**87.221**
ELTON CORPORATION DOO	0	12.360	7.250	*	0	0	**19.610**
ELTON CORPORATION LLC	0	0	0	0	*	0	**0**
ELTON MARMARA AS	0	0	0	0	0	*	**0**
Total	**1.273.444**	**134.432**	**1.148.346**	**137.639**	**1.360**	**1.040**	**2.696.261**

Group Companies' Receivables - Obligations at 31/12/2017							
	Obligation of						
Claim of	ELTON INT.SA	ELTON SA	ELTON EOOD	ELTON DOO	ELTON LLC	ELTON MARMARA	**Total**
ELTON INT.TRADING CO.SA	*	25.713	722.570	273.114	709	26.125	**1.048.231**
ELTON CORPORATION SA	1.337.952	*	6.810	9.280	27.712	0	**1.381.754**
ELTON CORPORATION EOOD	0	0	*	0	0	0	**0**
ELTON CORPORATION DOO	0	3.860	1.680	*	0	0	**5.540**
ELTON CORPORATION LLC	0	0	0	0	*	0	**0**
ELTON MARMARA AS	0	0	0	0	0	*	**0**
Total	**1.337.952**	**29.573**	**731.060**	**282.394**	**28.421**	**26.125**	**2.435.525**

The Company carries out its transactions with related parties, within the framework of its business and a pure commercial basis.
There are no loans to the related parties, apart from the following loan guarantees of one year:
amount of one and a half million euro (1.500.000) to subsidiary "ELTON CORPORATION DOO",
amount of three million euro (3.000.000) to subsidiary "ELTON CORPORATION EOOD",
amount of four million euro (4.000.000) to subsidiary "ELTON CORPORATION SA",
amount of one milion euro (1.000.000) to subsidiary "ELTON MARMARA AS" and
amount of five hundred thousand euro (500.000) to subsidiary "ELTON CORPORATION LLC"

There are no bad debts or provisions for bad debts between related parties (subsidiaries) of the Group.

Details of the fees and transactions of directors and members of management as well as the balances of receivables and liabilities related to them on the periods 1.1-31.12.2018 and 1.1-31.12.2017 were as follows (amounts in euros):

	GROUP		**COMPANY**	
	1/1-31/12/18	**1/1-31/12/17**	**1/1-31/12/18**	**1/1-31/12/17**
Transactions and fees of managers and members of the administration from payroll and profits	961.998	935.916	619.289	610.135
Receivables from managers and BoD members	0	0	0	0
Obligations to key management personnel and BoD members	24.337	24.337	24.337	24.337

There were no changes in the transactions between the Company and its connected persons which could have a material effect on the financial position and performance of the Company for the fiscal year 2018.

29. Number of employees

The number of employees at the end of the period was as follows: Group **248**, Company **122**. The number of employees at the end of the corresponding period last year was: Group **241**, Company **119**.

30. Contingent Claims - Obligations

Information regarding contingent obligations

There are no legal or under arbitration cases of the Company or its subsidiaries and decisions of courts or arbitration authorities who have or may have a material effect on the financial status or operation of the Company and the Group.

Information regarding contingent claims

The Company is involved in some litigation claims in the ordinary course of its business, the majority of which relates to a claim for collecting of customers bad debts.

31. Commitments

The Group and the Company are leasing tangible assets (transport means) under operating leases. The future total payable leases according to the operating leases and considering the annual readjustment are as follows:

	GROUP		**COMPANY**	
	31/12/2018	**31/12/2017**	**31/12/2018**	**31/12/2017**
Up to 12 months	333.205	301.057	204.957	172.809
Between 13-60 months	818.337	327.384	630.543	100.882
Total	**1.151.541**	**628.440**	**835.499**	**273.690**

32. Remuneration of Auditors

The remuneration of the auditors for the year 2018 was:
(a) Audit of financial statements: Group: € 41.400, Company: € 17.000.
(b) Tax Audit: Company: 12.000 euro.

Apart from the above audit services, other services are not provided by the auditors.

33. Encumbrances

On the property of the subsidiary in Bulgaria there are encumbrances for the provision of loan liabilities amounting to € 2.357.860.

34. Events after the balance sheet date

There are not significant events after the balance sheet date.

