Great brands for everyday

GR. SARANTIS S.A.

ANNUAL FINANCIAL REPORT

of the year from 1st January to 31st December 2018

The Annual Financial Report was prepared in accordance with article 4 of Law 3556/2007 and it was approved by the Board of Directors of SARANTIS S.A. on 10th of April 2019. It is uploaded on the internet, on the website: www.sarantisgroup.com

CONTENTS

1. STATEMENTS BY MEMBERS OF THE BOARD OF DIRECTORS

Statements by Members of the Board of Directors

(according to article 4 of Law 3556/2007)

It is hereby declared that to our knowledge, the annual parent and consolidated financial statements of the company "GR. SARANTIS S.A." for the financial year 2018 (from 1 January 2018 to 31 December 2018), which were prepared according to the applicable International Financial Reporting Standards, accurately present the assets and liabilities, equity and results of the Company Gr. Sarantis S.A. as well as those of the companies included in the consolidation, considered as a whole.

Furthermore, we declare that to our knowledge, the annual management report of the Board of Directors reflects in a true manner the development, performance and financial position of GR. SARANTIS S.A., and of the businesses included in the Group consolidation, considered as a whole, including the description of the principal risks and uncertainties faced.

Marousi, 10 April 2019

The Members of the Board

THE CHAIRMAN OF THE BOARD	THE VICE-CHAIRMAN & CHIEF EXECUTIVE OFFICER	THE FINANCE DIRECTOR & BOARD MEMBER
GRIGORIS SARANTIS	KYRIAKOS SARANTIS	KONSTANTINOS ROZAKEAS
ID No. X 080619/03	ID No. AI 597050/2010	ID No. AK 783631/13

BOARD OF DIRECTORS’ ANNUAL MANAGEMENT REPORT

FOR THE YEAR 01.01.2018 – 31.12.2018

2. BOARD OF DIRECTORS' ANNUAL MANAGEMENT REPORT

ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS

OF THE COMPANY "GR. SARANTIS S.A."

on the Annual Financial Statements for the financial year from 1st January to 31st December 2018

2.1 INTRODUCTION

The present Annual Report by the Board of Directors which follows (hereinafter the "Report") refers to the financial period 01.01.2018 - 31.12.2018. This Report was prepared and is in line with the relevant stipulations of Law 3556/2007 (Government Gazette 91A/30.04.2007) and the relevant executive decisions issued by the Hellenic Capital Market Commission, as well as Decision no 8/754/14.04.2016 issued by the Board of Directors of Hellenic Capital Market Commission and provisions of P.L. 2190/1920 as these have been superseded by the articles 150-154 of Law 4548/2018 since 1/1/2019.

The Report, along with the financial statements of "GR. SARANTIS S.A." (hereafter the "Company"), includes to their entirety all the other elements and statements required by the law in the annual financial report for the period 1.1.2018-31.12.2018.

The present report briefly presents the Company's financial information for financial year 2018, significant events that occurred during the year and their effects on the financial statements. The report also includes a description of the basic risks and uncertainties the Group's companies may face in the following year and finally within the report, significant transactions between the issuer and its related parties are also presented.

The report also includes non financial information – sustainability report, the Corporate Governance statement, the depiction of the most significant related party transactions of the Company and the Group, as well as additional information as required by the respective legislation.

The financial statements (company and consolidated), the audit report by the certified auditor and the management report of the Board of Directors of GR. SARANTIS S.A. are being presented on the address: https://ir.sarantis.gr/el/analystcorner/financial-results-release
The financial statements and the certified auditors' audit reports of Sarantis Group's companies which are being consolidated and which are not publicly traded (according to the Decision 8/754/14.04.2016 of the Board of Directors of the Hellenic Capital Market Commission) are being presented on the following address: https://ir.sarantis.gr/el/subsidiariesisol/financial-accounts-of-subsidiaries

The Consolidated and Company Financial Statements were compiled according to the International Financial Reporting Standards (I.F.R.S.), as these have been adopted by the European Union (E.U.).

2.2 PERFORMANCE AND FINANCIAL POSITION

The consolidated turnover amounted to €344.0 mil. from €299.68 mil. in FY 2017, up by 14.79% *, supported by growth across the Group's territory. Brand-supporting initiatives, the continuous renewal of the brand portfolio and the increased penetration across its distribution channels support further brand engagement and drive growth. The foreign markets exhibited an increase of 21.24% and the Greek market, despite the competitive environment, was up by 4.01% in FY 2018, outperforming the retail market.

The Group's Gross Profit stood at €128.89 mil. during FY 2018 from €116.48 last year, up by 10.66%. The Group's Gross Profit margin during FY 2018 stood at 37.47% from 38.87% in the previous year.

The Group's commitment behind continued productivity improvement, increasing operating leverage and exploiting synergies behind acquisitions resulted in significant profitability growth.

- EBITDA ** was up by 18.49% to € 46.99 mil. from €39.66 mil. in FY 2017, with an EBITDA margin of 13.66% from 13.23% in FY 2017.
- EBIT reached € 40.57 mil. increased by 17.59% versus €34.51 mil. and EBIT margin stood at 11.79% from 11.51% in FY 2017.
- EBT settled €38.78 mil. from €34.67 mil., up by 11.87%, with the EBT margin reaching 11.27% from 11.57% last year.
- Net Profit reached €32.54 mil. from €28.63 mil. in the previous year up by 13.65%, while Net Profit margin settled at 9.46% from 9.55% in FY 2017.

*Adjusted based on IFRS 15 "Revenue from Contracts with Customers", effective since January 1st 2018 – more information is given on paragraph 4.7.7 of the annual financial report.
**Alternative Performance Measures as defined in paragraph 2.12 of the Group's Financial Report.

Sarantis Group exhibits a healthy financial position, supported by disciplined management of working capital, the improving profitability of the business, and balanced capital expenditure. The strong cash generated by the business is invested behind initiatives to accelerate growth, either organically or through acquisitions, and to return value to its shareholders.
Within 2018, the Group paid a dividend for FY 2017 of approximately €9.4 mil. (0.28 euros per share) and the BoD will propose at the 2019 AGM the distribution of a dividend for FY 2018 of 0.14311 eur. (i.e. 10 mil euros).
As of the end of 2018 the Group maintains a net debt position of €11.53 mil. vs a net cash position of €16 mil. at the end of 2017. This is partly due to an increase in the total debt position of the Group by c. €14 mil. and partly due to cash outflow driven by the Group's investment plan.
Operating working capital requirements over sales settled at 31.64% in FY 2018 versus 30.12% in FY 2017. The level of working capital requirements over sales is not comparable to last year, as it is influenced by the new companies or businesses added in the Group within the year.

In terms of the business unit analysis, Cosmetics sales were up by 10.60% yoy to €151.53 mil. in FY 2018 from €137.00 mil. in FY 2017, supported by the own brands portfolio, that contributes 63.43% within Cosmetics category and increased by 8.60%, as well as the distributed brands that presented a 14.26% growth. Cosmetics participation to total Group turnover stood at 44.05%.
Sales of Household Products increased by 25.20% amounting to €130.46 million from €104.20 million in the previous year, supported by the own brands subcategory that increased by 25.26%. The category's participation to total Group turnover amounted to 37.93%.
The category "Private Label" represents sales of Polipak, the Polish packaging products company, which specializes on the production of private label garbage bags. Sales of this category exhibited a 15.83% increase in FY 2018 amounting to €18.61 mil. from €16.06 mil. in FY 2017.
The category of Other Sales increased by 2.31%, driven by the Selective category that was up by 4.61%.

As for the operating income analysis by business unit, Cosmetics EBIT increased by 10.25% in FY 2018 to €12.20 million from €11.06 million in the previous year, driven by both the own cosmetics and the distributed brands subcategory. The margin of Cosmetics stood at 8.05% in FY 2018.
The EBIT of Household Products posted an increase of 20.16% during FY 2017 to €13.30 million from €11.07 million in FY 2017, driven by the own brands subcategory. The EBIT margin of the household products stood at 10.19% during FY 2018 and their participation to total Group EBIT settled at 32.78% in FY 2018.
Private Label category exhibited significant increase of 49.45% to €1.47 mil. on the back of processes optimization and higher productivity.
The income from Associated Companies represents the income from the Estee Lauder JV that stood at €9.44 mil. up by 20.63% vs last year.

As far as the geographical analysis is concerned, despite the challenging operating environment, Greece, exhibited a sales increase of 4.01%, outperforming the total retail market, reaching €116.71 mil. compared to €112.21 mil. last year. The foreign markets of the Group showed a turnover increase of 21.24% yoy to €227.29 million from €187.47 mil. in FY 2017.
Like-for-like, i.e. excluding sales from INDULONA and ERGOPACK, which were added within 2018, the Foreign Countries sales amounted to €203.77 million in FY 2018 up by 8.69%.
Like–for-like Group sales amounted to €320.48 million in FY 2018, up by 6.94%

Furthermore, the Greek EBIT during FY 2018 increased by 10.12% to €22.50 mil., from €20.44 mil. in FY 2017. Excluding the income from Associated companies, Greek EBIT during FY 2018 amounted to €13.07 mil. up by 3.60% compared to €12.61 mil. in the previous year, on the back of balanced allocation of operating expenses.
Greek EBIT margin, excluding income from Associated Companies, stood at 11.20% during FY 2018 from 11.24% in FY 2017.
The foreign countries EBIT was up by 28.44% during FY 2018, amounting to €18.07 mil., from 14.07 mil. last year. The foreign countries EBIT margin settled at 7.95% from 7.50% last year.

The analysis by business unit and geographical region is presented in paragraph 4.10.31.

2.3 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR 2018

- Sarantis Group announced on January 11th of 2018 the acquisition of Indulona, a cosmetics brand with presence in Slovakia and Czech Republic. More specifically, Sarantis Group signed an agreement for the acquisition of the 100% of the share capital of the Slovakian company SANECA TRADE S.R.O and its Czech subsidiary SANECA TRADE CZ S.R.O. INDULONA products are distributed in the Slovakian and Czech Republic markets.

  INDULONA is a well-known, award-winning cosmetics brand boasting a 70-year history of successful presence in both the Czech and the Slovakian market within the subcategories of hand care, body care and foot care. It is the most popular and No 1 selling product within the hand care category in both Czech Republic and Slovakia.

- Sarantis Group announced on March 23rd 2018 that it has entered into an agreement to acquire ERGOPACK GROUP in Ukraine. More specifically, GR. Sarantis Cyprus Ltd, a 100% subsidiary of GR. SARANTIS S.A., signed an agreement for the acquisition of 90% of the share capital of the Ukrainian company Ergopack LLC.
  Ergopack is involved in the production and distribution of household products, with the major categories being Garbage Bags, Food Packaging and Cleaning items for the Household.
  Annual sales of Ergopack Group during 2017 amounted to c. 29m USD.
  Ergopack has significant exporting activity, reaching 46% of the total turnover realized in CIS and European countries, such as Russia, Belarus, Kazakhstan, Moldova, Azerbaijan, Georgia, Poland, Latvia, etc.
  The Enterprise Value of Ergopack was 20 million USD while Sarantis acquired the 90% of Ergopack's share capital, the cost of which is self-financed.
  Ergopack is a leading player in the growing Ukrainian Household market with an increasing market share through the years.
  The company's portfolio consists of 3 major flagship brands: Melochi Zhizni, Domi and Novax.
  The company owns a modern production complex near Kiev, which has all necessary infrastructure for its production process.
  This acquisition is in line with the Group's strategic growth plan and marks the Group's entrance in a new promising territory. Apart from the efficient integration of the newly acquired company, the management's focus will be drawn towards achieving synergies and taking advantage of opportunities that will arise in terms of brand portfolio expansion and further geographical development. More specifically, Sarantis Group is intending to introduce in the above markets the great European brands of its portfolio and in particular, the cosmetics business which is already the leader in the CE European markets of the current operation.

- The Company's Ordinary General Shareholders Meeting that took place on April 27th 2018 approved the Company's share capital increase through the capitalization of reserves by 349,387.42 euros and the increase in the share's nominal value from 1.55 euro to 1.56 euro.
  Following the aforementioned increase, the Company's share capital amounts to 54,504,437.52 euro divided to 34,938,742 common registered shares of nominal value 1.56 euro each.
  Additionally, the General Meeting approved the increase of the total number of shares through the issuance of (1) new share for each (1) old share, reducing at the same time the share's nominal value from 1.56 euro to 0.78 euro (stock split of 1 for 1). Therefore the Company's share capital, amounting to 54,504,437.52 euros, is divided by 69,877,484 common registered shares of nominal value 0.78 euros each.
  The commencement date for the trading of the 34,938,742 new common registered shares was June 18 2018.

- Following the General Shareholders Meeting resolution dated April 27th 2018, the company GR. SARANTIS S.A. approved the distribution of dividend payment for the fiscal year 2017 amounting to 0.26905 euro per share.
  According to the legislation in force, the dividend corresponding to the company's 1,365,800 treasury shares was applied to the dividend paid out to the other shareholders and hence the dividend was increased to 0.2800

euro per share.
The aforementioned dividend amount was subject to a 15% withholding tax and therefore shareholders received a net amount of 0.23800 euro per share.
May 24th 2018 was set as the ex-dividend date, while the entitled shareholders were those registered in the Dematerialized Securities System on May 25th 2018 (Record date).
The dividend payment took place on Friday, June 01st 2018 via the National Bank of Greece through the authorized operators of the beneficiary shareholders registered with the D.S.S.

❖ The Extraordinary General Shareholders' Meeting of "GR. SARANTIS S.A." that took place on July 25th 2018, approved a share buyback program through the Athens Exchange and according to the provisions of article 16 of PL 2190/1920 and article 5 of the 596/2014 Regulation of the European Parliament and of the Council. Based on the program a maximum of up to 10% of the company's shares will be purchased (the 10% currently represents 6,987,748 shares), including the 2,731,600 shares already acquired by the company based on the resolutions of the General Shareholders Meeting of 09/06/2016, that is a maximum of 4,256,148 shares that correspond to 6.09% of the Company's share capital.
The maximum buy back price was set at ten euros (10.00 €) per share and the lowest at seventy eight cents (0.78 €), the purchase period was set to twenty four months from the date of the General Meeting, that is until July 25th 2020, and the maximum amount that will be used for the program will be 42,561,480 euros.
The purpose of the program is to serve the objectives and uses permitted by law, which today include the share capital reduction and the settlement of obligations arising by convertible securities or employee stock options.

❖ The aforementioned General Meeting of July 25th revoked the Board of Directors and proceeded to the election of a new BoD which will have the same composition as the previous one with the addition of a new independent and non-executive member, in order to compose a new Audit Committee.
The composition of the new BoD is as follows:
1. Grigoris Sarantis, Chairman of the BoD. (executive member).
2. Kyriakos Sarantis, Vice-Chairman of the BoD and Chief Executive Director (executive member).
3. Aikaterini Saranti, non-executive member.
4. Kostas Rozakeas, executive member.
5. Kostas Stamatiou, executive member.
6. Antonis Ayiostratitis, non-executive member.
7. Dimitris Eustathiou, independent, non-executive member.
8. Christos Economou, independent, non-executive member.
9. Nikos Nomikos, independent, non-executive member.

Moreover, the General Meeting revoked the present Audit Committee, which consists of Mr. Dimitris Eustathiou, Mr. Christos Economou and Mrs. Aikaterini Saranti, and appointed a new Audit Committee as follows:
i. Nikos Nomikos, son of Pericles, as Chairman,
ii. Dimitris Eustathiou son of Konstantinos, as Vice-Chairman,
iii. Christos Economou, son of Ioannis, as member.

The aforementioned members of the Audit Committee are independent, non-executive and in compliance with the provisions of a.44 of L.4449/2017.

❖ Within the context of its strategic development and aiming to further reinforce its mass-market brand portfolio, Sarantis Group, starting in October 2018, undertook the exclusive representation and distribution of COTY's brand WELLA. Based on the agreement with COTY, Sarantis Group has undertaken the distribution and representation of the WELLA portfolio, which includes the brands Koleston, Wellaflex and New Wave, in the Greek mass market.
Wella boasts a history of 150 successful years being the world's No2 player in the hair dyeing and hair styling category. More specifically, in Greece, Wellaflex holds the No1 position in brand styling.
The cooperation with COTY reflects the leading position of Sarantis Group as a supplier of the consumer mass market and proves once again that its strong distribution network and effective commercial execution make the Group an ideal partner for international companies that wish to expand and develop their activities.
It is noted that no cost was assumed by Sarantis Group for this agreement.
Through this deal, Sarantis Group strengthens its product portfolio in the Greek market, supporting further at the same time its turnover and profitability in the mass market distribution channel.

2.4 MAJOR RISKS AND UNCERTAINTIES FOR 2019.

The Group is exposed to financial and other risks, including the unforeseen changes in interest rates, credit risks and liquidity risks. The Group's overall risk management program aims at minimizing the possible negative effects from such risks on its financial performance. The Group's financial instruments consist mainly of deposits with banks, trade accounts receivable and payable, loans and dividends payable.

2.4.1 Foreign exchange risk

The Group operates in an environment characterized by relatively high foreign exchange risk given that almost 65% of the Group's total turnover comes from Eastern European countries where the volatility of foreign exchange rates is likely to be high. The management of the Group is constantly examining the currencies' fluctuations, but at the moment it has not taken any measures against the foreign exchange risk due to the lack of appropriate hedging tools.

2.4.2 Interest rate risk

The interest rate risk emerges from the relation between the cost of debt and the subsequent effect of any interest rate changes on the earnings and cash flows. The Group's objective is to achieve an optimal balance between borrowing cost and the potential effect of any interest rate changes on earnings and cash flows. The Group monitors and manages its debt and overall financing strategies using a combination of short and long-term debt. It is policy of the Group to continuously review interest rate trends along with its financing needs. Daily working capital requirements are typically financed with operational cash flow and through the use of various committed lines of credit. The interest rate on these short-term borrowing arrangements, is generally determined as the inter-bank offering rate at the borrowing date plus a pre-set margin. The mix of fixed-rate debt and variable-rate debt is managed within Group policy guidelines.

2.4.3 Credit risk

Credit risk is the risk that a counterparty will cause the Group and the Company to suffer a financial loss because of the obligation to settle the liabilities. The maximum credit risk to which the Group and the Company are exposed at the date of the preparation of the financial statements is the book value of their financial assets.
Financial assets classified as at fair value through profit or loss are viewed not to expose the Group and the Company to material credit risk.
The greater part of the risk is found in the event that the debtor - customer of the Group may default on contractual obligations resulting in material loss to the Group. The Group's receivables come from wholesale, while a large part of its receivables come from large customers. The financial position of the customers is continuously monitored by the Group companies, which both control the amount of credit provisions and the credit limits of the accounts and, on the other hand, try to effectively manage the receivables before they become overdue but also when they become overdue or doubtful. Where necessary, additional collateral is required with guarantees.
In order to monitor credit risk, customers are grouped according to the category they belong to, their credit risk characteristics, the maturity of their receivables and any previous problematic receivables that they have demonstrated, taking into account future factors as well as the economic environment.
The Group and the Company apply the simplified approach of IFRS 9 for the calculation of expected credit losses and recognize impairment losses for expected credit losses for all financial assets other than those measured at fair value through profit or loss.

2.4.4 Liquidity risk

The liquidity risk refers to a case when the Group is not in position to fulfill its obligations with regard to money payments. Prudent liquidity risk management implies the existence of a balance between cash flows as well as funding through adequate amounts of committed credit facilities. The Group closely monitors the amount of funding as well as the short-term and long-term funding with respect to total debt and the composition of total debt, and it manages the risk that could arise from the lack of sufficient liquidity and secures that necessary borrowing facilities are maintained. The Group has sufficient credit line facilities that could be utilized to fund any potential shortfall in cash resources.
The Group manages and monitors its working capital in order to minimize any possible liquidity and cash flow risks.

2.4.5 Raw material price risk

The Group is exposed to price volatility in the basic raw materials it uses for products that manufactures in its own production facilities.
- The basic raw materials used by the Group for the Perfume, Cosmetics and Face Care products are perfumes, oils and chemicals.

The prices of raw materials in perfumes, cosmetics and facials do not fluctuate significantly, and any differences are eliminated by gradually transferring volumes from one supplier to another when necessary, maintaining active alternative suppliers and creating security stocks.
- The basic raw materials used by the Group for the categories of household products (food packaging products and plastic waste bags) are aluminum (in jumbo rolls), plastic (PVC / LDPE Clingfilm in Jumbo rolls) and polyethylene (HDPE, LDPE, LLDPE).

Regarding the effect of fluctuations in the prices of aluminum and plastic, the Group proceeds to the closing of price at short intervals, and in addition creates a security stock when it deems it necessary.

2.4.6 Compliance Risk

The incomplete compliance with the legal regulatory framework that governs the Group could lead to penalties and other fines, so by this way it will negatively affect the financial position and, as a result its reputation.
Regulatory compliance issues that are recognized by the management are as follows:
1. Issues related to commercial legislation
2. Taxation and labor issues
3. Issues related to the Capital Market Committee and the Stock Exchange
4. Issues related to the protection of personal data
5. Issues covered by the Code of Ethics (fraud, bribery, child labor, work safety and work practices, issues relating to free competition, etc.)
6. Issues relating to the protection of the environment and the operation of the production facilities.
7. Issues relating to product safety and certification (e.g. EFET) where provided, as well as to the protection of consumers.

The relevant body that is responsible for assessing the risks is the Execution Committee. Each group of risks shall be examined separately. The likelihood of occurrence, the potential effect and the level of the organization's abundance are estimated, and then the optimum actions are being proposed. Subsequently the Group assigns the personnel responsible for the management who implement the agreed actions and inform the administration about the results of these actions.

2.5 FUTURE OUTLOOK AND PROSPECTS

The Group’s FY 2018 financial results underline the Group’s capability in staying ahead of a very competitive operating landscape. Thanks to its consumer oriented, product-centric business model, which focuses on product quality, cost and commercial excellence in all its distribution channels, the Group managed to deliver significant profitable growth. At the same time the balanced allocation of resources and management of expenses, the positive operating leverage and synergies from acquisitions support the Group’s profitability and provide the fuel for further investments behind growth.

The Group’s solid business model of organic and acquisitive growth has presented a great momentum so far. At the same time, the Group is preparing operationally to exploit further opportunities that can arise by the Group’s growing presence and the new acquisitions. Particular focus will be given in the new territory where the Group penetrated through the acquisition of ERGOPACK, namely Ukraine and the CIS countries, a very promising region that is expected to present more investment opportunities.

The Group’s strategic priorities for 2019 and the near future are as always focus on new product development, further geographical expansion, increasing scale, improving costs, and identifying brand acquisitions that can provide additional value to the business. In addition, optimizing and modernizing the supply chain and production processes, are of strategic importance and therefore key drivers of the Group’s future expansion.

This is expected to bring accelerated top line growth and further improvement on profit margins, ultimately increasing further the Group's footprint in the existing region as well as the new territory where the Group gained access.

2.6 RELATED PARTY TRANSACTIONS

The most significant transactions between the Company and its related parties, as such are defined by International Accounting Standard 24, are presented below.