Avlonas Attica, 10th April 2019

PRESIDENT & CEO	B.O.D. MEMBER	FINANCIAL MANAGER	GROUP FINANCIAL MANAGER
NESTOR D.PAPATHANASIOU	ALKISTIS N.PAPATHANASIOU	STYLIANOS D.VASILIOU	ANTONIOS GIASSARIS
ID card num.AB606775	ID card num.AE105490	ID card num.T132250	ID card num.AN061294

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ELTON INTERNATIONAL TRADING COMPANY S.A.

Company's No in the Registry of S.A. : 346001000
Head Office: Avlonas Attiki , Draseza place (Industrial zone Avlona)

FINANCIAL STATEMENTS AND INFORMATION of period from 1st January 2018 until 31st December 2018

(published according to K.N. 2190/20, article 135 for companies that issue annual financial statements consolidated and non, according to IAS). The following data and information derived from the financial statements aim to provide general information about the financial position and results of ELTON INTERNATIONAL TRADING COMPANY SA. We advise the reader, before making any investment decision or other transaction with the company, to visit the web site where the financial statements and the report of the auditor where required.

COMPANY INFORMATION

Website :	**www.elton.gr**
Board of Directors :	*President and CEO* : Nestor D. Papathanasiou *Executive members* : Alkisti N.Papathanasiou, Katy Andreou, Epaminondas Taftambas, Dimitrios Gidopoulos *Independent & not executive members* : Michalis Chatzis, Christos Poulis *Not executive member* : Ilektra Papathanasiou
Date of Financial Statements' approval by the Board :	10/4/2019
Certified Auditor	Ioannis Savadis S.O.E.L. 33391
Audit firm :	SOL AE OE
Type of Audit Review :	Unqualified opinion

1.1. STATEMENT OF FINANCIAL POSITION
(consolidated and company's) Amounts in euro

	GROUP		COMPANY	
ASSETS	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Fixed Assets	17.432.133	16.974.968	10.730.890	11.076.543
Intagible Assets	2.448.983	2.626.986	2.333.435	2.491.297
Other non current Assets	1.414.176	1.338.009	13.824.940	13.447.051
Inventories	23.500.458	22.053.015	13.338.677	12.422.606
Trade Receivables	43.024.454	44.913.373	31.320.731	32.028.419
Other current Assets	4.840.465	6.781.699	3.648.755	6.218.773
TOTAL ASSETS	**92.660.670**	**94.688.050**	**75.197.428**	**77.684.689**
EQUITY AND LIABILITIES				
Share Capital	13.899.697	13.899.697	13.899.697	13.899.697
Other net Equity	37.639.163	36.162.309	32.954.954	30.823.039
Equity attributable to the equity holders of the parent (a)	**51.538.861**	**50.062.006**	**46.854.651**	**44.722.736**
Minority interest (b)	**247.295**	**333.085**	**0**	**0**
Total Equity (c)=(a)+(b)	**51.786.156**	**50.395.091**	**46.854.651**	**44.722.736**
Long Term Borrowings	8.643.140	5.566.525	7.593.467	4.427.174
Provisions/Other Long Term Liabilities	1.286.393	1.462.340	1.198.231	1.473.737
Short Term Borrowings	14.082.749	18.130.070	6.990.587	14.286.341
Other Short Term Liabilities	16.862.232	19.134.024	12.560.492	12.904.701
Total Liabilities (d)	**40.874.514**	**44.292.959**	**28.342.777**	**32.961.953**
TOTAL EQUITY AND LIABILITIES (c)+(d)	**92.660.670**	**94.688.050**	**75.197.428**	**77.684.689**

1.2. INCOME STATEMENT
(consolidated and company's) Amounts in euro

	GROUP		COMPANY	
	1/1-31/12/2018	**1/1-31/12/2017**	**1/1-31/12/2018**	**1/1-31/12/2017**
Turnover	132.709.642	126.923.231	85.678.302	79.252.711
Gross Profit	20.673.388	20.625.657	13.524.997	12.914.882
Profit/(loss) before taxes,financing & investing results	6.301.282	5.862.050	5.391.140	3.742.206
Profit before taxes	**5.114.069**	**4.594.021**	**4.739.834**	**3.008.250**
Profit/(loss) after Taxes (A)	**3.491.524**	**3.357.240**	**3.278.750**	**2.075.185**
Attributable to: Owners of the parent company	3.465.124	3.322.825	3.278.750	2.075.185
Minority interest	26.400	34.415	0	0
Other comprehensive income after tax (B)	-385.514	-411.107	-14.238	-8.996
Total comprehensive income after tax (A)+(B)	**3.106.011**	**2.946.133**	**3.264.512**	**2.066.189**
Attributable to: Owners of the parent company	3.191.801	2.961.597	3.264.512	2.066.189
Minority interest	-85.790	-15.464	0	0
Earnings after taxes per share (€)	0,1296	0,1243	0,1227	0,0776
Profit before taxes, financing & investing results and depreciation (EBITDA)	**7.263.033**	**6.742.728**	**6.008.126**	**4.372.054**

1.3 CASH FLOW STATEMENT
Consolidated and Company's (amounts in euro)

	GROUP		COMPANY	
Operating Activities	**1/1-31/12/2018**	**1/1-31/12/2017**	**1/1-31/12/2018**	**1/1-31/12/2017**
Profit before taxes	5.114.069	4.594.021	4.739.834	3.008.250
Adjustments for :				
Depreciation and Amortization	1.030.229	879.428	686.088	629.848
Amortization of grants	-69.102	-51.543	-69.102	-51.543
Provisions/ Impairments	925.960	2.847.483	545.316	1.384.618
Exchange Differences	-281.207	-250.894	-14.908	2.731
(Gain) or Loss from Investing activities	-86.682	55.975	18.473	1.089
Interest and similar charges	1.340.549	1.271.117	651.306	733.956
Working capital changes				
Decrease / (increase) of inventory	-1.562.939	-3.678.340	-1.031.567	-1.035.133
Decrease / (increase) of trade receivables	108.346	-6.328.117	-50.427	-3.660.550
(Decrease) / increase of liabilities (except loans)	-2.367.754	3.716.674	-402.898	1.894.468
Less :				
Interest and similar charges paid	-1.317.625	-1.242.014	-656.015	-733.556
Tax paid	-1.605.162	-2.056.712	-1.440.585	-1.775.157
Total cash/(used in) generated from operating activities(a)	**1.228.682**	-242.922	**2.975.514**	**399.022**
Investing Activities				
Acquisition of Subsidiary	-41.000	0	-349.965	0
Purchase of Intagible Assets, Property	-1.481.752	-1.708.027	-201.046	-285.397
Sale of fixed and intagible assets	731	1.564	0	0
Interest received	182.192	22.243	5.750	640
Total cash/(used in) generated from investing activities(b)	**-1.339.829**	**-1.684.219**	**-545.262**	**-284.756**
Financing Activities				
Proceeds from Borrowings	16.526.466	27.834.889	9.300.000	13.025.000
Repayment of Borrowings	-17.547.912	-24.977.792	-13.429.461	-11.825.945
Dividends paid or payments from capital decrease	-1.069.207	-2.138.415	-1.069.207	-2.138.415
Total cash/(used in) generated from financing activities(c)	**-2.090.653**	**718.682**	**-5.198.668**	**-939.360**
Net increase/(decrease)				
in Cash and Cash equivalents (a)+(b)+(c)	**-2.201.801**	**-1.208.458**	**-2.768.416**	**-825.094**
Cash and Cash Equivalents at the beginning of the period	**4.832.391**	**6.040.849**	**4.476.137**	**5.301.231**
Cash and Cash Equivalents at the end of the period	**2.630.590**	**4.832.391**	**1.707.721**	**4.476.137**

1.4 STATEMENT OF CHANGES IN EQUITY
(Consolidated and company's) Amounts in euro

	GROUP		COMPANY	
	31/12/2018	**31/12/2017**	**31/12/2018**	**31/12/2017**
Equity at the begining of the period (1.1.2018 and 1.1.2017 respectively)	**50.395.091**	**49.587.373**	**44.722.736**	**44.794.962**
Effect of IFRS9	-645.738	0	-63.390	0
Equity at the begining of the period 1/1/2018 (reformed) and 1/1/2017	**49.749.353**	**49.587.373**	**44.659.346**	**44.794.962**
Total comprehensive income after tax	3.491.524	3.357.240	3.278.750	2.075.185
Exchange differences	-371.275	-402.111	0	0
Actuarially profit / (loss) on defined benefit pension plans	-14.238	-8.996	-14.238	-8.996
Dividents paid/ capital return	-1.069.207	-2.138.415	-1.069.207	-2.138.415
Equity at the end of the period (31.12.2018 and 31.12.2017 respectively)	**51.786.156**	**50.395.091**	**46.854.651**	**44.722.736**