Subsidiaries ***Company***

Trade receivables	**31.12.2018**	**31.12.2017**
Sarantis Romania S.A.	814,636	1,400,511
Sarantis Czech Republic sro	763,938	0
Sarantis Polska S.A.	426,494	542,316
Elode France SARL	19,506	15,894
Polipak SP.Z.O.O.	7,460	37,730
Sarantis Hungary Kft.	274,109	210,465
Sarantis Bulgaria LTD	108,171	110,767
Sarantis Portugal LDA	1,142,773	1,023,944
Total	**3,557,085**	**3,341,628**
Grand Total Receivables	**3,557,085**	**3,341,628**

Trade Liabilities	**31.12.2018**	**31.12.2017**
Sarantis Polska S.A.	246,879	67,846
Sarantis Czech Republic sro	399	374,931
Sarantis Belgrade D.O.O	1,647,316	1,522,428
Polipak SP.Z.O.O.	454,131	538,590
Sarantis Skopje D.O.O	902,108	708,623
Sarantis Hungary Kft.	670	18,366
Sarantis Portugal LDA	0	80,589
Sarantis France SARL	57,181	60,793
Total	**3,308,683**	**3,372,166**

Liabilities from loans	**31.12.2018**	**31.12.2017**
Waldeck LTD	538,493	547,240
Total	**538,493**	**547,240**
Grand Total Liabilities	**3,847,176**	**3,919,406**

Income

Income from sale of merchandise	31.12.2018	31.12.2017
Sarantis Romania S.A.	4,915,722	4,443,353
Sarantis Bulgaria LTD	1,946,875	1,797,888
Sarantis Belgrade D.O.O	2,124,960	1,967,157
Sarantis Skopje D.O.O	597,697	500,903
Sarantis Polska S.A.	4,289,920	4,924,999
Sarantis Czech Republic sro	2,986,444	3,012,108
Sarantis Hungary Kft.	1,028,109	848,792
Sarantis Portugal LDA	975,686	736,694
Total	**18,865,414**	**18,231,893**

Other Income	31.12.2018	31.12.2017
Sarantis Banja Luca DOO	3,870	2,541
Sarantis Romania S.A.	82,628	65,026
Sarantis Belgrade D.O.O	83,046	26,909
Sarantis Skopje D.O.O	14,234	11,984
Sarantis Hungary Kft.	53,387	56,946
Sarantis Czech Republic sro	99,294	116,540
Sarantis Polska S.A.	159,394	173,610
Sarantis Bulgaria LTD	31,743	21,797
Sarantis Portugal LDA	77,321	67,159
Polipak SP.Z.O.O.	43,742	21,969
Total	**648,660**	**564,481**
Grand Total Income	**19,514,074**	**18,796,375**

Expenses and Purchases

Purchases of Merchandise - Services	31.12.2018	31.12.2017
Sarantis Bulgaria LTD	0	327,008
Sarantis Romania S.A.	79,505	71,742
Sarantis Czech Republic sro	3,502	50,864
Sarantis Belgrade D.O.O	14,292	28,665
Sarantis Polska S.A.	1,430,136	346,918
Sarantis Hungary Kft.	1,564	18,366
Polipak SP.Z.O.O.	3,521,156	2,666,493
Sarantis Portugal LDA	390	80,589
Total	**5,050,544**	**3,590,645**

Expenses – Interest	31.12.2018	31.12.2017
Waldeck LTD	22,060	22,060
Total	**22,060**	**22,060**
Grand Total Expenses	**5,072,603**	**3,612,705**

Table of Disclosures of Related Parties		
	Group	Company
a) Income	0	19,514,074
b) Expenses	0	5,072,603
c) Receivables	0	3,557,085
d) Liabilities	0	3,847,176
e) Transactions and remuneration of senior executives and management	994,128	346,032
f) Receivables from senior executives and management	81,519	0
g) Liabilities towards senior executives and management	0	0
h) Receivables from affiliates	4,863	4,863

2.7 DETAILED INFORMATION ACCORDING TO A. 4, PAR.7, L.3556/2007.

2.7.1 Structure of the Company's share capital

The company's share capital amounts to 54,504,437.52 euro, divided into 69,877,484, common registered shares with voting right, and with a nominal value of 0.78 euro per share.
All the shares are registered and listed for trading in the Securities Market of the Athens Exchange.

The rights of the Company's shareholders with respect to their shares are proportional to the share capital stake to which the paid-in share value corresponds. Each share incorporates all the rights and obligations that are stipulated by the Law and Company's Articles of Association, and more specifically:

• The right to dividend from the annual earnings or liquidation profits of the Company.

A percentage of 35% of the net earnings following deduction only of the statutory reserve is distributed from the earnings of each year to shareholders as an initial dividend while the distribution of an additional dividend is resolved upon by the General Meeting. Dividends are entitled to each shareholder who is registered in the Shareholders' Register at the dividend record date. The dividend for each share is paid to its holder within two (2) months from the date on which the Ordinary General Meeting approved the Annual Financial Statements. The payment date and the payment method are released through the Press. The right to receive payment of the dividend is subject to a time limitation and the respective unclaimed amount goes to the State upon the lapse of 5 years from the end of the year during which the General Meeting approved the distribution of the said dividend.

• The right to reclaim the amount of one's contribution during the liquidation or, similarly, the writing off of the capital representing the share, provided that this is resolved upon by the General Meeting,

• The pre-emptive right at every share capital increase of the Company via cash payment or the issuance of new shares.

• Each shareholder is entitled to request a copy of the financial statements along with the relevant reports of the Board of Directors and the Auditors of the Company.

• The right to participate in the Company's General Meeting which consists of the following specific rights: legitimacy, presence, participation in discussions, submission of proposals on the items of the agenda, entry of one's opinion on the minutes of the Meeting and finally the right to vote.

• The General Meeting of Company's Shareholders retains all its rights and obligations during liquidation. The liability of shareholders is limited to the nominal value of the shares such hold.

2.7.2 Limits on transfers of Company's shares

The transfer of Company shares takes place based on procedures stipulated by Law, while there are no restrictions set by the Articles of Association for transfer of shares, as such are dematerialized shares listed on the Athens Exchange.

Pursuant to article 4 of Law 3016/2002, as in force, the independent non-executive members of the Board of Directors of the Company may not, among other things, hold shares exceeding 0.5% of the paid-up share capital.

In accordance with Article 19 of Regulation (EC) No 596/2014 of the European Parliament and of the Council (as well as Commission Regulation 2016/522 and Commission Executive Regulation 2016/523), the executives and the closely related people with these persons, are required to disclose transactions that are directly or indirectly incurred on their behalf and relate to the Company's shares or debt securities or derivatives or other financial instruments that are linked to them after the completion of a sum amounting to € euro 5,000 (gross basis) each year.

2.7.3 Significant direct or indirect holdings according to the definition of 3556/2007

During 20120187 no notifications were made in relation to significant participations in accordance with Law 3556/2007.

2.7.4 Shares conferring special control rights

None of the Company shares carry any special rights of control.

2.7.5 Limitations on voting rights

The Articles of Association make no provision for any limitations on voting rights emanating from its shares.

2.7.6 Agreements among Company shareholders

The Company is not aware of any agreements among shareholders entailing limitations on the transfer of shares or limitations on voting rights emanating from its shares, apart from those mentioned in paragraph 2.7.3.

2.7.7 Rules governing the appointment and replacement of members of Board of Directors and the amendment of the Articles of Association

The rules set out in the Articles of Association of the Company on the appointment and replacement of members of the Board of Directors and the amendment of the provisions of the Articles of Association do not differ from those envisaged in Codified Law 2190/1920 and since 1/1/2019 in Law 4548/2018.

2.7.8 Responsibility of the Board of Directors for the issuance of new shares or the purchase of treasury shares

According to the provisions of article 13 par. 1 item b) of C.L. 2190/1920, and since 1/1/2019 of article 24§1b & 1c of Law 4548/2018, the Company's Board of Directors has the right, following a relevant decision by the General Shareholder's Meeting that is subject to the publicity announcements of article 7b of C.L. 2190/1920, to increase the Company's share capital with the issuance of new shares, through a decision by the Board of Directors that is made with a majority of at least two thirds (2/3) of its total members. In this case, Company's share capital may be increased by no more than the share capital amount paid up on the date when the Board of Directors was granted such power by the General Meeting. This power of the Board of Directors may be renewed by the General Meeting for a period that may not exceed five year per instance of renewal.

2.7.9 Important agreements initiated, amended or terminated in case a charge arises in the company's control following a public offer

There are no agreements which enter into force, are amended or terminated in the event of change in the control of the Company following a public offer.

2.7.10 Agreements with members of the Board of Directors or employees of the Company

The Company has no 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 good reason or termination of their period of office or employment due to a public offer.

2.8 Information for acquired Treasury Shares according to article 16 paragraph 9 of P.L. 2190/1920 and since 1-1-2019 according to article 50 paragraph 2 of LAW 4548/2018.

During the year 2018, the Company did not proceed with any purchase of treasury shares (own shares).

The share buy-back program, which was approved in accordance with the provisions of article 16 of Codified Law 2190/1920 of the Extraordinary General Meeting, which took place on the 9th of June 2016, has been completed. During the above program, pursuant to Regulations EU/596/2014 and EU/1052/2016, as well as any acceptable practice for servicing the legitimate purposes and uses allowed, the company purchased in total 2,731,600 own common registered shares (adjusted after split), which correspond to 3.91% of its share capital, at an average acquisition price of 4.59 Euro per share, paying a total of 12,528,913 Euros.

As of 31/12/2018, the Company held in total 2,731,600 treasury shares with nominal value of EUR 0.78 per share, corresponding to 3.91% of its share capital.

2.9 RESEARCH AND DEVELOPMENT ACTIVITY

Sarantis Group has grown thanks to its focus on know-how and the emphasis on specialization and high standards, without compromising. The constant research to improve existing products and design new ones assures the high quality of the products.

In the Research and Development Department, scientists of all specialties ensure that the latest scientific knowledge and trends are encapsulated in the development of innovative and safe products. At the same time, the Group collaborates with international specialized institutes for research, design and development.

The Group has developed a Regulatory Compliance System which includes: Codes, Policies, Regulations Procedures, Work Guidelines, Organizational Structure Graphs, Job Descriptions, Forms and Audit Mechanisms. Each subsidiary is obliged to make use of regulatory tools concerning the Group, whereas it is obliged to develop regulatory tools according to the guidelines of the pertinent Business Controller.

The Regulatory Compliance System is complemented by the Unified Management System which includes the standards: ISO 9001/2015, ISO 13485/2016, ISO 22716/2007 and ISO 50001:2011.

The Group's certifications are presented in paragraph 2.13.

2.10 SUBSEQUENT EVENTS

As of 01/01/2019 SANECA TRADE CZ S.R.O. was absorbed by SARANTIS CZECH REPUBLIC sro .

2.11 CORPORATE GOVERNANCE STATEMENT

1. Corporate Governance Code:

Gr. Sarantis SA applies corporate governance rules and practices, which are summarized in the Corporate Governance Code which the Company has compiled, taking into consideration the state law and the relevant guidance of the pertinent authorities, which have been announced up to the publication date of the current statement.
The Corporate Governance Code of Gr. Sarantis SA is at any interested party's disposal in the corporate website: http://ir.sarantis.gr/el-gr/intro/our-responsibility.

2. The General Assembly of Shareholders:

Operation Items of the General Assembly

The General Assembly (GA) is the supreme body of the Company. It is entitled to decide upon any subject, whereas its decision constitutes commitment even for the absent or opposing shareholders. The General Assembly is chaired by the Chairman of the Board of Directors (BoD) who based on defined procedure provides for the election of the ordinary President of the GA. The GA is obliged to take decisions for all subjects of the agenda, whereas it is the only appropriate body to decide on the following: a) for the amendments of the articles of association including capital changes, b) for the election of the BoD directors, the auditors and the determination of their fees. Based on the article 10 of the articles of association, the election of the directors of the first BoD is excluded from the rule, whereas based on the article 12 of the articles of association, the election of BoD advisors for substituting vacancies that were due to death, resignation or deposition, is also excluded, c) for the approval of the financial statements, d) for the allocation of the annual earnings, e) for the issuance of convertible bond (according to the article 3 of PL 2190/20, f) for the cases of merger, split, transformation, renewal, extension or termination of the company, and g) for the appointment of liquidators.

Amendment to the clauses of the articles of association that are noted in article 29, paragraph 3 of PL 2190/20 is performed with increased quorum (2/3) and majority (2/3 of the attendants). Amendment of other clauses is performed with simple quorum (1/5) and majority (½ + 1 of the attendants).

Communication with the Shareholders and the potential Shareholders

The Company operates a website which presents subjects and information for the shareholders, in both the Greek and the English language.

The shareholders have at their disposal the contact details of both the Chairman of the Company, and the manager of investor relations and shareholders department, in case there is a need for immediate communication.

In cases of institutional shareholders wishing to acquaint with the Group, they may contact the manager of investor relations and shareholders department who will handle the arrangement of a relevant presentation meeting.

With regard to the operating procedure of the General Assembly, the Company is governed by the clauses of L. 3884/10 and posts all the required, by law, information at its website in both the Greek and the English language for the facilitation of shareholders.

3. Board of Directors and Committees:

(a) The Company is governed by the Board of Directors (BoD), which is elected from the General Assembly, in the context of the Company's Articles of Association and the L. 2190/1920, is comprised of 3 (three) up to 11 (eleven) directors and has a six-year term (according to the provisions of article 19 of L. 2190/1920).

In particular, the current Board of Directors consists of 9 (nine) members. Five (5) members of the Board of Directors are executive members, whereas three (3) of the non-executive members are also independent.
The present Board of Directors has a term starting from 03/05/2017 and ending 30/06/2022 or until the date of the Annual General Assembly in 2022.

Chairman: Grigorios Sarantis of Pantazis, (executive member)
Vice Chairman and Chief Executive Officer: Kyriakos Sarantis of Pantazis, (executive member)
Executive Directors: Konstantinos Rozakeas of Petros, Konstantinos Stamatiou of Fokion
Non Executive Directors: Aikaterini Sarantis of Pantazis, Antonios Agiostratitis of Miltiadis,
Independent Non Executive Directors: Dimitrios Efstathiou of Konstantinos, Christos Oikonomou of Ioannis and Nikolaos Nomikos of Periklis

Within the year 2018, Mr. Nikolaos Nomikos of Periklis was added to the Board of Directors as independent non-executive member of the BoD and assumed the duties of the Chairman of the Audit Committee. The remaining members comprising the Audit Committee are the following: Dimitrios Efstathiou of Konstantinos and Christos Oikonomou of Ioannis.

The curriculum vitae of each of the directors of the Company's BOD are posted in the corporate website http://ir.sarantis.gr/el-gr/viograficadbod/board-of-directors-cvs.

The members of the BoD are elected – appointed from the General Assembly with simple quorum (1/5) and majority (½ + 1 of the attendants).
In case of resignation, casualty or loss in any manner of the status of member or members of the Board of Directors, the remaining members can decide to continue the administration and representation of the Company without the replacement of the vacancies, under the condition that the number of the remaining members exceeds the ½ of the number of members they were in effect prior to the occurrence of the above events. In any case, the remaining members are not allowed to account for less than three (3).
The BoD convenes regularly depending on the needs of the Company and the subjects for arrangement, and at least once per month. The Legal Advisor of the Company, who is also executive director of the BoD, keeps the minutes of the meetings. It is noted that in the financial year 2018, the attendances of the executive and non

executive directors amounted, as a percentage, to around 95% and of the independent non executive directors to the neighborhood of 20.5% of the total meetings.
The Board of Directors possesses the authorities, responsibilities and duties provided by the Law, the General Assembly and the Company's Articles of Association. In the above mentioned context, the Board of Directors is the Body which exercises control over the Company. The duties of the Board of Directors include the decision making process and the responsibility for exercising effective control over the Company's entire scope of activities.

The major responsibilities of the Board of Directors based on the Articles of Association and the Company's Internal Regulation of Operation are the following:

- The definition of the business strategy, the planning of the broader corporate practices, the formulation of corporate culture.
- The application of the general corporate policy and the communication of the approved business targets to the lower-ranking employees.
- The evaluation of recommendations and proposals of the Directors of Divisions.
- The approval of the business action plan and the annual budget.
- The monitoring and evaluation of the effectiveness and implementation of the business action plan.
- The management of the Company's assets and the Company's representation. The control and approval of large capital expenditures, concerning investment plans under implementation.
- The definition of the risk management policy and the formulation of action plans.
- The existence of sufficient and effective Internal Control System.
- The integration of the principles of Corporate Governance into business practices and the supervision of the Internal Regulation of Operation, the Corporate Governance Code and the Code of Conduct.
- The monitoring and arrangement of any conflict of interest issues between the directorial officials, the members of the Board of Directors and the shareholders, including cases of asset mismanagement and transactions with affiliated parties.
- The compliance of the Company's activities with the legislation in effect and the corporate practices.
- The audit of validity and completeness of the released financial statements, including the Chartered Auditor Accountant report. The compilation of the annual, six-month and quarterly financial reports which include, among other notes, the Company's transactions with its affiliated companies in the context provided by the article 42e, par. 5 of P.L. 2190/1920.
- The subjects concerning any kind of fees paid to the Company's directorial officials and the Company's broader remuneration policy.

In the context of the above authorities and duties it possesses, the Board of Directors acts collectively and its relevant decisions are approved by all directors independently of their status as executive, non executive or independent directors.
The members of the BoD possess the right to request from the Management via the Chief Executive Officer any information they deem appropriate in the execution of their duties.
The executive directors are responsible with the daily subjects of the Company's management and the supervision of the execution of the BoD decisions.
The non executive directors deal with the supervision of subjects which they have been assigned for, following decision of the BoD.
The independent non executive directors formulate estimations with regard to the effectiveness and capacity of the managerial efforts, whereas they can submit, either individually or jointly, to the General Meeting, reports and notes different from the ones of the BoD in case they deem it necessary.
The independent directors are, also, appointed from the General Assembly of Shareholders. The BoD examines the suitability of a candidate independent director prior to his / her placement for election in front of the General Assembly. Specifically, independent are the directors who have no business, or commercial, relation with the Company, relation that could affect their independence. More particularly, it is not considered as independent the director who: (i) Possesses, or possessed within the previous the year, a material business relation with the Company or with affiliated company (in the concept of article 42e, paragraph 5 of P.L. 2190/1920), acting as an important customer or supplier, or as partner, shareholder, BoD director, or high-ranking official of a legal entity which is related in such nature with the Company or with affiliated party, (ii) Is Chairman or General Director or executive director of the BoD of an affiliated company, or retains a dependent, or rendered against payment, employment relation with the Company or with affiliated company, (iii) Has been appointed according to article 18, paragraph 3 of P.L. 2190/1920 in the Company or affiliated company, (iv)

Possesses up to second degree family relation or marital relation with executive director of the BoD, high-ranking official, advisor, or major shareholder of the company or affiliated company, (v) Controls, directly or indirectly through affiliated companies, over 10% of the Company's voting rights, or represents major shareholder of the Company or affiliated company (in the concept of article 42e, paragraph 5 of P.L. 2190/1920).

(b) Committees

Executive Management Committee (see Corporate Governance Code chapter 4, paragraph 4.1). The Executive Management Committee is chaired by the Chief Executive Officer and has as members the directors of the Company's core operations team and on case by case basis the pertinent directors of the Business Units. The Executive Management Committee constitutes collective body of the Company's management with explicitly executive responsibilities and supervision role over current operating and administrative issues. It is the appropriate committee for the business risk management.

Audit Committee (see Corporate Governance Code, chapter 3, paragraph 3.1).

The Audit Committee of Gr. Sarantis S.A. is a committee of the Board of Directors and is consisted of three independent non-executive members.
The members of the Audit Committee have sufficient knowledge of the FMCGs segment in which the Company operates. One member of the Audit Committee has sufficient knowledge in auditing and accounting. The Chairman of the Audit Committee is appointed by its members and is independent (in accordance with the provisions of Law 3016/2012).
Given the fact that the Audit Committee is consisted of members of the Board of Directors, its tenure is related with the tenure of the Board of Directors. The suspension, revocation or replacement of a member of the Audit Committee is conducted in accordance with the provisions of the relevant legislation, the Articles of Association and the Internal Regulation of Operation of Sarantis SA.
The responsibilities of the Committee are described in detail in its Regulation of Operation and it is summarized as follows:
The Audit Committee assists the Board of Directors in fulfilling its supervision responsibility undertaken on behalf of the shareholders.
Supervision responsibility includes among others the supervision of the financial information process, the confirmation of the financial statements' integrity, the supervision of the internal control system, the supervision of the internal audit operation, the supervision of the annual audit of the financial statements by the certified auditors, the compliance with the legal and regulatory framework of the Group and the ethical regulatory framework established by the Management, including of the Group's Code of Ethics.
The Commission also supervises issues relating to the qualifications, independence and appointment of independent auditors.
The Commission and the Deputy Chief Executive Officer (Deputy CEO), as supervisory bodies of the Internal Audit Department, assess its performance, as well as approve the division's responsibilities and budget. They also approve the regulation of operation of the internal audit department.

The meetings of the Audit Committee within the past year completed with quorum, whereas the subjects of the agenda are the following:

Date	Subjects of the Daily Agenda
10/1/2018	Update by the internal auditor manager for the progress of the audit work during the fourth quarter of 2017.
7/3/2018	Update by the CAA on the results of the audit of the year 2017 and the issues to be included in the supplementary report to the Audit Committee.
23/3/2018	Update by the CAA for the completion of the audit work for the year 2017 and the closure of all relevant issues.
16/4/2018	Update by the internal auditor manager for the progress of the audit work during the first quarter of 2018.
11/5/2018	Update by the CAA: 1. For the audit approach and in particular the methodology to be applied in the audit of the year 2018

	2. For the proposed timetable and audit plan 3. Other issues relating to the audit work for the year 2018
12/7/2018	Update by the internal auditor manager for the progress of the audit work during the second quarter of 2018.
13/7/2018	Update by the CAA for the results of the audit of the six-month financial statements and related issues on the audit work.
15/10/2018	Update by the internal auditor manager for the progress of the audit work during the third quarter of 2018.
26/10/2018	Update by the CAA on the regular audit plan for the year 2018 and the specific planning of the audit work for the year 2018, as well as the plan for the provision of Other Information in accordance with IAS 720.

The authorities, the obligations, the duties and the responsibilities of the Board of Directors of the Executive Management Committee and the Audit Committee are published with the Corporate Governance Code and are described in the Company's Internal Regulation of Operation.

Specifically, the liabilities, duties and responsibilities of the Audit Committee are analytically presented in the regulation of its operation.

(c) BoD members' fees definition procedure and evaluation method

The management has developed a procedure based on which the BoD members are evaluated and their fees are defined.