1.5 ADDITIONAL DATA AND INFORMATION

1. The companies of the Group with their respective countries of residence and percentage holdings, included in the consolidated financial statements

COMPANY	COUNTRY	PERCENTAGE HOLDING	CONSOLIDATION METHOD
ELTON INTERNATIONAL TRADING COMPANY SA	GREECE	PARENT	
ELTON CORPORATION SA	ROMANIA	100%	FULL
ELTON CORPORATION EOOD	BULGARIA	100%	FULL
ELTON CORPORATION DOO	SERBIA	100%	FULL
ELTON CORPORATION LLC	UKRAINE	100%	FULL
ELTON MARMARA KIMYA SANAYI VE TICARET AS	TURKEY	70%	FULL

2. The unaudited tax years for the Group subsidiaries are the following: ELTON CORPORATION SA (2010-2018), ELTON CORPORATION EOOD (2010-2018), ELTON CORPORATION DOO (2010-2018), ELTON CORPORATION LLC (2012-2018). For the year 2018 the company has benefited from the tax audit of Certified Auditors Accountants provided by the provisions of Article 65 A N.4174/2013. This audit is in progress and the related tax certificate will be granted after the publication of the financial statements of year 2018.

3. There aren't any Company's shares holded by the parent or the subsidiaries companies at the end of the fiscal year.

4. There are encumbrances on the property of the subsidiary in Bulgaria for securing loan obligations at the amount of 2,36 mil. euro

5. There is not any litigation or arbitration or administrative court that may have a material effect on the financial position of the Company and its subsidiaries.

6. Number of employees at the end of the current period : Group **248** Company **122**. (31/12/2017: Group **241** ,Company**119**).

7. On the above 31/12/2018 financial statements complied same basic accounting principles as at the Balance Sheet 31/12/2017

8. The impact of the adoption of IFRS 9 on the annual financial statements of the Group and the Company is detailed in Note 2.3 of the Financial Statements.

9. Reclassifications have been made for better presentation purposes that have had no impact on the Company's equity or results, as detailed in Note 2.2 of the Financial Statements.

10. The Group and the Company have made provisions for bad debts up to 31/12/2018 amounting to 8.486.103 and 5.514.674 euros respectively and provisions for discredited inventories at the amount of 247.052 euros for the Group and 245.496 euros for the Company. Until 31st December 2018 the provision for staff compensation in the Group and the Company was 540.832 €

11. Cumulative amounts of sales and purchases , since the begining of the year and the balances of receivables and payables of the Group and the Company at the end of the year, resulting from its transactions with associated parties, according to the IFRS 24, are as follows :

	GROUP	COMPANY
	1/1-31/12/2018	**1/1-31/12/2018**
Sales	0	696.554
Purchases	0	340.905
Receivables from associated parties	0	1.264.741
Payables to associated parties	0	1.273.444
Directors' and Managers' remuneration	961.998	619.289
Receivables from Managers and Directors	0	0
Payables to Managers and Directors	24.337	24.337

12. The other comprehensive income after tax are:

	GROUP		COMPANY	
	31/12/2018	**31/12/2017**	**31/12/2018**	**31/12/2017**
Exchange Differences	-371.275	-402.111	0	0
Effect of tax rate change on deffered tax	-3.966	0	-3.966	0
Deffered taxes	3.424	3.675	3.424	3.675
Actuarially profit/loss	-13.696	-12.671	-13.696	-12.671
TOTAL	**-385.514**	**-411.107**	**-14.238**	**-8.996**

Avlonas Attica, 10th April 2019

PRESIDENT & CEO	B.O.D. MEMBER	FINANCIAL MANAGER	GROUP C.F.O.
NESTOR D. PAPATHANASIOU ID card num. AB 606775	**ALK.N.PAPATHANASIOU** ID card num. AE 105490	**ST.D.VASILIOU** ID card num.T 132250	**ANTONIS YASSARIS** ID card num. AN 061294

Offices Service S.A. 2109247017

*These financial statements and notes on the financial statements have been translated to English from the original statutory notes that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial statements, the Greek version will prevail over this document