Evaluation of Executive Members

- The evaluation procedure with regard to executive directors of the BoD, is similar to the one for the evaluation of Directors of Departments.
- BoD executive members' fees are comprised of the salary, bonus salary which is directly linked to the Company's annual performance, as well as other benefits.
- The Chief Executive Officer and the Personnel Director are responsible for the evaluation and the granting of the BoD executive members' fees.
- The targets are placed at the beginning of each calendar year and are evaluated at the beginning of the following year (after the finalization of the figures that have been placed as targets).
- Specifically, the evaluation regarding the bonus is based on corporate targets, which are set during the submission of the annual budgets, per corporate entity and business operation, and then is supervised and finalized by the Chief Executive Officer. The audit of the budgetary figures is performed on regular basis, is expedited by the Executive Management Committee, whereas the frequency of the comparative budgetary – reviewed figures whenever is required is daily.

It is noted that the fees of the Chief Executive Officer are proposed annually from the BoD to the General Assembly for approval.

Evaluation of Non Executive Directors

The evaluation of the non executive directors is mainly performed through the broader evaluation of the effectiveness of the committees which the directors participate in.

The Chief Executive Officer and the Personnel Director are responsible for evaluating and granting their fees.

The fees of the non executive directors concern only annual compensation. They are also associated with the responsibilities and duties that have been assigned to the directors, as well as with any additional participations or presidencies in the BoD committees.

4. Diversity Policy for managerial, administrative and supervisory bodies

The Code of Business Conduct of the Group includes operation principles with regard to the applied diversity. These principles are presented in synopsis as follows:

Sarantis Group supports the Universal Declaration of Human Rights of the United Nations as well as other international standards for the human rights (ILO, OECD, Global Pact of United Nations).

Sarantis Group recognizes and applies in its subsidiaries, per case, the social, environmental, ceremonial, institutional specificities existing in the countries in which it is active, to the extent that these policies do not contradict the regulatory framework governing the Parent company, the articles of association of the Parent company, the policies, regulations and generally the culture of the Group.

The fundamental values of the Group reflect the commitment toward the creation of an environment where all employees have equal opportunities of personal development and are treated in fair manner according to their skills and merits.

Sarantis Group does not make any discrimination in terms of race, religion, color, descent, age, special needs, sexual orientation, political belief, gender or family position.

With regard to issues of employment, hiring, remuneration and bonus, training, promotion, transfer and termination of collaboration, every employee is treated according to the regulatory framework each time in effect and in accordance with the regulations, policies and the culture of the Group.

There is no physical, sexual, race related, psychological, verbal or any other type of harassment or violence exercised against the employees of the Group.

The Group does not hire people with age lower than the legally required one. The Group is against the use of compulsive or mandatory work practices.

The Group recognizes and promotes the healthy balance between work and personal life, whereas at the same time it respects the commitments made by its employees outside the work environment. The Group recognizes the right to rest and have free time, while it closely follows the law provisions applied in any location of activity, with regard to the leave of absence, maternity leave, as well as other types of leaves related to family commitments or to “force majure” events.

The following table presents in summary data with regard to the gender, the age, the education of the highest, higher and middle management level of the Group.

Levels	Positions	GENDER		EDUCATION			AGE		
		% Females	% Male	% THIRD GRADE	% HIGHER (BSc)	% HIGHEST (MSc)	FROM	TO	AVG
Highest	BOARD	13.0%	87.0%	25.0%	38.0%	37.0%	56	65	60
Higher	DIRECTORS &GM's	15.0%	85.0%		33.0%	67.0%	37	50	45
Middle	MANAGERS	39.0%	61.0%	21.0%	58.0%	21.0%	33	64	45

Specifically, the curriculum vitae of the members of the Board are presented in the following link http://ir.sarantis.gr/el/viograficadbod/board-of-directors-cvs .

Respectively the curriculum vitae of the senior staff of the Group are uploaded in the following link http://ir.sarantis.gr/el/viografika/management-committee .

5. Internal Control System and risk management:

Internal Control System

The Internal Control System is defined by the entire procedures, methods and mechanisms, the application of which is responsibility of the board of directors, the directors of the management and in general the entire personnel of the Group based on their corresponding responsibilities. The System is designed to provide a desirable assurance level with regard to the achievement of the following targets:

- The risk management
- The avoidance and the detection of administrative anomalies and errors
- The effectiveness and efficiency of various operations
- The preservation of the corporate assets
- The credibility of the financial statements and the reports in general
- The compliance with the rules of the management
- The compliance with the law and rules in effect

The internal control as a set of procedures, methods and mechanisms, is practically performed by the directors of the management, and in general, by the organization's entire personnel based on the corresponding responsibilities, is supervised by the Audit Committee, the BoD and the Chief Executive Officer and is examined for its effectiveness and completeness – adequacy by the Internal Control Department.

The Group's Management is responsible for the introduction, operation and monitoring of the control systems. The Board of Directors ensures that the Company's senior management has introduced, applied and operates an appropriate internal control and risk management system.

The issues referring to the Group's internal control are the following:

- Introduction and maintenance of an adequate and effective control system.
- Evaluation of the Group's potential risks.
- Application of the appropriate audit mechanisms.
- Monitoring and evaluation of the system.
- Provision of the relevant information and proposals of improvement or adjustment on case by case basis.
- Appropriate measures from any management officials and application of measures within the agreed time horizon.
- Re-evaluation of the system at second stage.

The responsibilities of the Internal Control Department are presented analytically in the regulation of its operation. In synopsis, the Department is responsible to conduct the audits, as well as for the submission of proposals, the communication of the results and the monitoring of the corrective actions wherever is required. It evaluates the probable risks detected during the audits and communicates these risks to the Audit Committee and the Deputy General Manager, with the objective to undertake appropriate measures for their elimination. The Internal Control Department reports to the Deputy General Manager and the Audit Committee, whereas it is supervised by the Audit Committee.

Risk Management

The Management has developed a system of assessment, evaluation and management of the potential risks, both the ones related to the environment which the Company activates in, and the ones related to endogenous factors of operation.

Depending on the nature, the effect and the probability of risks, relevant cost – benefit decisions, based on estimates, for their acceptance are taken, or decisions for the activation of audit mechanisms, or in general the undertaking of measures with the objective to smooth out or eliminate their consequences.

The evaluation process includes the following steps:
- Identification of risk
- A description of the possible effect on the organization since its occurrence
- Assess the likelihood of the risk
- Assessment of the possible impact on the organization
- Determination of the organization's level of tolerance for this particular risk
- Management's actions to address the risk

The main risks faced by the Group are mentioned in the report of the BoD towards the General Meeting of Shareholders and, more specifically, in the Annual Financial Statements. In particular, the description of the main risks identified by the management is presented in Chapter 2.4 of the Annual Financial Report, while the description of the main identified risks' management is included in Chapter 4.9 of the Annual Financial Report.

Mechanisms

The Management has compiled and uses, as a general framework of rules and operations for the Group, the Internal Regulation of Operations, the Corporate Governance Code and the Code of Business Conduct. The Internal Regulation of Operations and the Code of Business Conduct are posted in the corporate website: http://ir.sarantis.gr/el-gr/intro/our-responsibility.

It has a fully developed, and integrated into its information system, budgetary control which is constantly updated and performs continuous audit of its activities.

It possesses a network of procedures with integrated control mechanisms (in many cases automated via its information system), for all its operations and specifically for the ones most susceptible to risks.

It possesses an analytical program for ending period works and an automated extraction system of the relevant reports.

The adequacy and effectiveness of the internal control system is examined by the Internal Control Department, per business cycle or per operation, following an annual program of audit projects and priority definition.

It has a reliable, extended and secure information system which evolves and can be adjusted to any Company's needs.

It possesses complete security system with regard to its information systems.

6. Information provided by the article 10, paragraph 1 of directive 2004/25/CMC:

The Company is under the directive 2004/25/CMC concerning the public offerings for acquisition / takeover.

Group's structure is presented analytically in chapter 4.6.2 of the Financial Statements compiled by the Company and published with the means provided by the law.

The Company has not issued any securities granting special control rights to their holders. Furthermore, there are no constraints to the voting rights, the expiration periods for exercising the voting rights are the ones in effect during the General Assembly of the shareholders, there are no loans convertible into bonds and in general, there are no systems via which the financial rights emanating from the securities are dissociated from the possession of securities.

2.12 NON-FINANCIAL STATEMENT

Sarantis Group prepares the Corporate Social Responsibility and Sustainability Report according to the Law 4403/2016 and the guidelines GRI-G4 (in Accordance Core). The elements of paragraph 6, Law 4403/2016 are presented below.

I. Short Description of the Business Model

From the early start of its long-term business course, Sarantis Group offers daily use products of high quality at affordable prices with respect to the society and the environment. In this manner, the Group establishes itself, generates growth and achieves to offer added value to consumers, customers, suppliers, shareholders and employees.

The Group's business activity focuses on the areas of cosmetics and perfumes, personal care products, household products as well as health care products. In each category, Sarantis offers highly recognized products which are frequently placed at the top of the consumers' preferences.

The international presence of the Group demonstrates subsidiary companies in 12 countries of Europe –Poland, Romania, Bulgaria, Serbia, Czech Republic, Slovakia, Hungary, FYROM, Bosnia-Herzegovina, Portugal, Ukraine and Russia and exports to more than 40 countries globally.

The goal of the Group is to hold a leading position in the production and trade of consumer products in the markets where it activates and at the same time to offer high quality daily use products thus satisfying the needs of millions of consumers.

The strategic priorities of the business model of the Group, which support and ensure the realization of its goals, are the following:

- The renewal and expansion of the product portfolio through the creation of new products and the entrance into new dynamic subcategories, and also through the utilization of innovative ideas in both the creation of new products and the consumer approach.
- The acquisitions of brands similar to the Group's existing portfolio, with strong market shares and with the ability to generate added value in our profitability.
- The successful new exclusive agreements for representation and distribution of international trademarks.
- The aggressive sales policy via dynamic promotion and support across all distribution channels.
- The constantly growing presence of the Group in the international markets as well as the geographic expansion through both organic growth and acquisitions.

The maintenance of the Group's healthy financial position which allows the smooth financing of its strategic growth plans.

II. Description of the applied policies with regard to environmental, social and labor issues, the respect for human rights and the fight against corruption, including the applied procedures for the proper diligence.

The policy of the Group's corporate responsibility determines the general framework of principles with which the Group broadly activates.

The policies with regard to environmental, social, labor issues, respect for human rights and fight against corruption adopted and applied by the Group are presented in synopsis in the Code of Conduct of the Group.

Responsibility Policy

The Group has adopted the following principles:

- **Responsibility:** The Groups is responsible for the effect generated by its business activities on the society, the economy and the environment. As a result, it accepts the audit from institutional bodies operating according to the Legislation in effect.
- **Transparency:** It adopts principles of transparency, which are reflected in both the Code of Conduct and the Corporate Governance Code which have been prepared by the Group, as well as in the Internal Operation Regulation.
- **Ethics:** The business activity of the Group is based on the values of honesty, justice and integrity. These values indicate strong interest for the people, the animals and the environment. These values set the framework with which the Group manages any potential repercussions from its activities and decisions upon the interests of the stakeholders and other involved parties.
- **Respect for the Interests of the Parties Involved:** The Group respects the expectations of the parties involved and through communication with them it considers solutions of mutual benefit in the issues which may arise, by applying prudent and rational practices during the solution of these matters.
- **Respect for Law:** In any case, the Group respects the legislative framework upon which it broadly operates and activates.
- **Respect for the International Rules of Conduct:** The Group shows respect for the international rules of conduct to the extent that these rules are not in disagreement with the regulatory framework governing the Parent Company, the articles of association, the policies, regulations and generally the culture of the Group.

- **Respect for Human Rights:** The Group demonstrates high respect for the human rights and recognizes their importance and universality.

The above principles are included in the Code of Conduct of the Group which is presented in the following link:
Code of Conduct GR. SARANTIS **PDF**

Regulatory Compliance System & Quality Management System

The Group has developed a Regulatory Compliance System which includes: Codes, Policies, Regulations Procedures, Work Guidelines, Organizational Structure Graphs, Job Descriptions, Forms and Audit Mechanisms. Each subsidiary is obliged to make use of regulatory tools concerning the Group, whereas it is obliged to develop regulatory tools according to the guidelines of the pertinent Business Controller.

The Regulatory Compliance System is complemented by the Unified Management System which includes the standards: ISO 9001/2015, ISO 13485/2016, ISO 22716/2007 and ISO 50001:2011.

The Quality Management System places emphasis on the following:

- The satisfaction of demands of customers – consumers, which is achieved through constant communication and solution of any problems arising.
- The continuous improvement of the organization's energy efficiency.
- The review of effectiveness of the Quality Management System with the goal of constant improvement.
- The evaluation of the degree of achievement of the appropriate quality targets through reviews.
- The continuous training and strengthening of awareness of the personnel with the goal to fully understand the applied quality policy, as well as the revaluation of this policy with regard to its suitability.
- The development of procedures covering all management cycles of the important operations, the reviewing of their compliance, as well as the evaluation of their effectiveness through a framework of indicators / ratios.
- The strict compliance and application of the provided rules with regard to the Good Manufacturing Practices (GMPs).
- The commitment to the provision of the necessary resources for the training of human force and the availability of modern technological equipment.
- The application of the appropriate measures concerning health and safety in the entire supply chain so that the full compliance of the products to the requirements of national and European legislations and of relevant derivative regulations is ensured.

International Standard	International Standard Implementation Department	Scope of Certification
ISO 50001:2011 Energy Management Systems - Requirements and Implementation Guidelines	GR.SARANTIS SA -Central Company Offices -Inofita Complex	▪ Production and packaging of Domestic and Professional Use products. ▪ Production and packaging of Cosmetics of Wide Distribution. ▪ Marketing and distribution of Health & Care Products. ▪ Provision of logistics services for products of Domestic and Professional Use, Cosmetics of Wide Distribution and Health & Care Products.
ISO 9001:2015 Quality Management Systems-Requirements	GR.SARANTIS SA HOUSEHOLD	Production and packaging of aluminum foil, plastic film, multipurpose plastic utensils and related food packaging articles and waste bags for domestic and professional use.

<table>
<tr><td>ISO 22716:2007 Cosmetics - Good Manufacturing Practice (GMP) - Guidelines for Good Manufacturing Practice</td><td>GR.SARANTIS SA -COSMETICS</td><td>Production and packaging of sunscreen products, hair care products, skin, fragrances and epilating products</td></tr>
<tr><td>ISO 9001:2015 Quality Management Systems-Requirements</td><td>GR. SARANTIS SA
DISTRIBUTION CENTER /
HEALTH & CARE DPT</td><td rowspan="2">▪ Marketing and distribution of medical products of personal health care, diagnostic and consumables medical devices: wound dressing and wound healing, thermometers, venipuncture products, therapy devices, earplugs, thermogel, ice spray and nasal spray.
• In-vitro Diagnostic Medical Devices - IVD and IVD for self-diagnosis.</td></tr>
<tr><td>ISO 13485:2016 Products for Medical Use-Quality Management Systems-System Requirements for Regulatory Purposes</td><td>GR.SARANTIS SA
DISTRIBUTION CENTER /
HEALTH & CARE DPT</td></tr>
<tr><td>ISO 9001:2015
Quality Management Systems</td><td>POLIPAK</td><td>Design, production, sale of household products (foil packaging).</td></tr>
<tr><td>ISO 9001:2015 Quality Management Systems</td><td>SARANTIS HUNGARY</td><td>Distribution of household cleaning products and cosmetic products.</td></tr>
<tr><td>ISO 9001: 2015
ISO 14001: 2015
OHSAS 18001: 2007</td><td>ERGOPACK</td><td>Development and production of consumable household products.</td></tr>
</table>

III. The results of the presented policies

During the year 2018, there were no reports in relation to social and labor issues, the issues of respect for human rights and the fight against corruption, as well as communication and customer protection issues.

IV. The major risks and management policy

Sarantis Group implements a risk assessment and management system the operation responsibility of which is assumed by the Executive Committee.

The description of the most important risks that have been identified by the management is presented in the annual management report of the BoD in Chapter 2.4 of the Annual Financial Report, while the description of the main identified risks' management is included in the annual financial statements in Chapter 4.9 of the Annual Financial Report.

Analysis of Significance in Synopsis

Within 2018, a special study was completed for the detection of essential issues, in which the project team of the Corporate Social Responsibility and Sustainability Report determined and reviewed issues of relevant interest.

No consultation took place especially for the preparation of the Report. The study for the detection of essential matters was based on the material and information possessed by the senior staff of the organization from their contacts with the interested, per case, parties during the exercise of their duties.

Given that during the reporting year and in the broader economic environment of the Group there were no catalysts that may justify a material change in the conditions, the Group maintained the same priorities and principles which were also the basis for the previous analysis of significance for the Group.

The study is being described as following:

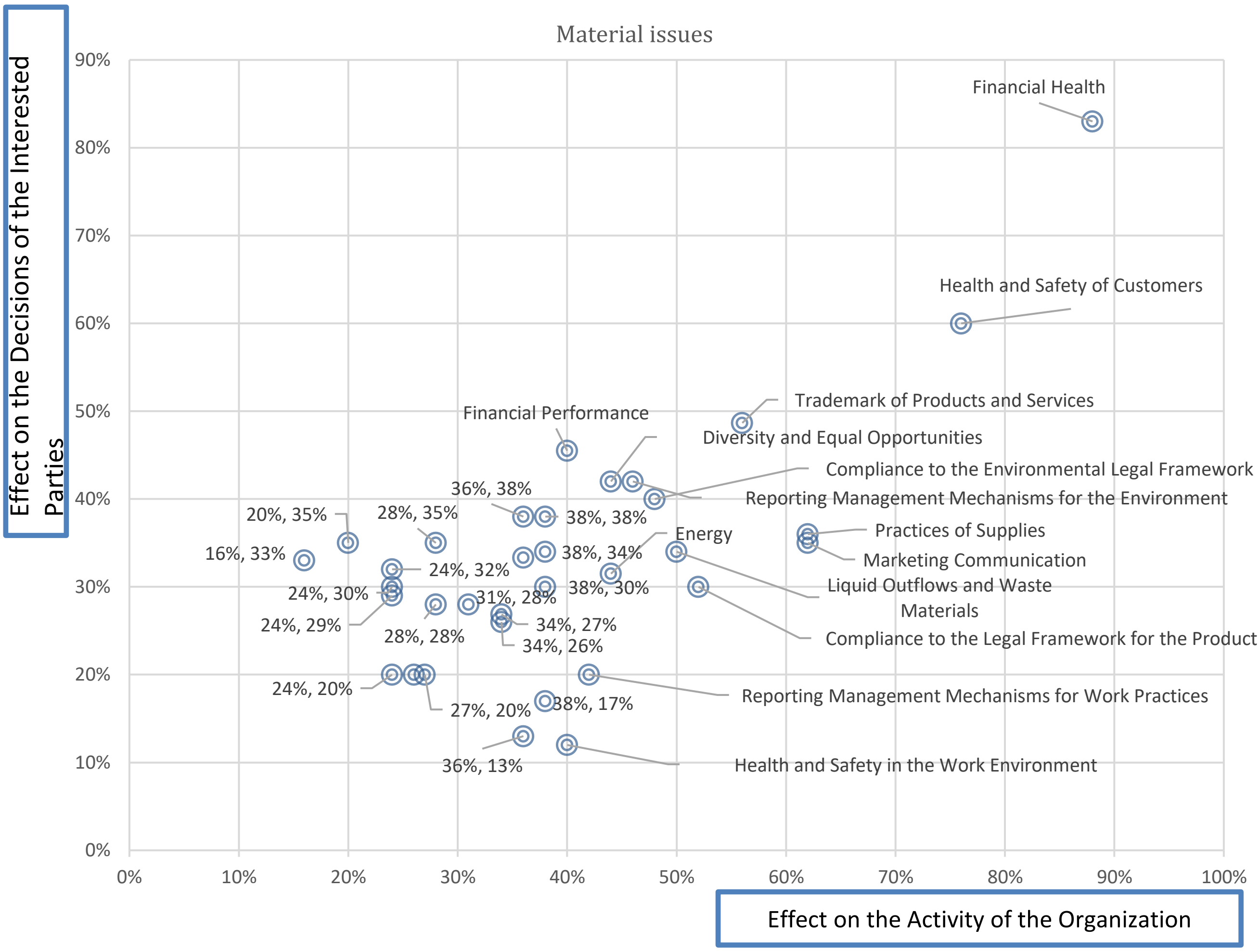
I. The team determined the Sources from which the relevant information was collected and the relevant issues were recognized:
II. The criteria determined for the ranking of the relevant issues were based on the following principles:
- The principle of the uninterrupted continuation of the business activity (going concern)
- The potential effect on the image and goodwill of the Group or of an individual product
- The potential effect on the society and the application in more areas or ethnicities
- The potential opportunity for innovation
- The potential effect on the Group's activities from Legislation, Regulations, Standards and other frameworks of operation

III. The essential issues were recognized, ratified from the Management and their limits were determined with regard to their potential effect inside and outside the organization.
IV. Finally, the essential issues were documented according to the standards GRI-G4 whereas the relevant ratios and indicators were compiled.

The management of essential issues is performed on the basis of the risk management system and according to the regulatory compliance system of the Group as well as of its quality management system. The issues which have been deemed as essential during the significance analysis are the following:

1	Financial Health
2	Health and Safety of Customers
3	Practices of Supplies
4	Marketing Communication
5	Trademark of Products and Services
6	Compliance to the Legal Framework for the Product
7	Liquid Outflows and Waste Materials
8	Compliance to the Environmental Legal Framework
9	Reporting Management Mechanisms for the Environment
10	Energy
11	Diversity and Equal Opportunities
12	Reporting Management Mechanisms for Work Practices
13	Financial Performance
14	Health and Safety in the Work Environment

Synopsis of Significant Issues of CSR & S Report



V.Non financial indicators - ratios 2018

Basic figures	2018	2017
Investments (€)	12,023,156	9,256,906
Dividends (€)	9,400,424	6,001,202
Environment		
CO2 Emissions (metric tons)	17,504	5,359
Consumed Energy (KWH)	27,629,469	15,518,272
Consumed Energy from Renewable Sources (KWH)	1,130,672	1,088,319
Employees		
Number of Employees (at year-end)	2,670	1,721
Employees covered by collective agreements (%)	98%	94%
Percentage of females in total number of employees	45%	53%
Participation of females in the BoD (%)	13%	13%
Allocation of employee nativity in countries of activity	98%	98%
Investment in Education (€)	132,950	121,027
Fatal Labor Accidents	0	0
Labor Accidents	0	4
Number of Employees (at year-end)	0	0
Social Effect		
Donations, contribution to society	170,000	180,000

More elements will be presented in the Social Responsibility and Sustainability Report which will be compiled in accordance with the standards GRI-G4 and is expected to be available until June 30, 2019.

VI.Provisions against bribery and anti-corruption issues

Issues of fair competition law

The Group is fully compliant with the Commercial Law and Competition Law in all countries of operation. The Group's policies, regulation and procedures ensure its operation, so as its activities are carried out in accordance with the statutory framework.

Each employee, if it is required or in doubt, should consult the Group's Legal Services for issues regarding the application of the Commercial Law and the Competition Law. He / she should also inform the Group's Legal Service in case of any notice from the authority responsible for antitrust issues.

Measures against corruption

The Group is fully complimented with the effective legislation regarding corruption. An employee that bribes during the performance of his/her responsibilities shall be subject to civil and legal penalties in accordance with the applicable legislation.

Compensation in excess of the agreed

Employees are not allowed to accepting gifts or other compensation from customers, suppliers or competitors of the Group. However, the acceptance of small gifts apart from money is permitted in the ordinary course of business unless they constitute a breach of any law or regulation of the Group.

The Code of Ethics defines the following:

- The members of management and the employees must comply with the requirements of the Code.
- Every employee has to ensure that these rules are also applied by his / her colleagues.
- In the event that an act or practice is perceived as illegal, unethical or prohibited by the Code, it must be reported directly to the CEO, or to the Group Human Resources Manager or to the Legal Service Manager of the Group or to the Internal Audit Officer of the Group. For this purpose, a relevant procedure for communication of irregularities has been drawn up.
- To prevent malicious or unjustified complaints, penalties may be imposed on those who acted in bad faith.

The implementation of the Code of Ethics is audited by the directly involved department managers as well as the Internal Auditors.

Supply Chain Issues - Procurement Practices

The Group in 2018 spent 71% of its supplies amount in the local societies of the countries in which it operates. To this amount are included the expenses in companies that are represented in the countries of operation. By this way the Group contributes to the employment opportunities of local communities.

2.13 ALTERNATIVE PERFORMANCE MEASURES ("APM")

The Group utilizes Alternative Performance Measures (APM) in the context of its decision making with regard to the financial, operational and strategic planning as well as for the evaluation and public disclosure of its performance. These APM serve and facilitate the best understanding of the financial and operating results of the Group, its financial position and the statement of cash flows. The Alternative Performance Measures (APM) should be always taken into consideration along with the financial results which have been prepared in accordance with the IFRS whereas in no case they replace IFRS.

Definitions and reconciliation of Alternative Performance Measures ("APM")

a) Profitability ratios

The Group utilizes the following profitability ratios for the purpose of the full analysis of its operating results:

EBITDA (Earnings before interest, taxes, depreciation and amortization)

EBITDA is calculated from the annual financial statements as follows: "Gross operating earnings" plus "Other operating income" minus the "Administrative Expenses" and the "Distribution Expenses" prior to depreciation and amortization. The depreciation and amortization for the Group are presented in the paragraph "Table of Changes in Fixed Assets" of the financial statements.

(Euro million)	**FY 2018**	**FY 2017 ***
Gross operating earnings	128.89	116.48
Other operating income	10.54	10.56
Administrative expenses	16.33	15.91
Distribution expenses	82.53	76.63
Depreciation and amortization	6.42	5.15
Earnings before interest, taxes, depreciation and amortization	**46.99**	**39.66**

The figures of the 2017 have been adjusted according to the IFRS 15 "Revenue from Contracts with Customers" which is applicable starting from 1 January 2018. A relevant explanation is provided in paragraph 4.7.7 "Significant Accounting Policies".

EBIT (Earnings before interest and taxes)

EBIT equals with the operating earnings of the Group as they are recorded in the annual financial statements.

EBT (Earnings before taxes)

EBT equals with the earnings deriving before the deduction of taxes from the annual financial statements.

Net Income (Net earnings)

It equals with the earnings after the deduction of taxes as they are recorded in the financial statements. These earnings are distributed to the shareholders of the parent company.

Profitability Margins

For all the above profitability figures, the corresponding profit margin is calculated by dividing each figure with the total turnover.

(Euro million)		FY 2018	Margin	FY 2017	Margin
EBITDA	**Earnings before interest, taxes, depreciation and amortization**	46.99	13.66%	39.66	13.23%
EBIT	**Earnings before interest and taxes**	40.57	11.79%	34.51	11.51%
EBT	**Earnings before taxes**	38.78	11.27%	34.67	11.57%
Net Income	**Net Earnings**	32.54	9.46%	28.63	9.55%

b) Net Debt

The net debt comprises a figure which depicts the capital structure of the Group. It is calculated by adding the long-term loans and the short-term loans then by deducting the cash and cash equivalents and other financial assets, such as the "Financial Assets at fair value through results", since they are considered to be liquid items. The relevant calculations are presented in the following table:

(Euro million)	FY 2018	FY 2017
Long-term loans	38.00	26.02
Short-term loans	7.72	5.71
Cash and cash equivalents	32.78	44.95
Other financial assets	1.42	2.98
Net Debt	**11.53**	**-16.20**

c) Operating Working Capital

The operating working capital comprises a figure which depicts the liquidity of the Group. The calculations are presented as follows:

(Euro million)	FY 2018	FY 2017
Trade receivables	94.64	80.94
Inventories	79.75	65.60
Suppliers	62.61	56.29
Operating working capital	**111.77**	**90.25**
Adjustment to operating working capital due to Ergopack	**8.90**	**-**
Operating working capital / Sales	**31.64%**	**30.12%**

Marousi, 10 April 2019

The Board of Directors

THE CHAIRMAN OF THE BOARD	THE VICE-CHAIRMAN & CHIEF EXECUTIVE OFFICER	THE FINANCE DIRECTOR & BOARD MEMBER
GRIGORIS SARANTIS	**KYRIAKOS SARANTIS**	**KONSTANTINOS ROZAKEAS**
ID No. X 080619/03	**ID No. AI 597050/2010**	**ID No. AK 783631/13**

3. INDEPENDENT AUDITOR'S REPORT

To the Shareholders of "Gr. Sarantis SA"

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of the Company "Gr. Sarantis SA" (the Company), which comprise the separate and consolidated statement of financial position as at December 31, 2018, and the separate and consolidated statements of comprehensive income, changes in equity and cash flow for the year then ended, as well as a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company "Gr. Sarantis SA" and its subsidiaries (the Group) as of December 31, 2018, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as endorsed by the European Union.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as incorporated in Greek Legislation. Our responsibilities, under those standards are described in the "Auditor's Responsibilities for the Audit of the separate and consolidated financial statements" section of our report. During our audit, we remained independent of the Company and the Group, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as incorporated in Greek legislation and the ethical requirements relevant to the audit of the separate and consolidated financial statements in Greece and we have fulfilled our responsibilities in accordance with the provisions of the currently enacted law and the requirements of the 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 the consolidated financial statements of the current period. These matters and the related risks of material misstatement were addressed in the context of our audit of the separate and the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	Audit response
Assessment of goodwill impairment	
As it is presented in note 4.10.3 of the financial statements, the book value of the goodwill in the balance sheet of the Group and the Company on 31st December 2018 amounts to € 7,929 k. and € 1,100 k. respectively. The goodwill is tested for impairment at least on an annual basis. This review includes estimates based on assumptions of future cash flows, including the assumptions in relation to revenue growth, profit margins and projected cash flows, the selection of the appropriate discount rates and the assessment of the cash generation units of the Group and the Company. Due to the significance of the value of the above item, the subjectivity with regard to the assumptions of the management and the significant judgments and estimates that are being made for the determination	Our audit approach was based on the audit risk and includes, among other, the performance of the following procedures: - We obtained the impairment estimate that was prepared by the management and we assessed the judgments, estimates and assumptions with regard to the future cash flows, the prospective growth rates in sales value and volume, the expected growth rates as well as the discount rate used for the cash flows of the Cash Generating Units. In the context of our assessment, we utilized historic data. - We assessed the consistency between the years, the methods, the assumptions and the calculations which are being followed by the Group and the Company, and the extent to which the management has taken into account any events within the year

Inventory Valuation

As it is presented in note 4.10.4 of the financial statements, the value of the inventory on the balance sheet of the Group and the Company on 31th December 2018, amounts to € 79,746 k. and € 38,597 k. respectively.

The Group and the Company values the inventory at the lowest price between their acquisition cost and their net residual value. The net residual value is the estimated sales price during the normal course of the Group's and Company's activities, minus the estimated cost which is deemed as necessary for the realization of the sale.

Based on the above, the Group's management performs estimates for the calculation of the provision for obsolete inventories, based on the maturity of the inventory, their movement during the year as well as the respective planning for the following period and estimation of future selling prices.

Due to the significance of the value of inventory at the year end and the management's judgments and estimates in the determination of the net residual value, we deem that the proper valuation of the inventory comprises one of the most significant issues of our audit.

The Group's and Company's disclosures regarding the accounting policy that is utilized for the valuation of the inventory is included in the notes 4.7.6, 4.8.9 and 4.10.4 of the financial statements.

Our audit approach was based on the audit risk and includes, among other, the performance of the following procedures:

- We partially attended the process of inventory physical counting that took place at Group's and Company's warehouses in order to examine, in a sampling basis, the inventories' condition.

- For a sample of inventory codes, we recalculated the net realizable value based on the average sales of the period as well as of the period after the end of the reporting period and we compared it with the year-end cost.

- For inventories of a limited economic life due to maturity, we ascertained the proper calculation of the impairment provision and the appropriate presentation in the financial statements.

- We assessed the management's estimations reviewing historical data and reports, regarding the maturity of the inventory, the write-offs and the selling prices of the inventories.

- We assessed the adequacy and the appropriateness of the relevant disclosures in the financial statements.

Recoverability of Trade Receivables

As it is presented in note 4.10.5 of the financial statement, the value of the trade receivables in the balance sheet of the Group and the Company on 31th December 2018 amounts to € 101,685 k. and € 46,238 k. respectively. Against these trade receivables the Group and the Company have recognized impairment provisions of € 7,044 k. and € 4,742 k. respectively.

Applying the new accounting standard, IFRS 9, as of 1st January 2018, the management assesses the recoverability of the Group's and Company's trade receivables and assesses the required provision of bad debts for the expected credit losses.

The management assesses the estimated provision based on the targeted review of customer accounts taking into consideration its experience in relation to the current economic conditions as well as the guarantees which have been acquired from specific customers.

Due to the significance of the value of trade receivables and the fact that the assessment of impairment requires a significant degree of judgment from the management regarding the assessment of the ability of the client to repay, the expected collection time, the value of the warranties held and future market conditions, we consider that the recoverability of the Group's and Company's trade receivables is one of the most significant matters of our audit.

The Group's and Company's disclosures with regard to the trade receivables, the related risks such as the credit risk and the aging of trade receivables, are included in notes 4.7.6, 4.8.12 and 4.10.5 of the financial statements.

Our audit approach was based on the audit risk and includes, among other, the performance of the following procedures:

- We obtained an understanding of the Group's process to monitor trade receivables, and of the factors considered in estimating the provision for impairment. We evaluated whether the process is in line with the relevant accounting standards.

- We received confirmation letters from third parties for a representative sample of trade receivables and we executed procedures for the collection of the year end balances after the date of the financial statements.

- We assessed the management's estimation regarding the recoverability of the trade receivables, taking into consideration the aging analysis, any guarantees that have been granted from the customers.

- We obtained and reviewed the letters of the legal advisors with regard to the recoverability of the trade receivables.

- On a sample basis, we confirmed the accuracy and completeness of the data used by the management in the calculation of expected credit losses.

- We have assessed the impact of the adoption of the new IFRS 9 in the current fiscal year, which led to a corresponding adjustment of the Group's and Company's accounting policy to address impairment losses on trade receivables.

- We assessed the adequacy and suitability of the relevant disclosures in the financial statements.

Other Information

Management is responsible for the other information. The other information is included in the Board of Directors' Report, as referred to the "Report on other Legal and Regulatory Requirements" section, in the Declaration of the Board of Directors Representatives, but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the "Corporate Responsibility & Sustainability Report", which is expected to be made available to us after this date.

Our opinion on the separate and consolidated financial statements does not cover the other information and we will 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 identified above 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. When we read the "Corporate Responsibility & Sustainability Report", if we conclude that there is a material misstatement therein, we are required to communicate this matter to those charged with governance and, depending on the case, to proceed in further action in compliance with relevant legislation.

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 International Financial Reporting Standards, as endorsed 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 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 of Law 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 the 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 in 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 in Greek Legislation, we exercise professional judgment 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.
- 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 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 audit of the Company and the Group. 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 current 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 which also includes the Corporate Governance Statement, according to the provisions of paragraph 5 of article 2 of L. 4336/2015 (part B), we note that:

a) The Board of Directors' Report includes the Corporate Governance Statement which provides the information required by Article 43bb of Codified Law 2190/1920.

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

c) Based on the knowledge we obtained during our audit about the company "Gr. Sarantis SA" and its environment, we have not identified any material inconsistencies in the Board of Directors' Report.

2) Additional Report to the Audit Committee

Our audit opinion on the separate and the consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Company, referred to in article 11 of EU Regulation 537/2014.

3) Provision of Non-Audit Services

We have not provided to the Company and the Group any prohibited non-audit services referred to in article 5 of EU Regulation No 537/2014 or other permissible non-audit services.

4) Auditor's Appointment

We were appointed as statutory auditors for the first time by the General Assembly of shareholders of the Company on 26/06/2014. Our appointment has been, since then, uninterrupted renewed by the Annual General Assembly of shareholders of the Company for 5 consecutive years.

Ag. Paraskevi, April 10, 2019

Certified Public Accountant

BDO Certified Public Accountant S.A.

449 Mesogion Av,

Athens- Ag. Paraskevi, Greece

Reg. SOEL: 173

John V. Kalogeropoulos

Reg. SOEL: 10741

ANNUAL FINANCIAL STATEMENTS

4. ANNUAL FINANCIAL STATEMENTS

Those responsible for the preparation of the 2018 Annual Financial Statements (01/01/2018 – 31/12/2018) are the signatories at the end of the Financial Statements.

4.1 STATEMENT OF FINANCIAL POSITION

Amounts in €	Note	Group		Company	
		31.12.2018	**31.12.2017**	**31.12.2018**	**31.12.2017**
ASSETS					
Non-current assets		**140,342,273**	**105,463,774**	**96,411,206**	**94,004,152**
Tangible fixed assets	4.10.22	56,554,017	43,357,040	33,974,494	33,496,780
Investments in Property	4.10.22	1,111,266	528,505	190,146	190,146
Intangible assets	4.10.22	53,016,769	36,238,001	17,786,371	18,910,586
Company goodwill	4.10.3	7,928,988	7,194,613	1,100,000	1,100,000
Deferred tax assets	4.10.12	734,581	167,160	0	0
Investments in subsidiaries, associates		20,554,060	17,256,128	43,166,849	40,166,849
Other long-term receivables		442,592	722,328	193,346	139,790
Current assets		**214,361,623**	**200,888,302**	**111,556,492**	**111,446,309**
Inventories	4.10.4	79,746,481	65,600,124	38,597,165	34,040,136
Trade receivables	4.10.5	94,640,764	80,935,997	41,495,554	41,508,936
Other receivables	4.10.5	3,788,784	5,016,110	17,769,862	18,190,561
Cash & cash equivalents	4.10.6	32,779,766	44,946,833	11,669,266	14,212,976
Financial assets at fair value through profit and loss	4.10.7	1,415,190	2,978,000	1,415,190	2,978,000
Prepayments and accrued income	4.10.20	1,990,638	1,411,238	609,455	515,701
Total Assets		**354,703,896**	**306,352,076**	**207,967,699**	**205,450,461**
Shareholders' EQUITY:					
Share capital	4.10.16	54,504,438	54,155,050	54,504,438	54,155,050
Share premium account		40,676,356	41,025,743	40,676,356	41,025,743
Reserves	4.10.22	10,942,261	8,599,334	72,816,477	81,581,482
Profit (losses) carried forward		115,801,405	96,223,695	-42,037,541	-44,719,278
Total Shareholders' Equity		**221,924,459**	**200,003,822**	**125,959,729**	**132,042,996**
Non controlling interest:		**2,704,462**	**1,431,345**	**0**	**0**
Total Equity		**224,628,921**	**201,435,168**	**125,959,729**	**132,042,996**
LIABILITIES					
Long-term liabilities		**46,192,652**	**31,136,472**	**40,848,663**	**29,001,622**
Loans	4.10.10	38,000,000	26,018,341	38,000,000	26,000,000
Deferred tax liabilities	4.10.12	5,772,151	3,295,285	1,058,580	1,689,160
Provisions for post employment employee benefits	4.10.24	1,878,697	1,419,942	1,790,083	1,312,462
Provisions - Long-term liabilities	4.10.9	541,804	402,903	0	0
Short-term liabilities		**83,882,322**	**73,780,436**	**41,159,307**	**44,405,842**
Suppliers	4.10.8	62,612,807	56,285,349	28,069,170	31,403,550
Other liabilities	4.10.8	6,365,807	7,046,375	7,822,071	8,912,369
Income taxes - other taxes payable		4,562,074	2,603,596	1,656,427	745,355
Loans	4.10.10	7,720,618	5,708,068	3,000,000	2,400,000
Accruals and deferred expenses	4.10.20	2,621,016	2,137,049	611,640	944,568
Total Equity & Liabilities		**354,703,896**	**306,352,076**	**207,967,699**	**205,450,461**

Since 01/01/2018, the Group and the Company applied IFRS 9 and 15. Analytical information is presented in the paragraph 4.7.7 "Significant accounting policies".

4.2 STATEMENT OF COMPREHENSIVE INCOME

Amounts in €	Note	Group		Company	
		01.01 - 31.12.2018	**01.01 - 31.12.2017**	**01.01 - 31.12.2018**	**01.01 - 31.12.2017**
Revenue	4.10.1	343,995,729	299,682,454	135,575,845	130,444,133
Cost of sales	4.10.14	-215,102,260	-183,200,661	-84,806,674	-78,796,931
Gross operating profit		**128,893,470**	**116,481,793**	**50,769,172**	**51,647,202**
Other operating income		10,537,885	10,561,318	940,510	2,972,052
Administrative expenses	4.10.14	-16,327,660	-15,907,043	-7,899,453	-8,328,536
Distribution expenses	4.10.14	-82,529,877	-76,630,946	-39,102,527	-40,094,027
Operating profit (loss)		**40,573,818**	**34,505,123**	**4,707,701**	**6,196,691**
Financial income-expenses	4.10.15	-2,377,863	160,452	-817,934	16,666,078
Gain (loss) from revaluation of fixed assets		584,345	0	0	0
Earnings (loss) before taxes		**38,780,300**	**34,665,574**	**3,889,767**	**22,862,769**
Income tax	4.10.11	-5,801,937	-4,000,492	0	0
Deferred tax	4.10.12	160,420	-1,680,426	317,092	-2,096,867
Earnings (loss) after the deduction of tax (A)		**33,138,784**	**28,984,656**	**4,206,859**	**20,765,902**
Shareholders of the parent		**32,539,619**	**28,631,498**	**4,206,859**	**20,765,902**
Non controlling interest		**599,165**	**353,158**	**0**	**0**
Other Comprehensive Income:					
Items not transferred to the statement of comprehensive income:		**1,342,297**	**-54,578**	**-176,209**	**-54,578**
Profit from revaluation of fixed assets		1,874,698	0	0	0
Deferred tax from revaluation of fixed assets		-356,193			
Profit/Loss from actuarial study		-199,698	-76,871	-199,698	-76,871
Actuarial study deferred tax		23,489	22,292	23,489	22,292
Items which may be transferred in future to the statement of comprehensive income:		**-1,066,272**	**2,422,874**	**0**	**0**
Impairment of available for sale financial assets		0	483,046	0	0
Foreign exchange differences from subsidiaries abroad		-1,066,272	1,939,829	0	0
Other total income after taxes (B)		**276,024**	**2,368,296**	**-176,209**	**-54,578**
Total comprehensive income after taxes (A) + (B)		**33,414,808**	**31,352,953**	**4,030,650**	**20,711,324**
Owners of the parent		32,645,321	30,930,346	4,030,650	20,711,324
Non controlling interest		769,487	422,607	0	0
Earnings (loss) per share, which correspond to the parent's shareholders for the period		**0.4801**	**0.4098**	**0.0621**	**0.2972**

Since 01/01/2018, the Group and the Company applied IFRS 9 and 15. The financial figures of 2017 have been revised for comparison purposes. Analytical information is presented in the paragraph 4.7.7 “Significant accounting policies”.

4.3 STATEMENT OF CHANGES IN GROUP'S EQUITY FOR THE PERIOD

Amounts in €	Attributed to shareholders of the parent					Non-controlling interests	Total
	Share Capital	Share Premium	Readjustments Reserve and other reserves	Balance of profit / losses	Total		
Balance as at 1 January 2017	**53,910,522**	**39,373,996**	**17,423,981**	**72,256,174**	**182,964,673**	**1,069,305**	**184,033,979**
Total comprehensive income for the period							
Net profit for the period				28,631,498	28,631,498	353,158	28,984,656
Other comprehensive income							
Financial assets available for sale			483,046		483,046		483,046
Foreign exchange differences				1,870,380	1,870,380	69,449	1,939,829
Reserve due to actuarial study			-54,578		-54,578		-54,578
Total other comprehensive income	**0**	**0**	**428,468**	**1,870,380**	**2,298,847**	**69,449**	**2,368,296**
Total comprehensive income after taxes	**0**	**0**	**428,468**	**30,501,878**	**30,930,346**	**422,607**	**31,352,953**
Other transactions registered in Equity							
Purchase of treasury shares			-9,739,140		-9,739,140		-9,739,140
Share capital increase	244,528	70,992			315,520		315,520
Stock options		1,580,755			1,580,755		1,580,755
Distributed dividends				-6,001,203	-6,001,203	-60,567	-6,061,770
Formation of reserves			486,025	-486,025	0		0
Tax due to aggregation of capital				-2,445	-2,445		-2,445
Change from associates				-44,684	-44,684		-44,684
Total other transactions	**244,528**	**1,651,747**	**-9,253,115**	**-6,534,356**	**-13,891,197**	**-60,567**	**-13,951,764**
Balance as at 31 December 2017	**54,155,050**	**41,025,743**	**8,599,334**	**96,223,695**	**200,003,822**	**1,431,345**	**201,435,168**
Balance as at 1 January 2018	**54,155,050**	**41,025,743**	**8,599,334**	**96,223,695**	**200,003,822**	**1,431,345**	**201,435,168**
Effect due to adoption of IFRS 9				-1,115,000	-1,115,000		**-1,115,000**
Adjusted balances as at 1st January 2018	**54,155,050**	**41,025,743**	**8,599,334**	**95,108,695**	**198,888,822**	**1,431,345**	**200,320,168**
Total comprehensive income for the period							
Net profit for the period				32,539,619	32,539,619	599,165	33,138,784
Other comprehensive income							
Foreign exchange differences				-1,024,275	-1,024,275	-41,997	-1,066,272
Reserve due to actuarial study			-176,209		-176,209		-176,209
Επανεκτίμηση ακινήτων			1,306,187		1,306,187	212,319	1,518,505
Total other comprehensive income	**0**	**0**	**1,129,978**	**-1,024,275**	**105,703**	**170,322**	**276,024**
Total comprehensive income after taxes	**0**	**0**	**1,129,978**	**31,515,343**	**32,645,321**	**769,487**	**33,414,808**
Other transactions registered in Equity							
Share capital increase	349,387	-349,387			0		0
Distributed dividends				-9,400,424	-9,400,424	-141,263	-9,541,687
Minority interests due to acquisition of interest in a subsidiary					0	640,762	640,762
Formation of reserves			1,212,949	-1,175,050	37,899	4,131	42,030
Tax due to aggregation of capital				-3,494	-3,494		-3,494
Change from associates				-243,666	-243,666		-243,666
Total other transactions	**349,387**	**-349,387**	**1,212,949**	**-10,822,633**	**-9,609,684**	**503,630**	**-9,106,054**
Balance as at 31 December 2018	**54,504,438**	**40,676,356**	**10,942,261**	**115,801,405**	**221,924,459**	**2,704,462**	**224,628,921**

Since 01/01/2018, the Group and the Company applied IFRS 9 and 15. Analytical information is presented in the paragraph 4.7.7 "Significant accounting policies".

4.4 STATEMENT OF CHANGES IN COMPANY'S EQUITY FOR THE PERIOD

Ποσά σε €	Attributed to shareholders of the parent				
	Share Capital	Share Premium	Readjustments Reserve and other reserves	Balance of profit / losses	Total
Balance as at 1 January 2017	**53,910,522**	**39,373,996**	**81,376,402**	**-49,101,878**	**125,559,042**
Net profit for the period				20,765,902	20,765,902
Other comprehensive income					
Reserve due to actuarial study			-54,578		-54,578
Total other comprehensive income	**0**	**0**	**-54,578**	**0**	**-54,578**
Total comprehensive income after taxes	**0**	**0**	**-54,578**	**20,765,902**	**20,711,324**
Other transactions registered in Equity					
Purchase of treasury shares			-9,739,140		-9,739,140
Share capital increase	244,528	70,992			315,520
Stock options		1,580,755			1,580,755
Tax due to aggregation of capital				-2,445	-2,445
Distributed dividends			-6,001,203		-6,001,203
Effect due to absorption				-380,857	-380,857
Formation of reserve from collected dividends			16,000,000	-16,000,000	0
Total other transactions	**244,528**	**1,651,747**	**259,657**	**-16,383,302**	**-14,227,370**
Balance as at 31 December 2017	**54,155,050**	**41,025,743**	**81,581,482**	**-44,719,278**	**132,042,996**
Balance as at 1 January 2018	**54,155,050**	**41,025,743**	**81,581,482**	**-44,719,278**	**132,042,996**
Effect due to adoption of IFRS 9				-710,000	**-710,000**
Adjusted balances as at 1st January 2018	**54,155,050**	**41,025,743**	**81,581,482**	**-45,429,278**	**131,332,996**
Total comprehensive income for the period					
Net profit for the period				4,206,859	4,206,859
Other comprehensive income					
Reserve due to actuarial study			-176,209		-176,209
Total other comprehensive income	**0**	**0**	**-176,209**	**0**	**-176,209**
Total comprehensive income after taxes	**0**	**0**	**-176,209**	**4,206,859**	**4,030,650**
Other transactions registered in Equity					
Share capital increase	349,387	-349,387			0
Distributed dividends			-9,400,424		-9,400,424
Formation of reserves			811,628	-811,628	0
Tax due to aggregation of capital				-3,494	-3,494
Total other transactions	**349,387**	**-349,387**	**-8,588,796**	**-815,121**	**-9,403,918**
Balance as at 31 December 2018	**54,504,438**	**40,676,356**	**72,816,477**	**-42,037,541**	**125,959,729**

Since 01/01/2018, the Group and the Company applied IFRS 9 and 15. Analytical information is presented in the paragraph 4.7.7 "Significant accounting policies".

4.5 STATEMENT OF CASH FLOWS

Amounts in €	Group		Company	
	01.01 - 31.12.2018	**01.01 - 31.12.2017**	**01.01 - 31.12.2018**	**01.01 - 31.12.2017**
Operating Activities				
Earnings / (loss) before tax (continuing activities)	38,780,300	34,665,574	3,889,767	22,862,769
Plus/minus adjustments for:				
Depreciation/Amortization	6,419,774	5,153,997	3,892,074	3,387,530
Impairment of tangible and itangible assets	0	321,000	0	265,130
Revaluation of fixed assets	-584,344	0	0	0
Foreign Exchange differences	958,233	-92,711	28,292	-20,591
Results (income, expenses, profits and losses) from investing activities	-10,264,573	-8,484,533	-707,705	-16,738,171
Interest expense and related expenses	2,203,435	1,891,800	1,519,909	1,474,516
Decrease / (increase) in inventories	-9,980,910	-4,060,691	-4,557,030	-4,911,151
Decrease / (increase) in receivables	-8,569,627	-243,359	-653,426	-108,176
(Decrease) / increase in liabilities (other than to banks)	-2,085,420	4,280,608	-4,362,937	4,171,124
Less:				
Interest and related expenses paid	-2,453,664	-2,063,377	-1,578,104	-1,552,224
Tax paid	-3,851,951	-3,566,140	0	-61,972
Operating flows from discontinued activities	**0**	**0**	**0**	**0**
Total inflows / (outflows) from operating activities (a)	**10,571,254**	**27,802,169**	**-2,529,159**	**8,768,784**
Investing Activities				
Acquisition/Sale of subsidiaries, associates, joint ventures and other investments	-12,192,267	6,261,605	-864,610	1,207,549
Purchase of tangible and intangible fixed assets	-12,023,156	-9,256,906	-3,153,214	-7,893,343
Proceeds from sale of tangible and intangible assets	176,779	82,006	26,621	12,899
Interest received	202,433	258,195	67,618	177,530
Dividends received	5,647,106	3,130,672	30,265	7,070,586
Investment flows from discontinued activities	**0**	**0**	**0**	**0**
Total inflows / (outflows) from investing activities (b)	**-18,189,104**	**475,572**	**-3,893,320**	**575,221**
Financing Activities				
Proceeds from share capital increase	-3,494	313,075	-3,494	313,075
Proceeds from borrowings	42,507,286	3,000,000	41,000,000	3,000,000
Payment of borrowings	-37,963,734	-6,128,599	-28,400,000	-5,400,000
Dividends paid towards the shareholders of the parent	-8,717,736	-5,642,087	-8,717,736	-5,642,087
Dividends paid towards the non-controlling interests	-141,107	-62,058	0	0
(Πληρωμές)/Εισπράξεις από (αγορά)/πώληση ιδίων μετοχών	0	-9,739,140	0	-9,739,140
Financing flows from discontinued activities	**0**	**0**	**0**	**0**
Total inflows / (outflows) from financing activities (c)	**-4,318,786**	**-18,258,810**	**3,878,770**	**-17,468,153**
Net increase / (decrease) in cash and cash equivalents (a+b+c)	**-11,936,636**	**10,018,931**	**-2,543,710**	**-8,124,147**
Cash and cash equivalents at beginning of period	**44,946,833**	**34,854,308**	**14,212,976**	**22,337,123**
Effect from foreign exchange differences due to translation to euro	-230,430	73,594		0
Cash and cash equivalents at the end of the period	**32,779,766**	**44,946,833**	**11,669,266**	**14,212,976**

4.6 NOTES ON THE ANNUAL FINANCIAL STATEMENTS

4.6.1 The Company

Gr. Sarantis SA (the Company) has the legal form of a société anonyme and is the parent company of the Gr. Sarantis SA Group (the Group).

The Company's domicile is located at 26 Amarousiou – Chalandriou Street, Marousi Greece, The Company's central offices are also located at the same address.

The shares of Gr. Sarantis SA are listed on the main market of the Athens Exchange.

4.6.2 Group's Structure

The Group's companies, which are included in the consolidated financial statements, are the following:

Company	Domicile	Direct Participation Percentage	Indirect Participation Percentage	Total	Tax Unaudited Fiscal Years
Full Consolidation Method					
GR. SARANTIS S.A.	GREECE	PARENT			2013-2018
SARANTIS BULGARIA LTD	BULGARIA	0.00%	100.00%	100.00%	2014-2018
SARANTIS ROMANIA S.A.	ROMANIA	0.00%	100.00%	100.00%	2014-2018
SARANTIS BELGRADE D.O.O	SERBIA	0.00%	100.00%	100.00%	2014-2018
SARANTIS BANJA LUKA D.O.O	BOSNIA	0.00%	100.00%	100.00%	2016-2018
SARANTIS SKOPJE D.O.O	F.Y.R.O.M.	0.00%	100.00%	100.00%	2014-2018
SARANTIS POLSKA S.A.	POLAND	0.00%	100.00%	100.00%	2013-2018
POLIPAK SP.Z.O.O.	POLAND	0.00%	70.00%	70.00%	2013-2018
SARANTIS CZECH REPUBLIC sro	CZECH REPUBLIC	0.00%	100.00%	100.00%	2015-2018
SARANTIS HUNGARY Kft.	HUNGARY	0.00%	100.00%	100.00%	2016-2018
GR SARANTIS CYPRUS LTD	CYPRUS	100.00%	0.00%	100.00%	2013-2018
ZETAFIN LTD	CYPRUS	0.00%	100.00%	100.00%	2013-2018
ZETA COSMETICS LTD	CYPRUS	0.00%	100.00%	100.00%	2012-2018
WALDECK LTD	CYPRUS	0.00%	100.00%	100.00%	2012-2018
SAREAST CONSUMER PRODUCTS TRADING LTD	CYPRUS	0.00%	100.00%	100.00%	-
ELODE FRANCE S.A.R.L	FRANCE	100.00%	0.00%	100.00%	2012-2018
SARANTIS FRANCE S.A.R.L	FRANCE	100.00%	0.00%	100.00%	2012-2018
SARANTIS PORTUGAL Lda	PORTUGAL	0.00%	100.00%	100.00%	2014-2018
ASTRID TM A.S.	CZECH REPUBLIC	0.00%	100.00%	100.00%	2015-2018
SARANTIS SLOVAKIA S.R.O	SLOVAKIA	0.00%	100.00%	100.00%	2015-2018
SANECA TRADE CZ S.R.O.	CZECH REPUBLIC	0.00%	100.00%	100.00%	2015-2018
IVYBRIDGE VENTURES LTD	CYPRUS	0.00%	90.00%	90.00%	2017-2018
ERGOPACK LLC	UKRAINE	0.00%	90.00%	90.00%	2018
HOZTORG LLC	RUSSIA	0.00%	90.00%	90.00%	2016-2018
Equity Consolidation Method					
ELCA COSMETICS LTD	CYPRUS	0.00%	49.00%	49.00%	2012-2018
ESTEE LAUDER HELLAS S.A.	GREECE	0.00%	49.00%	49.00%	2012-2018
ESTEE LAUDER BULGARIA EOOD	BULGARIA	0.00%	49.00%	49.00%	2014-2018
ESTEE LAUDER ROMANIA S.A.	ROMANIA	0.00%	49.00%	49.00%	2014-2018

Business activity

The Group is active in the production and trade of cosmetics, household products and parapharmaceutical items.

The Group's basic activities have not changed since the previous year.

Acquisitions of Companies

A. On 11th January 2018, Sarantis Group announced the acquisition of INDULONA, a cosmetics brand with significant presence in Slovakia and Czech Republic.

More specifically, Sarantis Group signed an agreement for the acquisition of the 100% of the share capital of the Slovakian company SANECA TRADE S.R.O. and its Czech subsidiary SANECA TRADE CZ S.R.O.

This acquisition, completed within the context of the Group's strategic growth plan, further enriches the Group's brand portfolio, reinforces its position as a leading consumer products company and supports further the Group's geographical footprint in its territory.

INDULONA is a well-known, award-winning cosmetics brand boasting a 70-year history of successful presence in both the Czech and the Slovakian market within the subcategories of hand care, body care and foot care. It is the most popular and No 1 selling product within the hand care category in both Czech Republic and Slovakia.

The acquisition cost amounted to 8.83 million euros and was financed through the Group's own cash.

This acquisition, completely aligned with the Group's strategy, is a great fit within the Group's portfolio and demonstrates multiple benefits and opportunities for the future. Not only will the existing Czech business be further reinforced with a highly recognized brand name, but also, leveraging INDULONA's strong commercial operation within Slovakia, the Group's existing presence in the particular market will increase significantly.

Furthermore, INDULONA, offers numerous expansion opportunities for the future within its existing and adjacent subcategories in its present markets, while the brand's know-how can be utilized in the rest of the Group's countries.

The fair values of the assets and liabilities of the Group SANECA TRADE S.R.O. at the acquisition date were the following:

	Fair Value
Tangible Fixed Assets	3,421 €
Intangible Fixed Assets	198,690 €
Brand	9.588.230 €
Inventories	966,981 €
Trade and other short-term receivables	1,442,839 €
Cash and cash equivalents	421,262 €
Other transitory asset accounts	81,518 €
Provisions and other long-term liabilities	-6,014 €
Trade and other short-term liabilities	-1,465,075 €
Short-term provisions	-842,057 €
Deferred liabilities	-1,821,764 €
Total fair value of the net recognized assets	**8,568,032 €**
Goodwill recognized at the acquisition	261,968 €
Total acquisition price	**8,830,000 €**

Cash flow analysis at the acquisition:	
Cash and cash equivalents acquired	421,262 €
Acquisition price in cash paid at the acquisition date	-8,500,000 €
Net cash flow at the acquisition	**-8,078,738 €**
Acquisition price in cash paid after the acquisition date	-330.000 €
Net cash flow during the semi-annual period of 2018	**-8,408,738 €**

B. On 23rd March 2018, Sarantis Group announced the signing of an agreement to acquire ERGOPACK GROUP in Ukraine.

More specifically, GR. Sarantis Cyprus Ltd, a 100% subsidiary of GR. SARANTIS S.A., signed an agreement for the acquisition of 90% of the share capital of the company Ivybridge Ventures Limited. Ivybridge Ventures Limited fully controls (by 100%) the companies Ergopack LLC in Ukraine and Hoztorg LLC in Russia.

Ergopack is involved in the production and distribution of household products, with the major categories being Garbage Bags, Food Packaging and Cleaning items for the Household.

Annual sales of Ergopack Group during 2017 amounted to c. USD 29 million.

Ergopack has significant exporting activity originating from its operations in Ukraine and reaching 46% of the total turnover. The company exports products to countries such as the Commonwealth of Independent States (CIS), Russia, Belarus, Kazakhstan, Moldova, Azerbaijan, Georgia, Poland, Latvia, etc.

Sarantis acquired 90% of Ergopack's share capital, with the acquisition being finance via the Group's own cash reserves.

Ergopack is a leading player in the growing Ukrainian Household market with an increasing market share through the years.

The company's portfolio consists of 3 major flagship brands: Melochi Zhizni, Domi and Novax.

The company also owns a modern production complex near Kiev, which has all necessary infrastructures for its production process.

This acquisition is in line with the Group's strategic growth plan and marks the Group's entrance in a new promising territory. Apart from the efficient integration of the newly acquired company into the Group, the management's focus will be drawn towards achieving synergies and taking advantage of opportunities that will arise in terms of brand portfolio expansion and further geographical development.

More specifically, Sarantis Group is intending to introduce in the above markets the great European brands of its portfolio and in particular, the cosmetics business which is already the leader in the CE European markets of the current operation.

The fair values of the assets and liabilities of Ergopack Group at the acquisition date were the following:

	Fair Value
Tangible Fixed Assets	3,471,648 €
Intangible Fixed Assets	75.05 €
Brand	8,969,284 €
Deferred Receivables	855.94 €
Other long-term receivables	20.26 €
Inventories	3,668,214 €
Trade and other short-term receivables	6,674,192.0
Cash and cash equivalents	134.58 €
Other transitory asset accounts	10.81 €
Provisions and other long-term liabilities	-300,268 €
Short-term loans and other liabilities	-9,616,538 €
Trade and other short-term liabilities	-3,387,785 €
Other transitory liability accounts	-1,541,639 €
Short-term provisions	-1,504,962 €
Deferred liabilities	-1,121,161 €
Total fair value of the net recognized assets	**6,599,844 €**
Fair value of net recognized assets that corresponds to non-controlling business interests	-640,762 €
Goodwill recognized at the acquisition	544,744 €
Total acquisition price	**6,311,599 €**

Cash flow analysis at the acquisition:		
	Cash and cash equivalents acquired	134,575 €
	Acquisition price in cash paid at the acquisition date	-3,931,171 €
Net cash flow at the acquisition		**-3,796,596 €**
	Acquisition price in cash paid after the acquisition date	-2,380,428 €
	Net cash flow during the semi-annual period of 2018	**-6,177,024 €**
	Remaining acquisition price in cash payable up until 31/12/2018	0 €

The final calculation of the fair value of Ergopack's assets and liabilities, resulted in immaterial adjustments compared to 30/06/2018, which are analyses as follows:

1. Trade and other short-term receivables	-25,411 €
2. Trade and other short-term liabilities	-10,445 €
3. Other transitory liability accounts	-152,458 €
4. Short-term provisions	-3,913 €
Total fair value of net recognizable assets	**-192,227 €**
Fair value of net recognizable assets pertaining to the non-controlling interest	19,223 €
Goodwill recognized at acquisition	173,004 €

Since the acquisition date (May 2018) and until 31/12/2018 the revenure (turnover) and the EBIT from the companies Ergopack LLC and Hoztorg LLC amounted to 18.86 mil. euros and 0.80 mil. euros respectively. Further analysis is given in paragraph 4.10.32.

4.7 BASIS FOR THE PREPARATION OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

4.7.1 Compliance with IFRS

The consolidated and individual financial statements of "GR. SARANTIS S.A." are in accordance with the International Financial Reporting Standards (IFRS), which have been issued by the International Accounting Standards Board (IASB) as well as their interpretations, which have been issued by the International Financial Reporting Interpretations Committee (IFRIC) of IASB that have been adopted by the European Union.

4.7.2 Basis for the preparation of the financial statements

The consolidated and parent financial statements of "GR. SARANTIS SA" have been compiled on the basis of the "going concern" principle as well as on the basis of the historical cost principle, apart from the financial assets at fair value through results, available for sale, which based on the requirements of IFRS are recorded at fair value.

4.7.3 Approval of financial statements

The annual consolidated financial statements have been approved by the Company's Board of Directors on 10 April 2019 and are subject to the approval of the Annual Shareholders General Meeting.

4.7.4 Covered period

The present annual consolidated financial statements include the financial statements of "GR. SARANTIS S.A." and its subsidiaries, which together are referred to as the Group, and cover the period from January 1st 2018 to December 31st 2018.

4.7.5 Presentation of the financial statements

The present financial statements are presented in €, which is the Group's operating currency, namely the currency of the primary economic environment in which the parent Company operates.

4.7.6 Significant judgments and estimations by Management

The Group and the Company make estimates and assumptions related to the future. Therefore these estimates will rarely be identical to actual events. Estimates and assumptions that involve a significant revaluation risk in the book value of assets and liabilities in the subsequent period are reported below.

Estimates and assumptions are continually revalued and rely on past evidence and experience as adjusted in line with current market conditions and other factors including expectations for future events that are considered reasonable under current circumstances. The actual results may differ from the above estimates under different assumptions or conditions. Significant accounting estimates and assumptions relating to future and other principal sources of uncertainty at the date of preparation of the financial statements that present a significant risk of causing material adjustments to the book values of assets and liabilities in the next financial year are as follows:

Impairment of goodwill

The Group and the Company assess whether there is impairment of goodwill at least on an annual basis. Therefore, it is necessary to estimate the value in use of each cash-generating unit to which goodwill has been allocated. Estimated value in use requires the Group and the Company to estimate the future cash flows of the cash-generating units and to select the appropriate discount rate, based on which the present value of the future cash flows will be determined. An analysis of impairment testing is included in note 4.10.3.

Estimation of the useful life of assets

The Group and the Company value the useful lives of tangible and intangible fixed assets. These estimates shall be reviewed at least on a yearly basis taking into account new circumstances and market conditions.

Own used assets

With respect to land and plots, fair value is determined by approved appraisers based on international rules and guidelines, taking into account comparative evidence of recent or past real estate prices in the wider real estate area as well as its specific features such as location, size, quality construction and maintenance status. These estimates are reassessed at regular intervals.

Investment property

The fair value determination is carried out by approved appraisers by the comparative method, taking into account comparative data of recent and / or past real estate prices in the wider real estate area as well as its specific features such as location, size, quality of construction and maintenance status. These estimates are reassessed on at least a yearly basis.

Provision for income tax

The income tax provision under IAS 12 "Income Taxes" relates to the amounts of taxes that are expected to be paid to the tax authorities and includes the provision for current income tax and the provision for any additional taxes that may arise as a result of control by the tax authorities. Group companies are subject to different income tax laws and therefore significant management assessment is required to determine the Group's income tax income. Income tax expense may differ from these estimates due to future changes in tax legislation, significant changes in the laws of the countries in which the Group and the Company operate or unforeseen consequences from the final determination of the tax liability of each fiscal year by the tax authorities .These changes may have a significant impact on the Group's and Company's financial position. In the event that the resulting additional taxes are different from the amounts initially recorded, these differences will affect income tax and deferred tax provisions in the use that has been made to determine tax differences.

Deferred tax receivables

Deferred tax assets and liabilities are recognized in the event of temporary differences between the book value and the tax base of assets and liabilities using the tax rates that have been enacted and are expected to apply in the periods when those differences are expected to be eliminated. Deferred tax receivables are recognized for all deductible temporary differences and tax losses transferred to the extent that it is probable that taxable profit will be available and will be used against the deductible temporary differences and the transferred unused tax losses. The Group and the Company take into account the existence of future taxable income and follow a continuous conservative tax planning strategy in assessing the recovery of deferred tax receivables. Accounting estimates related to the deferred tax receivables require the management to make assumptions about the timing of future events, such as the probability of expected future taxable income and the available tax planning capabilities.

Inventories

Inventories are valued at the lower of their acquisition cost and their net realizable value. Net realizable value is the estimated selling price in the ordinary course of business of the Group companies less the estimated cost necessary to make the sale. The management of the Group makes estimates for the calculation of any provision for impairment of inventories, including, but not limited to, the maturity of inventories, their movement through use, planning for the next period, and an estimate of the future selling price.

Provisions for expected credit losses from customer receivables and contract assets

The Group applies the simplified approach of IFRS 9 for the calculation of expected credit losses, according to which the provision for impairment is always measured at the amount of the expected credit losses over the life of the receivables from customers. At each balance sheet date, the historical percentages used and the estimates of the future financial situation are updated.

The correlation between the historical data, the future financial situation and the expected credit losses includes significant estimates. The amount of expected credit losses depends to a large extent on the changes in the conditions and forecasts of the future financial situation. In addition, past experience and forecasts for the future may not lead to conclusions indicative of the actual amount of customer default in the future. Additional analysis is included in Notes 4.7.7 and 4.10.5.

Liabilities in relation to post employment benefits

The present value of the pension benefits of defined benefit plans is based on a number of factors identified using actuarial methods and assumptions. Such actuarial assumptions are the discount rate used to calculate the cost of provision and the rate of wage increases. Any changes in these assumptions will affect the balance of pension liabilities. The Company determines the appropriate discount rate at the end of each financial year. This is defined as the interest rate that should be used to determine the present value of future cash flows that are expected to be required to meet pension plan liabilities. In determining the appropriate discount rate, the Company uses the interest rate on low-risk corporate bonds that are converted into the currency in which the liability will be paid and whose maturity date is close to that of the relevant pension liability. Additional analysis is included in note 4.10.24.

Business combinations

When acquiring a company, the fair value and useful life of the acquired tangible and intangible assets are determined, where estimations are required. Future events could cause changes in the assumptions used by the Group, which could have an impact on the Group's results and equity.

Contingent liabilities

The Group and the Company are involved in various disputes and legal proceedings. The Group and the Company review the status of each significant case on a periodic basis and evaluate the potential economic risk, based on the views of legal advisers. If the potential loss from any litigation or legal case is considered probable and the amount can be estimated reliably, the Group and the Company calculate a provision for the estimated loss. Both the determination of the probability and the determination of whether the risk can be reliably estimated require the management's judgment to a significant degree. When additional information becomes available, the Group and the Company reconsider the probable liability for outstanding litigation and legal affairs and may review the estimates of the probability of an adverse effect and the related estimate of potential loss. Such revisions to the estimates of the probable liability may have a material effect on the Group's and Company's financial position and results.

4.7.7 Significant Accounting Policies

The significant accounting policies that were adopted in the preparation of the financial statements of the Group are presented in the note 4.8. The policies are applied on a consistent manner for all annual periods unless it is stated otherwise.

a. New Accounting Standards, amendments of standards and Interpretations applied in the financial statements

IAS / IFRS	*Adoption Date*
IFRS 9 «Financial Instruments»	1 January 2018
IFRS 15 «Revenue from Contracts with Customers»	1 January 2018
IFRS 2 (Amendment) «Classification and Measurement of Share Based Payment Transactions»	1 January 2018
IFRS 4 (Amendment) «Applying the IFRS 9 Financial Instruments in conjunction with the IFRS 4 Insurance Contracts»	1 January 2018
Annual improvements in IFRS (Cycle 2014 – 2016), (IFRS 1 «First Adoption of the International Financial Reporting Standards», IAS 28 « Investments in Associates and Joint Ventures »)	1 January 2018
IAS 40 (Amendment) «Transfers of Investment Property»	1 January 2018
IFRIC 22 «Foreign Currency Transactions and Advance Consideration»	1 January 2018

Of the above amendments, the standards which had significant impact on the preparation of financial statements of year 2018 and led to significant changes in the applied accounting policies were the following:

- The IFRS 9 «Financial Instruments» and
- The IFRS 15 «Revenue from Contracts with Customers»

The effect from the application of the new standards in the recognition and measurement of the transactions is disclosed in the Statement of Changes in Equity and more analytically in the following notes:

IFRS 9 "Financial Instruments"

IFRS 9 "Financial Instruments" replaces IAS 39 "Financial Instruments: Recognition and Measurement" for annual periods beginning on or after 1st January 2018, and primarily affects the classification & measurement, the impairment and the hedge accounting of the financial instruments.

Classification & measurement

On 1st January 2018 (the date of initial application of IFRS 9), the management of the Company and the Group assessed which business models apply to the financial assets held by the Company and the Group and classified its financial assets into the appropriate categories based on IFRS 9.

The Company and the Group initially measure their financial assets at fair value plus transaction costs, in the case of a financial asset not being measured at fair value through the income statement. The transaction costs of financial assets carried at fair value through the income statement are being expensed. The trade receivables are initially being measured at their transaction price.

According to the provisions of IFRS 9, the securities are subsequently measured at their amortized cost or at fair value through the other comprehensive income or at fair value through the income statement. The classification is based on two criteria: a) the business model concerning the management of the financial instruments, and b) whether the instruments' contractual cash flows represent "solely payments of principal and interest" on the outstanding amount of principal (the "SPPI criterion").

Impairment

The Company and the Group recognize provisions for expected credit losses (ECLs) for all financial assets except for those measured at "fair value through the profit & loss" (FVTPL). ECLs are based on the difference between the contractual cash flows due in accordance with the respective contract and the total cash flows that the Company and the Group expects to receive. The shortfall is then discounted by using an approximation of the financial asset's initial effective interest rate. With regard to the contractual assets, trade receivables and lease receivables, the Company and the Group have applied the standard's simplified approach and calculated the ECLs based on expected credit losses emerging from their entire life of the assets.

The Company and the Group applied the standard beginning from 1st January 2018 on retrospective basis without proceeding into any revision of the comparative information of the previous years. Therefore, the adjustments that were made from the new classification and the new impairment rules do not appear in the statement of financial position as of 31st December 2017 and instead are depicted in the Statement of Changes in Equity of the period.

The following table summarizes the adjustments which were recognized in the statement of financial position on 1st January 2018 due to the adoption of IFRS 9:

Amounts in €	Group			Company		
	31.12.2017	IFRS 9 based Adjustments due to Transition	1/1/2018 Adjusted	31.12.2017	IFRS 9 based Adjustments due to Transition	1/1/2018 Adjusted
ASSETS						
Non-current assets	**105,463,774**	**-**	**105,463,774**	**94,004,152**	**-**	**94,004,152**
Tangible fixed assets	43,357,040	-	43,357,040	33,496,780	-	33,496,780
Investments in Property	528,505	-	528,505	190,146	-	190,146
Intangible assets	36,238,001	-	36,238,001	18,910,586	-	18,910,586
Company goodwill	7,194,613	-	7,194,613	1,100,000	-	1,100,000
Deferred tax assets	167,160	-	167,160	0	-	0
Investments in subsidiaries, associates	17,256,128	-	17,256,128	40,166,849	-	40,166,849
Other long-term receivables	722,328	-	722,328	139,790	-	139,790
Current assets	**200,888,302**	**-1,500,000**	**199,388,302**	**111,446,309**	**-1,000,000**	**110,446,309**
Inventories	65,600,124	-	65,600,124	34,040,136	-	34,040,136
Trade receivables	80,935,997	-1,500,000	79,435,997	41,508,936	-1,000,000	40,508,936
Other receivables	5,016,110	-	5,016,110	18,190,561	-	18,190,561
Cash & cash equivalents	44,946,833	-	44,946,833	14,212,976	-	14,212,976
Financial assets at fair value through profit and loss	2,978,000	-	2,978,000	2,978,000	-	2,978,000
Prepayments and accrued income	1,411,238	-	1,411,238	515,701	-	515,701
Total Assets	**306,352,076**	**-1,500,000**	**304,852,076**	**205,450,461**	**-1,000,000**	**204,450,461**
Shareholders' EQUITY:						
Share capital	54,155,050	-	54,155,050	54,155,050	-	54,155,050
Share premium account	41,025,743	-	41,025,743	41,025,743	-	41,025,743
Reserves	8,599,334	-	8,599,334	81,581,482	-	81,581,482
Profit (losses) carried forward	96,223,695	-1,115,000	95,108,695	-44,719,278	-710,000	-45,429,278
Total Shareholders' Equity	**200,003,822**	**-1,115,000**	**198,888,822**	**132,042,996**	**-710,000**	**131,332,996**
Non controlling interest:	**1,431,345**	**-**	**1,431,345**	**0**	**-**	0
Total Equity	**201,435,168**	**-1,115,000**	**200,320,168**	**132,042,996**	**-710,000**	**131,332,996**
LIABILITIES						
Long-term liabilities	**31,136,472**	**-385,000**	**30,751,472**	**29,001,622**	**-290,000**	**28,711,622**
Loans	26,018,341	-	26,018,341	26,000,000	-	26,000,000
Deferred tax liabilities	3,295,285	-385,000	**2,910,285**	1,689,160	-290,000	1,399,160
Provisions for post employment employee benefits	1,419,942	-	1,419,942	1,312,462	-	1,312,462
Provisions - Long-term liabilities	402,903	-	402,903	0	-	0
Short-term liabilities	**73,780,436**	**-**	**73,780,436**	**44,405,842**	**0**	**44,405,842**
Suppliers	56,285,349	-	56,285,349	31,403,550	-	31,403,550
Other liabilities	7,046,375	-	7,046,375	8,912,369	-	8,912,369
Income taxes - other taxes payable	2,603,596	-	2,603,596	745,355	-	745,355
Loans	5,708,068	-	5,708,068	2,400,000	-	2,400,000
Accruals and deferred expenses	2,137,049	-	2,137,049	944,568	-	944,568
Total Equity & Liabilities	**306,352,076**	**-1,500,000**	**304,852,076**	**205,450,461**	**-1,000,000**	**204,450,461**

Finally, the Company and the Group chose not to apply any hedge accounting on 1st January 2018 under the new standard.

IFRS 15 "Revenue from Contracts with Customers"

The IFRS 15 supersedes the standards IAS 11 "Construction Contracts", IAS 18 "Revenues" as well as all related Interpretations concerning revenues from contracts with customers, unless those contracts are in the scope of other accounting standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers.

According to the IFRS 15, the revenues are being recognized at the amount which an economic entity expects to fairly receive or be entitled to in exchange for the transfer of goods or services to a customer. Also, the standard defines the accounting for the incremental costs or expenses when obtaining a contract and the expenses directly related to fulfilling a contract.

Revenue is defined the amount which an economic entity expected to receive in exchange for the goods or services which were transferred to a customer unless the amounts which are being received for the account of third parties (value added tax, other taxes on the sales). The variable amounts are included in the transaction price and are being estimated by utilizing either the "expected value" method, or the "most likely amount" method.

An economic entity recognizes revenues when (or as) a contractual obligation is satisfied by transferring the control of a promised good or service to the customer. The customer obtains control of a good or service if it has the ability to direct the use of and obtain substantially all of the remaining benefits from that good or service. Control is transferred over time or at a point in time.

The revenue from the sale of goods is recognized when control of the good is transferred to the customer, usually upon delivery and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

The Group's activity involves the production and distribution of consumer products. The main products of the Company and the Group are perfume products, personal care products, sun care products, hair care products, as well as food packaging products, plastic garbage bags and household cleaning products.

Net proceeds from sales are measured at the fair value of the consideration received or to be receivable and are declared net of discounts on sales and the consideration paid to customers. These are mainly sales incentives that are recognized as a reduction against sales income.

A trade receivable is recognized when there is an unconditional right possessed from an economic entity to receive a price consideration for the execution of contractual obligations towards the customer. The contractual asset is being recognized when the Company and/or the Group has satisfied all its obligations towards the customer, before the customer receives payment or before the payment is due, for example when goods or services are transferred to the customer before the Company and/or the Group has the right to invoice these goods or services.

A contractual obligation is recognized when there is an obligation to transfer goods or services to a customer for which the Company and/or the Group has received consideration from the customer (prepayment), or when there is an unconditional right possessed by the Company and/or the Group to receive consideration prior to the transfer of the good or service (deferred income). The contractual liability is derecognized when the related obligation is fulfilled and the revenue is recorded in the income statement.

The Group proceeded with the evaluation of the respective revenues by applying the five steps which are being described in the standard in order to detect those areas where it may be affected. The obligations that emerge from contracts with customers are being extended in subsequent fiscal years.

From 1st January 2018, the obligation for execution of contracts with customers is depicted as a deduction from the turnover thus affecting the gross profit margin and the distribution expenses, without however affecting the net profit.

The following table summarizes the adjustments in the statement of comprehensive income for the period 01/01/2017-31/12/2017 due to the adoption of IFRS 15:

Amounts in Euro	**Group**			**Company**		
	01.01 - 31.12.2017			**01.01 - 31.12.2017**		
	Total activities	**IFRS 15 based adjustments due to transition**	**Total activities adjusted**	**Total activities**	**IFRS 15 based adjustments due to transition**	**Total activities adjusted**
Revenue	343,156,320	-43,473,866	299,682,454	140,414,023	-9,969,890	130,444,133
Cost of sales	-183,200,661		-183,200,661	-78,796,931		-78,796,931
Gross operating profit	**159,955,659**	**-43,473,866**	**116,481,793**	**61,617,092**	**-9,969,890**	**51,647,202**
Other operating income	11,755,356	-1,194,038	10,561,318	4,166,090	-1,194,038	2,972,052
Administrative expenses	-15,907,043		-15,907,043	-8,328,536		-8,328,536
Distribution expenses	-121,298,849	44,667,903	-76,630,946	-51,257,955	11,163,928	-40,094,027
Operating profit (loss)	**34,505,123**	**0**	**34,505,123**	**6,196,691**	**0**	**6,196,691**
Financial income-expenses	160,452		160,452	16,666,078		16,666,078
Gain (loss) from revaluation of fixed assets	**34,665,574**	**0**	**34,665,574**	**22,862,769**	**0**	**22,862,769**
Earnings (loss) before taxes	-4,000,492		-4,000,492	0		0
Income tax	-1,680,426		-1,680,426	-2,096,867		-2,096,867
Deferred tax	**28,984,656**	**0**	**28,984,656**	**20,765,902**	**0**	**20,765,902**
Earnings (loss) after the deduction of tax (A)	**28,631,498**		**28,631,498**	**20,765,902**		**20,765,902**
Shareholders of the parent	**353,158**		**353,158**			**0**

For comparison purposes, the following tables present the analysis of the Group's sales per geographic area and per business segment for the period 01/01/2017-31/12/2017:

Geographic area	post IFRS 15	pre IFRS 15	IFRS 15 effect
Greece	112,212,240	122,182,130	9,969,890
Poland	55,310,817	62,157,676	6,846,859
Poland - Polipak	16,063,879	16,063,879	0
Romania	48,853,494	63,438,082	14,584,588
Bulgaria	13,345,050	15,590,242	2,245,193
Serbia	15,899,292	17,586,070	1,686,778
Czech Republic	16,425,396	20,018,286	3,592,890
Slovakia	2,895,101	3,671,021	775,920
Hungary	10,279,171	12,512,177	2,233,006
FYROM	3,979,729	4,189,942	210,213
Bosnia	2,839,791	2,871,986	32,195
Portugal	1,578,495	2,874,829	1,296,334
Total Turnover	**299,682,454**	**343,156,320**	**43,473,866**

*Intra-group sales are excluded.

Business Activity	post IFRS 15	pre IFRS 15	IFRS 15 effect
Cosmetics	137,002,807	164,098,847	27,096,040
Household Products	104,201,345	120,298,454	16,097,108
Private Label	16,063,879	16,063,879	-
Other Sales	42,414,423	42,695,140	280,717
Total Turnover	**299,682,454**	**343,156,320**	**43,473,866**

b. New Accounting Standards, amendments of standards and Interpretations that are mandatorily applied in subsequent periods

Title	*Applied in annual accounting periods beginning on*	*Approval from the EU*
IFRS 16 «Leases»	1 January 2019	Yes
IFRS 9 (Amendment) «Prepayment features with negative compensation»	1 January 2019	Yes
IFRIC 23 «Uncertainty over Income Tax Treatments»	1 January 2019	Yes
IAS 28 (Amendment) «Long-term interests in associates and joint ventures»	1 January 2019	No
Annual improvements in IFRS (Cycle 2015 – 2017) (IFRS 3 «Business Combinations», IFRS 11 «Joint Arrangements», IAS 12 «Income Taxes», IAS 23 «Borrowing Costs»)	1 January 2019	No
IAS 19 (Amendment) «Defined benefit plan amendment, Curtailment or Settlement»	1 January 2019	No
Amendments to References to the Conceptual Framework of the Preparation of Financial Statements (release on 29 March 2018)	1 January 2020	No
Amendments to IFRS 3 Business Combinations (release on 22 October 2018)	1 January 2020	No
Amendments to IAS 1 and IAS 8: Definition of "Material" (release on 31 October 2018)	1 January 2020	No

IFRS 17 «Insurance Contracts»	1 January 2021	No

Of the amendments that are being applied mandatorily in subsequent periods, a significant impact is expected on the Financial Statements of the Group due to the application of the following standards:

- IFRS 16 «Leases» and
- IFRIC 23 «Uncertainty over Income Tax Treatments»

The Group has proceeded with the respective processes and expects the effect from the above changes to be as following:

IFRS 16 «Leases»

IFRS 16 introduces a unified model for the accounting treatment on behalf of the lessee. The model requires that the lessee recognizes assets and liabilities for all leasing agreements with duration longer than 12 months, unless the underlying asset has no significant value.

With regard to the accounting treatment from the side of the lessor, IFRS 16 practically incorporates the requirements of IAS 17. As a result, the lessor continues to categorize the leasing agreements between operating and financial ones, and to follow different accounting treatment for each type of leasing agreement.

The standard will mainly affect the existing accounting treatment of the operating leases of the Company and the Group.

When determining the lease term, the management reviews all relevant events and circumstances that create an economic incentive to exercise the right to extend the lease or to not exercise the right to terminate the lease. Extension rights (or periods of termination) are included in the lease term only if it is reasonably certain that it will be extended (or not terminated).
A reassessment of the lease term takes place with the occurrence of a significant event or a significant change in circumstances that affects this estimate and falls under the control of the lessee. To determine the reference borrowing rate to be used, the Group uses its judgment to set the appropriate reference rate and the corresponding credit spread.

Operating leases which will be recognized in the balance sheet after the adoption of IFRS 16, mainly concern cars and buildings.
The Group and the Company will apply the standard from the mandatory adoption date on the 1st of January 2019. They intend to apply the simplified transition method and will not restate the comparative figures for the year prior to the first adoption of the standard. In addition, the Group has decided to reduce the degree of complexity of the implementation of the standard by making use of practical solutions that are being allowed by the model such as:
(i) Apply the exception of leases being treated as short-term leases when they do not provide a purchase option, and
(ii) apply the exemption of low value leases to leases of underlying assets with a low value.

The Group has not yet completed its assessment of the effect of IFRS 16 as it is in the process of implementing a new system software and finalizing IFRS accounting policies, procedures and audit procedures of IFRS 16.

The Group expects to recognize on the 1st of January 2019 liabilities from leases between € 13.8 mil. and € 14.8 mil. The impact on equity will be insignificant.

In addition, it is not expected that the other amendments that are mandatory to be applied in subsequent periods will have a material impact on the financial statements of the Company and the Group.

IFRIC 23 «Uncertainty over Income Tax Treatments»

The company reviews the issues which have uncertain income tax treatment either separately or jointly based on an approach that might provide the best possible estimations for resolving these issues. In addition, the company will estimate both the tax rate and the tax basis by taking into consideration the possibility of the income tax authority accepting the particular treatment of the tax issues. In any other case, the company should use along its calculations either the "expected value" method or the "most likely amount" method.

Other Amendments
The other amendments applied mandatorily in subsequent periods are not expected to have significant impact on the financial statements of the Group.

4.8 BASIC ACCOUNTING PRINCIPLES

4.8.1 Consolidation

4.8.1.1 Subsidiaries

The Group's subsidiaries are legal entities on which the Group has the ability to set the operational and financial policies, usually by participating in their share capital with a voting right over 50%. The existence and effect of voting rights that may be exercised or converted are taken into account when establishing whether the Group controls a legal entity.

Subsidiaries are consolidated with the full consolidation method from the date that control is transferred to the Group and cease to be consolidated from the date that this control no longer exists.

The accounting method of the acquisition is used for the accounting entries of the subsidiaries' acquisition by the Group. The acquisition cost is calculated as the fair value of assets acquired, liabilities assumed or existing and financial products issued during the transaction date. Expenses related to the acquisition are registered in the results. The assets acquired, the liabilities and contingent liabilities assumed during a business combination are initially recognized at fair value during the acquisition date. According to the case, the Group recognizes the value of the minority interest either at fair value or as a percentage of the minority shareholders on the net assets acquired. The difference between the acquisition cost, the proportion of the minority interest plus fair value during the acquisition date of a previous participation and the Group's share in the net assets acquired, is booked as goodwill. If this value is less than the fair value of net assets acquired, the difference is registered directly in the results.

Transactions between group companies and unrealized profit related to transactions between Group companies are eliminated. Unrealized losses are also eliminated. The accounting principles of subsidiaries have been amended when necessary in order to conform to the accounting principles of the Group. In the financial statements of the parent company, investments in subsidiaries are valued at acquisition cost minus any cumulative impairment loss.

4.8.1.2 Investments in associate companies

Associates are companies on which the Group can exert significant influence but which do not fulfill the conditions to be classified as subsidiaries or joint ventures. Significant influence is the authority to participate in decisions that regard decisions for the issuer's financial and business policies, but not control on such polices. Significant influence is usually implied when the group holds a percentage between 20% and 50% of the voting rights through ownership of shares or another type of agreement.

Investments in associates are initially recognized at cost and are subsequently valued using the equity method for consolidation purposes. Goodwill is included in the book cost of the investment and is examined for impairment as part of the investment.

When an economic unit of the group transacts with a group's associate company, any possible intra-company profit and losses are written-off by the participation percentage of the group in the relevant associate company.

All subsequent changes of the participation percentage in the associate company's net position are recognized in book value of the group's investment.

Changes that arise from the profit or losses of associates are registered in the consolidated profit and loss account.

Changes that have been directly recognized in equity of the associates are recognized in the group's consolidated equity.

Any changes recognized directly in equity that are not related to a result, such as the distribution of dividends or other transactions with shareholders of the associate, are registered in the book value of the participation. No effect in the net result or equity is recognized in the context of such transactions.

When the share of losses in as associate for the group is equal or over the book value of the investment, including any other secured receivables, the group does not recognize further losses, unless it has been burdened with commitments or has proceeded with payments on behalf of the associate.

The accounting policies of associates are amended when deemed necessary in order to render such consistent with the policies adopted by the group.

In the parent's financial statements, investments in associates are valued, according to IAS 28, at acquisition cost minus any accumulated impairment loss.

4.8.1.3 Joint agreements

Investments in joint arrangements are classified as joint activities or joint ventures and their classification depends on the contractual rights and obligations of each investor.

The Group assessed the nature of the joint arrangements' investments and decided that they form joint ventures. The joint ventures are accounted based on equity method. Based on the equity method, participations in joint ventures are recognized initially at the acquisition cost and adjusted to the Group's share on operating profit (or loss) and on the total other joint venture's profits.

Where the Group's share of the losses of a joint venture is equal or greater than that of the participation in the joint venture, the Group does not recognize any further losses unless it has incurred obligations or has made payments for the joint venture's account.

Non-realized profits from transactions among the Group and the joint-ventures are eliminated according to the participation share of the Group in the joint ventures. Non-realized losses are also eliminated, unless there is evidence from the transaction for the impairment of the assets that have been transferred. In the Company's separate financial statements, the participations in joint ventures appear in the acquisition cost minus any impairment losses, if any.

4.8.2 Foreign currency translation

Transactions in foreign currency are translated to the operating currency using exchange rates in effect during the date of the transactions.

Profit and losses from foreign exchange difference, which arise from the settlement of such transactions during the period and from the conversion of monetary items expressed in foreign currency with the effective exchange rates during the balance sheet date, are registered in the results.

Foreign exchange differences from non-monetary items valued at fair value, are considered as part of the fair value and thus are registered accordingly as fair value differences.

Items of the financial statements of the group's companies are calculated based on the currency of the economic environment in the country where each group company operates.

The individual financial statements of companies participating in the consolidation, and which are initially presented in a currency different than the group's presentation currency, have been converted to €. The assets and liabilities have been converted to € according to the closing exchange rate during the balance sheet date. Income and expenses have been converted to the group's presentation currency at average exchange rates of each reported period. Any differences that arise from this procedure have been transferred to an equity reserve.

4.8.3 Financial information by segment

The company's Board of Directors is the main decision maker and controls the internal financial reporting in order to assess the company's and Group's performance and make decisions relating to the allocation of resources.

The Management has defined activity sectors based on such internal reports according to IFRS 8. Operating segments are defined as the segments in which the Group operates and on which the Group's internal information system is based.

For the breakdown per operating segment, the following have been taken into account:

- The nature of products and services.

- The quantitative limits defined by IFRS 8.

The Group offers information per geographic segment as additional information to readers of the financial statements.

4.8.4 Goodwill

Goodwill which is acquired during a business combination, is initially recognized at cost, which is the excess cost of the combination, over the group's proportion in the fair value of net assets acquired.

Following the initial recognition, goodwill is calculated at cost minus any accumulated impairment losses. The group examines goodwill for impairment at least on an annual basis. Impairment losses that are registered for goodwill are not reversed in subsequent periods.

4.8.5 Intangible assets

Intangible assets of the group are initially recognized at acquisition cost. Following the initial recognition, intangible assets are calculated at cost minus accumulated amortization and any impairment loss that may have emerged.

The useful economic life and depreciation method are reviewed at least at the end of each financial period. If the estimated useful life or expected burn-up rate of future economic benefits incorporated in another intangible asset have changed, the changes are accounted for as changes in accounting estimations.

The amortization of the intangible fixed assets are being calculated with the straight line method along their economic life, which is being calculated depending on the utilization time of the intangible assets.

Intangible assets mainly include the acquired software used in production or management as well as trademarks and other rights.

4.8.6 Tangible assets

Land-plots and buildings are presented in the financial statements at readjusted values minus accumulated depreciations.

The fair value of land-plots and buildings is defined periodically by an independent evaluator.

On 31/12/2018, a valuation was carried out by an approved appraiser for buildings and land plots in Sarantis subsidiaries in Poland.

The mechanical equipment and other tangible fixed assets are presented at acquisition cost minus accumulated depreciations and possible impairment losses.

The acquisition cost of fixed assets includes all expenses directly attributed to the acquisition of the assets. Subsequent expenses are registered as in increase of the tangible assets' book value or as a separate fixed asset, only to the extent where such expenses increase the future economic benefits expected to arise from the use of the fixed assets, and the cost of such may be reliably calculated. The cost of repairs and maintenance is registered in the results of the period where such are realized.

Self-produced tangible assets constitute and addition to the acquisition cost of tangible assets at values that include the direct payroll cost for staff that participates in the construction, the cost of used materials and other general costs.

The depreciations of tangible fixed assets are calculated with the straight line method during their useful life, which is as follows:

Buildings	from 20 to 60 years
Mechanical Equipment	from 8 to 10 years
Vehicles	from 5 to 9 years
Other Equipment	from 4 to 20 years

The residual values and useful economic lives of tangible fixed assets are subject to reassessment at each balance sheet date. When the residuals values, the expected useful life or expected burn-up rate of future economic benefits incorporated in an asset have changed, the changes are accounted for as changes in accounting estimations.

Upon sale of the tangible fixed assets, any difference between the proceeds and the book value are booked as profit or loss to the results.

The book value of tangible fixed assets is examined for impairment when there are indications, namely events or changes in circumstances, that the book value may not be recoverable. If there is such an indication and the book value exceeds the estimated recoverable amount, the assets or cash flow creation units are impaired to the recoverable amount. The recoverable amount of property, facilities and equipment is the largest between their net sales price and their value in use. For the calculation of the value in use, the expected future cash flows are discounted to present value using a pre-tax discount rate that reflects the market's current expectations for the time value of money and related risks as regards to the asset. When the book values of tangible assets exceed their recoverable value, the difference (impairment) is registered initially as a reduction of the created fair value reserve (if there is such for the relevant fixed asset), which is presented in equity accounts. Any impairment loss that emerges over the created reserve for the specific fixed asset, is recognized directly as an expense in the profit and loss account.

4.8.7 Investments in Property

The investments in property include privately owned land plots and buildings, which are possessed by the Company with the objective to receive lease payments or / and to generate capital gains. The investments in property are initially recorded at their acquisition cost, which also includes the transaction costs. In a following stage, the investments in property are recorded at fair value.

On 31/12/2018, a valuation was carried out by an approved appraiser and according to specific guidelines and rules as set out by the Royal Institution of Chartered Surveyors (RICS Valuation - Professional Standards 2014) and has been shaped by the incorporation of the International Valuation Standards of the IVSC (International Valuation Standards Committee).

4.8.8 Impairment of non financial assets

Assets with an indefinite useful economic life are not depreciated and are subject to impairment reviews annually and also when several events or changes in conditions indicate that the book value may not be recoverable. The assets depreciated are subject to impairment review when there are indications that their book value will not be recovered. Impairment losses are recognized for the amount for which the book value of the fixed asset exceeds its recoverable value. The recoverable value is the largest between fair value less the relevant cost required for the sale and value in use (present value of cash flows expected to be generated according to management's estimation on the future financial and operating conditions). To estimate impairment losses, assets are classified in the smallest possible cash flow generating units. Non-financial assets apart from goodwill that have suffered impairment are re-assessed for possible reversal of the impairment during each balance sheet date.

4.8.9 Inventories

The cost of inventories is defined using the weighted average method, and includes all the expenses realized in order to render inventories to their current position and condition and which are directly attributable to the production process, as well as part of general expenses related to the production. During the Balance Sheet date, inventories are presented at the lowest price between acquisition cost and net realizable value.

Net realizable value is the estimated sales price during the normal conduct of the company's activities, minus the estimated cost necessary to realize the sale.

4.8.10 Financial instruments

Financial assets are classified at initial recognition and subsequently measured at amortized cost, at fair value through other comprehensive income and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the contractual characteristics of the cash flows of the financial asset and the business model of the Company and the Group for their management. With the exception of trade receivables that do not contain a significant financial component, the Company and the Group initially measure financial assets at their fair value plus, in the case of a financial asset not valued through profit or loss, transaction costs. Receivables from customers that do not have a significant financial component are valued at the transaction price determined in accordance with IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or at fair value through total income, cash flows that are "exclusive capital and interest payments (SPPIs)" of the original capital must be obtained.

The Company's and Group's business model for managing financial assets refers to the way in which it manages its financial capabilities to generate cash flows. The business model determines whether cash flows arise from the collection of contractual cash flows, the sale of financial assets, or both.

The purchase or sale of financial assets that require the delivery of assets within a timeframe specified by a regulation or a contract on the market is recognized on the trade date meaning on the date on which the Company commits to purchase or sell the asset.

For the purpose of subsequent measurement, financial assets are classified in the following categories:

(a) Financial assets measured at fair value through profit or loss

(b) Financial assets at amortized cost

(c) Financial assets measured at fair value through total income without recycling of cumulative gains and losses on de-recognition

(a) Financial assets that are measured at fair value through profit or loss

Financial assets valued at fair value through profit or loss include financial assets held for trading, financial assets designated at initial recognition at fair value through profit or loss, or financial assets that are required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for sale or repurchase in the near future. Derivatives, including embedded derivatives, are also classified as held for trading, unless defined as effective hedging instruments. Financial assets with cash flows that are not only capital and interest payments are classified and measured at fair value through profit or loss, irrespective of the business model.

(b) Financial assets at amortized cost

The Company and the Group measure financial assets at amortized cost if both of the following conditions are met: (a) the financial asset is retained in a business model in order to hold financial assets for the collection of contractual cash flows; and (b) the contractual clauses of the financial asset generate cash flows on specific dates that consist only of capital and interest payments on the balance of the original capital.

Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

(c) Financial assets classified at fair value through total income

Upon initial recognition, the Company and the Group may choose to irrevocably classify its equity investments as equity instruments at fair value through total income when they meet the definition of equity in accordance with IAS 32 Financial Instruments: Presentation and not held for trading purposes. Classification is determined by financial instrument.

Profits and losses from these financial assets are never recycled to profits or losses. Dividends are recognized in the income statement when the payment entitlement has been established, unless the Company benefits from such income as a recovery of part of the cost of the financial asset, so that the gains are recognized in the statement of comprehensive income. Equity instruments measured at fair value through total income are not subject to an impairment test.

A financial asset is derecognized primarily when:

- The rights to receive cash flows from the asset have expired, or
- The Company and the Group have transferred their rights to receive cash flows from the asset or have undertaken to fully pay the cash flows received without significant delay to a third party under a pass-through agreement and either (a) the Company and the Group have transferred substantially all the risks and rewards of the asset or (b) the Company and the Group have not transferred or held substantially all the risks and estimates of the asset but have transferred the control of the asset.

When the Company and the Group have transferred the rights to receive cash flows from an asset or have entered into a transfer agreement, they assess whether and to what extent they own the risks and rewards of ownership.

When the Company and the Group have not transferred or hold substantially all the risks and rewards of the asset and have not transferred ownership of the asset, they continue to recognize the transferred asset to the extent of its continued involvement. In this case, the Company and the Group also recognize any relevant obligation. The transferred asset and the related liability are valued on the basis of the rights and obligations that the Company and the Group hold.

Further disclosures about impairment of financial assets are also provided in the following notes:

- Disclosure of important assumptions
- Customers' receivables

4.8.11 Offsetting of financial instruments

Financial assets and liabilities are offset and presented in the statement of financial position in the statement of financial position if there is a legal right to offset the amounts recognized and, in addition, if it is intended to clear the net amount, i.e. fixed assets and liabilities to be offset at the same time

4.8.12 Trade receivables

Receivables from customers are recognized when there is an unconditional right to receive the consideration for the client's contractual obligations to the entity. A contract asset is recognized when the Company and the Group have satisfied their obligations to the customer before the customer pays or before the payment is due, for example when the goods or services are transferred to the customer prior to the Company's right and also the Group's right to issue an invoice. Receivables from customers on credit are initially recognized at their fair value, which corresponds to the nominal value, net of impairment losses.

Regarding non-doubtful trade receivables, the Company and the Group apply the simplified approach of IFRS 9 and calculate the expected credit losses over the life of the receivables. For this purpose, the Group uses a maturity forecast table based on the historical data for credit losses, adjusted for future factors in relation to borrowers and the economic environment. The bad debts are evaluated one by one for the calculation of the relevant provision. The amount of the provision is recognized in the statement of comprehensive income.

4.8.13 Cash & cash equivalents

Cash & cash equivalents include cash in banks and in hand, as well as short-term highly liquid investments such as repos and bank deposits with a maturity less than three months.

4.8.14 Share capital

The share capital includes the Company's common shares. Direct expenses realized for the issue of shares are presented after the deduction of the relevant income tax, and reduce the product of the issue.

4.8.15 Loans

Loans are initially registered at fair value, minus any direct expenses realized for the transaction. Subsequently loans are valued at net book cost. Any difference between the received amount (net of relevant expenses) and the repayment value is recognized in the results during the borrowing term according to the effective interest rate method. Loans are characterized as short-term liabilities unless the Group has the final right to postpone payment for at least 12 months following the balance sheet date.

4.8.16 Leases

Leases of fixed assets where the Group essentially maintains all the risks and benefits of ownership are classified as financial leases. Financial leases are capitalized at the inception of the lease at the lower value between the fair value of the fixed asset and the present value of minimum leases. Each lease payment is allocated between the liability and the financial expenses so as to achieve a fixed interest rate on the balance of the liability. The corresponding liabilities from leases, net of financial expenses, are presented in liabilities. The part of the lease's financing cost that refers to interest, is recognized in the results throughout the lease period in a way that assures a fixed rate on the balance of the liability during each period. Fixed assets acquired with financial leasing are depreciated within the smallest period between the useful life of the assets and the duration of their lease. Leases where essentially all the risks and benefits of ownership are maintained by the lessor, are classified as operating leases. The lease payments of an operating lease (net of any incentives offered by the lessor) are registered proportionately in the results throughout the duration of the lease period.

4.8.17 Employee benefit

4.8.17.1 Short-term benefits

Short-term employee benefits (apart from employment termination benefits) in money and in kind, are recognized as an expense on an accrual basis.

4.8.17.2 Liabilities due to retirement

The group has both defined benefits and defined contribution schemes, according to the conditions and practices in place in the countries where the Group is active.

The defined benefits schemes define a specific amount as pension payment / benefit, which an employee will receive at in his / her retirement. Typically, this depends on a variety of factors such as age, length of service and compensation.

Defined benefits scheme is defined a pension plan where within its framework the Group makes fixed contributions and there is no legal or monetary liability to pay additional contributions in the event that the Fund's merits are insufficient to compensate for the employees' benefits for the current period and the previous periods.

The liability regarding the defined benefit schemes that is recognized in the financial position statement is the present value of the commitment for the defined benefit at the date of the preparation of the financial statements, less the fair value of the assets of the scheme (if any). The commitment of the defined benefit is calculated annually from an independent actuary using the recommended credit unit's method. The present value of the commitment for the defined benefit is calculated by the discount of future cash outflows using the interest rates of the high-rated treasury bills, which are denominated in the currency at which the benefit will be paid and which have a duration that relates to the duration of the related retirement obligation.

The Group recognizes in income statement the current cost of service and net financial income or expense. Revaluations, which are consisted of actuary profits or losses, are recognized immediately in the financial position statement with the relative debit or credit of the retained earnings through the other comprehensive income of the period realized. The reassessments are not reclassified at the results of subsequent periods.

For defined benefits schemes the Group pays contributions to the social security funds of the State at obligatory base. The Group does not have any other obligation to pay if it has paid its contributions. The contributions are recognized as personnel expenses when due. Contributions that are pre-paid are recognized as an asset if there is a chance to reimburse the money or to set-off with new obligations.

4.8.17.3 Share based payments

The Group has a stock option plan in effect. The total amount of the expense during the maturity period of the option is defined according to the fair value of the plan during the period when the option is provided. The conditions not related to the purchase are included in the assumptions for the definition of the number of options expected to be exercised. At each balance sheet date, the Group revises its estimations on the number of stock options expected to be exercised. It recognizes the effect of the revision of initial estimations in the results with a corresponding adjustment of equity.

4.8.18 Recognition of income

IFRS 15 replaces IAS 11 "Construction Contracts", IAS 18 "Revenues" and all related interpretations for revenues from contract with customers, unless such contracts fall within the scope of other standards. The new standard establishes a five-step model for determining revenue from customer contracts.

Under IFRS 15, revenue is recognized in the amount that an entity expects to be entitled to in exchange for the transfer of the goods or services to a customer. The standard also sets out the accounting for the additional costs of taking out a contract and the direct costs that are required to complete the contract.

Revenue is defined as the amount that an entity expects to be entitled to receive in exchange for the goods or services it has transferred to a client, except for amounts collected on behalf of third parties (value added tax, other sales tax). Variable amounts are included in the consideration and are calculated using either the "expected value" method or the "most likely amount" method.

An entity recognizes revenue when (or as it) meets the obligation to execute a contract by transferring the goods or services promised to the customer. The customer acquires control of the good or service if the customer is able to direct the use and derive virtually all the economic benefits from that good or service. Control is passed over a period or at a specific time.

Revenue from the sale of goods is recognized when the control of the good is transferred to the customer, usually upon delivery, and there is no unfulfilled obligation that could affect the acceptance of the good by the customer.

The Group is active in the production and distribution of consumer products. The main products of the Company and the Group are perfumes, personal care products, sunscreen products, hair care products as well as food packaging products, plastic garbage bags and household cleaning products. Net proceeds from sales are measured at the fair value of the consideration received or receivable and are declared net of discounts on sales and the consideration paid to customers. These are, in particular, incentives to promote sales which are recorded as deductions from sales.

The customer receivable is recognized when there is an unconditional right for the entity to receive the consideration for the contractual obligations performed to the customer. A contract asset is recognized when the Company and the Group have satisfied their obligations to the customer before the customer pays or before the payment is due, for example when the goods or services are transferred to the customer prior to the Company's right and Group to issue an invoice.

The contractual obligation is recognized when the Company and the Group receive a consideration from the client (prepayment) or when it retains the right to a price that is unconditional (deferred income) before performing the obligations of the contract and the transfer of the goods or services. The contractual obligation is de-recognized when the contractual obligations are executed and the income is recorded in the income statement.

Classification of revenue is as follows:

i. **Sales of goods**
Sales of goods are recognized when the Group delivers the property and risks associated with the ownership of the goods to the customers, the goods are accepted by them and the collection of the receivable is reasonably assured.

ii. **Interest income**
Interest income is recognized on a time proportion basis using the effective interest rate.

iii. **Rental income**
Receivables from rentals are recognized in the income statement on the basis of the rental amount corresponding to the period under review.

iv. **Income from Dividends**
Dividends are recognized as income when the right to receive the dividend is established.

4.8.19 Government grants

The Group recognizes the government grants that cumulatively satisfy the following criteria:

- There is reasonable certainty that the company has complied or will comply to the conditions of the grant and
- It is probable that the amount of the grant will be received.

Government grants that relate to acquisition of fixed assets are presented as a deferred income in liabilities and recognized in the results during the useful life of the fixed assets such refer to.

4.8.20 Contingent Liabilities and Provisions

Provisions are booked when the Group has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably measured. The provisions are reviewed at every balance sheet date and are adjusted so as to reflect the present value of the expense deemed necessary to settle the liability. Contingent liabilities are not recorded in the financial statements but are disclosed, except if the probability of an outflow of resources that embody economic benefits is very small. Contingent assets are not recorded in the financial statements but are disclosed if the inflow of economic benefits is probable.

4.8.21 Dividend distribution

Dividend distribution to shareholders of the parent from the period's profit, are recognized as a liability in the individual and consolidated financial statements on the date when the distribution is approved by the General Shareholders' Meeting.

4.8.22 Current and deferred taxation

The period's charge with income tax consists of current taxes and deferred taxes. Tax is recognized in the "Statement of comprehensive income", unless it is related to amounts recognized directly in "Equity". In the latter case tax is also recognized in Equity.

Income tax on earnings, is calculated based on the tax law in effect during the balance sheet date in countries where the Group's activities are carried out and is recognized as an expense during the period when earnings are gained. Management periodically reviews cases where the relevant tax law needs clarifications when interpreted. When deemed necessary provisions are made on the amounts expected to be paid to the tax authorities.

Deferred income tax is calculated according to the liability method which results from the temporary differences between the book value of assets or liabilities in the financial statements with their respective tax base. Deferred income tax is not recorded if such results from the initial recognition of an asset or liability in a transaction, apart from a business combination, which did not affect the accounting or the tax profit or loss when realized. Deferred tax is defined according to the tax rates and laws in effect during the balance sheet date and those expected to be effective when the deferred tax assets will be realized or the deferred tax liabilities repaid.

Deferred tax assets are recognized to the extent that there will be future taxable profit for the use of the temporary difference that creates the deferred tax asset. Deferred tax assets and liabilities are offset only when the law permits the offsetting of tax assets and liabilities and given that the deferred tax assets and liabilities arise from the same tax authority on one entity that is taxed or on different entities when the settlement is intended to take place through offsetting.

4.8.23 Non current assets held for sale and discontinued operations

Assets held for sale include tangible fixed assets that the Group intends to sell within one year from their classification as "held for sale".

Assets classified as "held for sale" are valued at the lowest between their book value directly prior to their classification as held for sale, and their fair value less any sale cost. Assets classified as "held for sale" are not subject to depreciation. The profit or loss that results from the sale and revaluation of assets "held for sale" is included in the results.

The Group has not classified noncurrent assets as held for sale.

4.9 FINANCIAL RISK MANAGEMENT

4.9.1 Capital Management

The Group's objectives as regards to management of capital, is to reassure the ability for the Group's smooth operation, aiming at providing satisfactory returns to shareholders and to maintain an ideal capital structure by reducing thus the cost of capital. The Group monitors its capital based on the leverage ratio. The leverage ratio is calculated by dividing net debt with total employed capital. Net debt is calculated as "Total debt" (including "short-term and long-term debt" as presented in the Statement of Financial Position) minus "Cash and cash equivalents", "Financial assets available for sale" and "financial assets at fair value through the profit and loss". The calculation of net debt does not include the purchase of treasury shares. Total employed capital is calculated as "Shareholders' Equity" as presented in the statement of financial position plus net debt. The leverage ratio on 31 December 2018 was as follows:

Amounts in €	Group	
	31.12.2018	**31.12.2017**
Total Debt	45,720,618	31,726,410
Minus		
Cash & cash equivalents	-32,779,766	-44,946,833
Financial assets at fair value through profit and loss	-1,415,190	-2,978,000
Net Debt	**11,525,662**	**-16,198,423**
Shareholders' Equity	221,924,459	200,003,822
Total Employed Capital	**233,450,121**	**183,805,399**
Leverage Ratio	**4.94%**	**-8.81%**

4.9.2 Financial Instruments

The Group's financial instruments mainly consist of bank deposits, bank overdrafts, trade debtors and creditors, investments in securities, other liabilities.

The financial assets and liabilities during the date of the financial statements can be classified as follows:

Amounts in €	Group		Company	
Non-current assets	**31.12.2018**	**31.12.2017**	**31.12.2018**	**31.12.2017**
Other long-term receivables	442,592	722,328	193,346	139,790
Total	**442,592**	**722,328**	**193,346**	**139,790**
Current assets				
Trade receivables	94,640,764	80,935,997	41,495,554	41,508,936
Other receivables	3,788,784	5,016,110	17,769,862	18,190,561
Cash & cash equivalents	32,779,766	44,946,833	11,669,266	14,212,976
Financial assets at fair value through profit and loss	1,415,190	2,978,000	1,415,190	2,978,000
Total	**132,624,504**	**133,876,940**	**72,349,872**	**76,890,472**
Long-term Liabilities				
Loans	38,000,000	26,018,341	38,000,000	26,000,000
Provisions and other long-term liabilities	541,804	402,903	0	0
Total	**38,541,804**	**26,421,245**	**38,000,000**	**26,000,000**
Short-term Liabilities				
Suppliers	62,612,807	56,285,349	28,069,170	31,403,550
Other liabilities	6,365,807	7,046,375	7,822,071	8,912,369
Loans	7,720,618	5,708,068	3,000,000	2,400,000
Total	**76,699,232**	**69,039,792**	**38,891,241**	**42,715,919**

4.9.3 Definition of fair values

The following table presents the fixed assets measured at fair value, according to the measurement method. The different categories are as follows:

- Published market prices (without amendment or adjustment) for the financial assets traded in active money markets (level 1)

• Measurement or valuation techniques based directly on publicized market prices or calculated indirectly from publicized market prices for similar instruments (level 2).

• Measurement or valuation techniques that are not based on available information from current transactions in active money markets (level 3).

The financial assets measured at fair value during 31 December 2018, are as follows:

Assets	Group			
	Level 1	Level 2	Level 3	Total
Tangible fixed assets	0	38,000,545	0	**38,000,545**
Investments in Property	0	1,111,266	0	**1,111,266**
Financial Assets at Fair Value through Profit and Loss	1,415,190	0	0	**1,415,190**

Assets	Company			
	Level 1	Level 2	Level 3	Total
Tangible fixed assets	0	25,330,294	0	**25,330,294**
Investments in Property	0	190,146	0	**190,146**
Financial Assets at Fair Value through Profit and Loss	1,415,190	0	0	**1,415,190**

The fair value of own- use tangible fixed assets and investments in property is carried out by approved appraiser based on international rules and standards.

The fair value of fixed assets traded on active markets (i.e. derivatives, equity, bonds, mutual funds), is defined based on the published prices in effect during the end of the reporting period. A market is considered "Active" when there are available and revised prices in frequent intervals that are published by a stock exchange, broker, sector, rating agency or regulatory authority. Such financial instruments are included in level 1.

The fair value of fixed assets not traded on active markets (i.e. over the counter derivative contracts) is defined using valuation techniques that are based primarily on available information for transactions carried out in active markets, while they use the least possible estimations by the entity. Such financial instruments are included in level 2.

If the valuation techniques are not based on available market information, then the financial instruments are included in level 3.

4.9.4 Foreign exchange risk

The Group operates in an environment characterized by relatively high foreign exchange risk given that almost 65% of the Group's total turnover comes from Eastern European countries where the volatility of foreign exchange rates has recently been high. The Management of the Group is constantly examining the currencies' fluctuations, but at the moment has not taken any measures against the foreign exchange risk due to the lack of appropriate hedging tools.

On 31 December 2018, if the euro had depreciated by 5% against the following currencies, with all other variables remaining constant, the effect on the statement of comprehensive income and on the equity of the Group for each currency separately, would be as follows:

Impact	P&L	Equity
PLN	353,887	1,605,561
RON	322,887	834,542
YUD	114,402	1,206,434

An appreciation by 5% against the relevant currencies, would have an equivalent but opposite effect on the above currencies with the amounts presented above, given that all other variables remain constant.

4.9.5 Interest Rate Risk

The Group's objective is to achieve an optimal balance between borrowing cost and the potential effect of interest rate changes on earnings and cash flows. The Group monitors and manages its debt and overall financing strategies using a combination of short and long-term debt. It is Group policy to continuously review interest rate trends along with its financing needs. Daily working capital requirements are typically financed with operational cash flow and through the use of various committed lines of credit. The interest rate on these short-term borrowing arrangements, is generally determined as the inter-bank offering rate at the borrowing date plus a pre-set margin. The mix of fixed-rate debt and variable-rate debt is managed within Group policy guidelines. In case of an interest rate increase, the Group will not be affected as regards to next year's results as part of the Group's current strategy is the continuous reduction of its existing bank loans.
An increase of the borrowing rate by 0.5%, taking into account the total debt on 31/12/2018, would result in a reduction of net results and Equity by € 0.23 million.

4.9.6 Credit Risk

The Group's trade receivables mainly come from wholesale clients. All Group companies monitor the financial position of their debtors on an ongoing basis and control the granting of credit as well as the credit lines. When considered appropriate, credit guarantee insurance cover is purchased. When there is a possibility that receivables will not be collected, provisions are made for bad debts.

A relevant analysis is presented in note 4.10.5.

4.9.7 Liquidity Risk

Prudent liquidity risk management implies the existence of a balance between cash flows as well as funding through adequate amounts of committed credit facilities. The Group closely monitors the amount of short-term and long-term funding as well as the proportion of such towards total debt and the composition of total debt, manages the risk that could arise from the lack of sufficient liquidity and secures that necessary borrowing facilities are maintained. The Group has sufficient credit line facilities that could be utilized to fund any potential shortfall in cash resources.

The Group manages and monitors its working capital in order to minimize any possible liquidity and cash flow risks. The maturity of financial liabilities on 31 December 2018 and 2017 for the Company and Group, is analyzed as follows:

	Group				
Maturity of liabilities 2018	**within 6 months**	**6 to 12 months**	**1 to 5 years**	**over 5 years**	**Total**
Long-term loans	0	0	38,000,000	0	**38,000,000**
Short-term loans	1,911,410	5,809,208	0	0	**7,720,618**
Suppliers	61,846,984	765,823	0	0	**62,612,807**
Other Liabilities	3,880,118	1,263,791	1,221,898	0	**6,365,807**
Total	**67,638,512**	**7,838,822**	**39,221,898**	**0**	**114,699,232**

	Group				
Maturity of liabilities 2017	**within 6 months**	**6 to 12 months**	**1 to 5 years**	**over 5 years**	**Total**
Long-term loans	0	0	26,018,341	0	**26,018,341**
Short-term loans	4,367,249	1,340,819	0	0	**5,708,068**
Suppliers	53,667,304	2,618,044	0	0	**56,285,349**
Other Liabilities	4,525,799	512,579	2,007,997	0	**7,046,375**
Total	**62,560,352**	**4,471,442**	**28,026,338**	**0**	**95,058,133**

	Company				
Maturity of liabilities 2018	**within 6 months**	**6 to 12 months**	**1 to 5 years**	**over 5 years**	**Total**
Long-term loans	0	0	38,000,000	0	**38,000,000**
Short-term loans	1,500,000	1,500,000	0	0	**3,000,000**
Suppliers	27,303,347	765,823	0	0	**28,069,170**
Other Liabilities	3,668,219	2,289,164	1,864,687	0	**7,822,071**
Total	**32,471,566**	**4,554,987**	**39,864,687**	**0**	**76,891,241**

	Company				
Maturity of liabilities 2017	**within 6 months**	**6 to 12 months**	**1 to 5 years**	**over 5 years**	**Total**
Long-term loans	0	0	26,000,000	0	**26,000,000**
Short-term loans	1,200,000	1,200,000	0	0	**2,400,000**
Suppliers	30,776,050	627,501	0	0	**31,403,550**
Other Liabilities	4,578,821	1,819,837	2,513,710	0	**8,912,369**
Total	**36,554,871**	**3,647,338**	**28,513,710**	**0**	**68,715,919**

4.9.8 Raw material price risk

The Group is exposed to price volatility in the basic raw materials it uses for products that manufactures in its own production facilities.

- The basic raw materials used by the Group for the Perfume, Cosmetics and Face Care products are perfumes, oils and chemicals.

The prices of raw materials in perfumes, cosmetics and facials do not fluctuate significantly, and any differences are eliminated by gradually transferring volumes from one supplier to another when necessary, maintaining active alternative suppliers and creating security stocks.

- The basic raw materials used by the Group for the categories of household products (food packaging products and plastic waste bags) are aluminum (in jumbo rolls), plastic (PVC / LDPE Clingfilm in Jumbo rolls) and polyethylene (HDPE, LDPE, LLDPE).

Regarding the effect of fluctuations in the prices of aluminum and plastic, the Group proceeds to the closing of price at short intervals, and in addition creates a security stock when it deems it necessary.

However, in the worst case scenario, where the cost of products that are based on aluminum and plastic increases at the same time by 3%, then by keeping all other parameters stable, the burden on the Group's cost of sales will be 0.57 million euro.

4.10 EXPLANATORY NOTES ON THE FINANCIAL STATEMENTS

4.10.1 Segment reporting

For management purposes, the Group is organized in four basic business segments: Mass Market Cosmetics, Household Products, Other Sales and the Private Label Products. According to IFRS 8 – Operating Segments, the management monitors the operating results of the business segments separately with the objective to evaluate the performance and decision making as regards to the allocation of resources.

The Group's results per segment are analyzed as follows:

For the period 01/01/2018 – 31/12/2018:

Commercial Activity Sectors	Mass Market Cosmetics	Household Products	Other Sales	Private Label (Polipak)	Income from associate companies	Group Total
Income from external customers	151,528,834	130,464,018	43,396,165	18,606,712	0	**343,995,729**
Earnings before interest & tax (EBIT)	12,196,528	13,298,544	4,173,674	1,466,193	9,438,878	**40,573,818**
Interest income	53,770	46,295	15,399	6,603	0	**122,066**
Interest expenses	-605,704	-521,502	-173,467	-74,376	0	**-1,375,048**
Earnings before tax	11,406,491	12,618,334	3,947,416	1,369,181	9,438,878	**38,780,300**
Income tax	1,490,746	1,649,125	515,899	178,942	1,806,805	**5,641,516**
Earnings / losses after tax	3,621,931	4,581,400	309,790	600,676	7,632,073	**16,745,870**
Depreciation / amortization	2,532,854	2,180,748	725,381	980,791	0	**6,419,774**
Earnings before interest, tax, depreciation & amortization (EBITDA)	14,729,382	15,479,293	4,899,055	2,446,984	9,438,878	**46,993,592**

For the period 01/01/2017 – 31/12/2017:

Commercial Activity Sectors	Mass Market Cosmetics	Household Products	Other Sales	Private Label (Polipak)	Income from associate companies	Group Total
Income from external customers	137,002,807	104,201,345	42,414,423	16,063,879	0	**299,682,454**
Earnings before interest & tax (EBIT)	11,062,669	11,067,648	3,568,809	981,036	7,824,961	**34,505,123**
Interest income	43,958	32,225	11,437	4,303	0	**91,923**
Interest expenses	-645,301	-473,061	-167,894	-63,170	0	**-1,349,426**
Earnings before tax	11,139,397	11,123,897	3,588,772	988,547	7,824,961	**34,665,574**
Income tax	2,451,139	2,447,724	789,682	217,522	-225,149	**5,680,918**
Earnings / losses after tax	8,688,258	8,676,170	2,799,091	771,025	8,050,111	**28,984,655**
Depreciation / amortization	2,173,468	1,593,337	565,492	821,700	0	**5,153,997**
Earnings before interest, tax, depreciation & amortization (EBITDA)	13,236,136	12,660,985	4,134,301	1,802,736	7,824,961	**39,659,120**

Notes

- Income from associate companies refers to income from the company Elsa Cosmetics Ltd and its subsidiaries, as well as from the related company Thrace-Sarantis SA until the date of its disposal on 6th March 2017.

- The calculation of financial income & expenses and depreciation, amortization has been proportionately based on the sales of each business activity of the Group. The calculation of income tax is based proportionately on the earnings before tax of each of the Group's business activity.

The allocation of consolidated assets and liabilities to the Group's business segments is analyzed as follows:

	Group		Mass Market Cosmetics		Household Products	Other Sales	Private Label (Polipak)	
	31/12/18	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017
Total Assets	354,703,896	306,352,076	156,245,741	140,051,891	134,525,204	43,358,382	19,185,917	16,421,391
Total Liabilities	130,074,975	104,916,908	57,297,540	47,963,805	49,332,310	14,849,018	7,035,749	5,623,861

4.10.2 Investments in associates

ELCA Cosmetics Ltd., established in 2001 and based in Cyprus, is a holding company owned by the companies ESTEE LAUDER COMPANIES INC., that holds 51%, and GR. SARANTIS S.A., that holds 49%, based on a shareholding agreement that lasts 20 years. Its activity involves the trading of Estee Lauder Companies Inc. products to the countries Greece, Romania, Bulgaria and Cyprus. ELCA Cosmetics Ltd. fully owns the following subsidiary companies, ESTEE LAUDER HELLAS S.A., ESTEE LAUDER BULGARIA EOOD and ESTEE LAUDER ROMANIA S.A., which are based in Greece, Bulgaria and Romania respectively.

The financial figures of ELCA Cosmetics Ltd are consolidated through the equity method in Sarantis Group consolidated financial figures.

The basic consolidated financial figures of ELCA Cosmetics Ltd are presented below:

ELCA COSMETICS LTD	01.01-31.12.2018	01.01-31.12.2017
Revenue	102,922,303	92,993,672
Profit (Loss) before tax	19,263,016	15,987,885
Profit (Loss) after tax	15,575,659	15,526,205

ELCA COSMETICS LTD	31.12.2018	31.12.2017
Current fixed assets	61,226,754	51,825,198
Non-current fixed assets	9,323,125	8,875,374
Current liabilities	- 22,283,973	- 19,632,952
Non-current liabilities	- 6,318,844	- 5,851,032
Total equity	**41,947,062**	**35,216,588**

4.10.3 Goodwill

The goodwill of the Group and the Company are analyzed as follows:

Amounts in Euros	Group	Company
Balance as at 01/01/2018	***7,194,613***	***1,100,000***
Additions / Reductions	806,713	0
Foreign exchange differences	-72,337	0
Impairment	0	0
Balance as at 31/12/2018	***7,928,988***	***1,100,000***

Amounts in Euros	Group	Company
Balance as at 01/01/2017	***7,445,155***	***1,365,130***
Additions / Reductions	0	0
Foreign exchange differences	70,458	0
Impairment	-321,000	-265,130
Balance as at 31/12/2017	***7,194,613***	***1,100,000***

The additions in goodwill derive from the acquisitions that were made during the 1st Half 2018. More details are presented in the note 4.6.2 “Group Structure”.

The Group and the Company check on an annual basis for a likely impairment of the existing goodwill, in which case the impairment is recognized in the income statement. For the fiscal year 2017, the assumptions used per country are as follows:

Assumptions 2018	D. Koukouzelis EPE-Greece	Elmiplant-Romania	Polipak-Poland	Trade 90-Hungary	Astrid T.M.-Czech Rep.	Indulona-Slovaki & Czech Rep.	Ergopack-Ukraine
WACC	12.5%	7.6%	6.1%	7.6%	5.9%	5.5%	14.8%
Rate of increase 5+	3.0%	2.5%	1.0%	1.5%	1.0%	2.3%	1.0%
EBIT (5yr horizon)	3,1%-9,1%	15%-17,9%	6%-9,5%	6,2%-7,8%	11,2%-12,6%	10,1-10,9%	6,7-10,5%
Goodwill balance	1,100,000	2,291,453	2,210,146	1,285,763	236,776	260,106	544,744

The recoverable amount of the above cash generating units was determined using the value in use method. The value in use was determined based on the projected cash flows derived from five year plans approved by management, with these cash flows projected over to perpetuity.

The key assumptions used by Management to calculate their projected cash flows in the context of its annual audit for the impairment of goodwill are as follows:
- The zero risk rate was established on the basis of external information.
- Earnings before interest and taxes were calculated based on last years’ historical data adjusted in order to take into account the expected changes in operating performance.

4.10.4 Inventories

The inventories are analyzed as follows:

Group	31.12.2018	31.12.2017
Merchandise	52,286,194	42,659,431
Products	12,038,002	10,204,236
Raw Materials	14,828,628	11,702,148
Prepayments for stock purchase	1,434,255	1,613,077
Impairment due to obsolescence	-840,598	-578,768
Total	**79,746,481**	**65,600,124**

Company	31.12.2018	31.12.2017
Merchandise	16,949,344	14,408,930
Products	11,287,142	9,731,817
Raw Materials	9,505,647	8,727,858
Prepayments for stock purchase	1,233,535	1,575,600
Impairment due to obsolescence	-378,503	-404,070
Total	**38,597,165**	**34,040,136**

The inventories of the Company and the Group are free of any liens.

During the current fiscal year, the Group and the Company proceeded into disposal of inventories amounting to 0.71 million Euros and to 0.4 million Euros in total, whereas the corresponding amounts in 2017 settled at 1.8 million Euros and 1.4 million Euros respectively.

4.10.5 Trade and other receivables

The trade receivables account is analyzed as follows:

Group	31.12.2018	31.12.2017
Trade receivables	86,510,585	66,979,026
Minus provisions	-4,644,059	-2,087,734
Net trade receivables	81,866,526	64,891,292
Checks and notes receivable	15,174,238	18,444,705
Minus provisions	-2,400,000	-2,400,000
Net checks and notes receivable	12,774,238	16,044,705
Total	**94,640,764**	**80,935,997**

Company	31.12.2018	31.12.2017
Trade receivables	32,031,390	28,036,986
Minus provisions	-2,341,955	-1,599,872
Net trade receivables	29,689,434	26,437,113
Checks and notes receivable	14,206,120	17,471,822
Minus provisions	-2,400,000	-2,400,000
Net checks and notes receivable	11,806,120	15,071,822
Total	**41,495,554**	**41,508,936**

On 31st December 2018 and 2017, the maturity of the current and overdue trade receivables, was as follows:

	31.12.2018	31.12.2017	31.12.2018	31.12.2017
	Group		Company	
Current (not past due)	80,987,095	69,031,255	34,832,056	31,410,447
0-90 days	9,997,858	7,054,284	2,314,949	5,331,576
91-180 days	2,139,049	1,136,823	1,409,112	771,167
over 180 days	8,560,821	8,201,369	7,681,393	7,995,618
	101,684,823	**85,423,730**	**46,237,509**	**45,508,808**

Since 1/1/2018, the Group and the Company applied the simplified approach of IFRS 9 and determines the expected credit loss for the total life . The Group and the Company apply the simplified approach of IFRS 9 for the calculation of expected credit losses for all trade receivables. More analytical information is provided in paragraph 4.7.7 "Significant Accounting Policies".

The tables below present the credit risk analysis of the Group and the Company:

			Group		
TRADE RECEIVABLES	Current	<90	90-180	181+	Total
Total trade receivables	80,987,095	9,997,858	2,139,049	8,560,821	**101,684,823**
Expected Credit Loss	385,034	560,110	413,389	5,685,526	**7,044,059**
Percentage of expected Credit loss	0.48%	5.60%	19.33%	66.41%	**6.93%**

			Company		
TRADE RECEIVABLES	Current	<90	90-180	181+	Total
Total trade receivables	34,832,056	2,314,949	1,409,112	7,681,393	**46,237,509**
Expected Credit Loss	31,464	18,069	106,503	4,585,919	**4,741,955**
Percentage of expected Credit loss	0.09%	0.78%	7.56%	59.70%	**10.26%**

The other receivables are analyzed as follows:

Group	31.12.2018	31.12.2017
	31.12.2018	31.12.2017
Accounts receivable in legal contest	425,136	660,866
Sundry Debtors	3,621,577	2,789,169
Receivables from dividends	0	1,549,841
Accounts for management of prepayments & credits	52,336	56,045
Minus provisions	-310,266	-39,811
Total	**3,788,784**	**5,016,110**

Company	31.12.2018	31.12.2017
Accounts receivable in legal contest	425,136	468,485
Sundry Debtors	540,655	604,032
Receivables from dividends	17,062,000	17,062,000
Accounts for management of prepayments & credits	52,336	56,045
	-310,266	0
Total	**17,769,862**	**18,190,561**

The analysis of the provision for trade receivables and for other receivables is as follows:

Group	31.12.2018	31.12.2017
Opening Balance	**4,527,544**	**3,835,661**
Effect due change in accounting policy, IFRS9	1,500,000	0
Additions for the year	535,180	908,185
Receivables written-off	-125,707	-233,352
Amounts that have been offset	-378,523	-5,228
Foreign exchange differences	3,018	22,279
Additions due to acquisition	1,292,812	0
Ending Balance	**7,354,324**	**4,527,544**

Company	31.12.2018	31.12.2017
Opening Balance	**3,999,872**	**3,299,872**
Effect due change in accounting policy, IFRS9	1,000,000	0
Additions for the year	310,266	700,000
Receivables written-off	0	0
Amounts that have been offset	-257,917	0
Foreign exchange differences	0	0
Additions due to acquisition	0	0
Ending Balance	**5,052,221**	**3,999,872**

4.10.6 Cash & cash equivalents

Cash & cash equivalents represent cash in hand of the Group and company and bank deposits available at first demand, which are analyzed as follows:

Group	31.12.2018	31.12.2017
Cash in hand	295,354	294,469
Bank deposits	32,484,412	44,652,364
Total	**32,779,766**	**44,946,833**

Company	31.12.2018	31.12.2017
Cash in hand	279,370	275,684
Bank deposits	11,389,896	13,937,291
Total	**11,669,266**	**14,212,976**

4.10.7 Financial Assets at Fair Value through Results

	Group		Company	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
Opening balance	**2,978,000**	**6,172,956**	**2,978,000**	**6,172,956**
Additions	3,171,319	1,495,231	3,171,319	1,495,231
Sales	-4,437,694	-5,637,621	-4,437,694	-5,637,621
Fair value adjustments	-296,435	947,434	-296,435	947,434
Closing balance	**1,415,190**	**2,978,000**	**1,415,190**	**2,978,000**

The above items are placements with a short-term investment horizon that are traded on active markets.

4.10.8 Trade and other liabilities

The Company's and Group's trade and other liabilities are analyzed as follows:

Group	31.12.2018	31.12.2017
Suppliers	58,100,885	50,735,550
Checks payable	4,511,922	5,549,799
Total	**62,612,807**	**56,285,349**

Company	31.12.2018	31.12.2017
Suppliers	23,557,248	25,853,751
Checks payable	4,511,922	5,549,799
Total	**28,069,170**	**31,403,550**

The other liabilities of the Company and the Group are analyzed as follows:

Group	31.12.2018	31.12.2017
Social Security Funds	1,810,879	1,529,476
Customer Prepayments	1,312,857	1,440,210
Dividends Payable	29,991	22,213
Long-term Liabilities payable in the following year	148,868	162,579
Sundry Creditors	3,063,212	3,891,896
Total	**6,365,807**	**7,046,375**

Company	31.12.2018	31.12.2017
Social Security Funds	1,271,364	991,681
Customer Prepayments	3,827,002	3,988,635
Short-term Liabilities towards Related Companies	483,500	483,500
Dividends Payable	29,991	22,213
Sundry Creditors	2,210,213	3,426,339
Total	**7,822,071**	**8,912,369**

4.10.9 Provisions and other long-term liabilities

The provisions and other long-term liabilities are analyzed as follows:

Group	31.12.2018	31.12.2017
Other provisions	401,465	139,752
Other long-term liabilities	140,339	263,152
Total	**541,804**	**402,903**

4.10.10 Loans

Loans are analyzed as follows:

	Group		Company	
Short-term loans	**31.12.2018**	**31.12.2017**	**31.12.2018**	**31.12.2017**
Bank loans	7,720,618	5,708,068	3,000,000	2,400,000
Long-term loans				
Bank loans	38,000,000	26,018,341	38,000,000	26,000,000
Total	**45,720,618**	**31,726,410**	**41,000,000**	**28,400,000**

The Group's bank loans concern loans for working capital and Bond Loans.

During 2018, the bond loan that had been granted by NATIONAL BANK to GR. SARANTIS SA amounting to 11.4 mil. euros was fully repaid.

Additionally, within 2018 the bond loan that had been granted by EFG EUROBANK to GR. SARANTIS SA. amounting to 17 mil. euros was fully repaid, while a new bond loan was granted by EFG EUROBANK to GR. SARANTIS SA amounting to 16 mil. euros and maturities in October and December of 2021.

Finally, in May and June 2018 a loan amounting to 25 million Euros was disbursed to GR. SARANTIS SA from EBRD with equivalent semi-annual installments of 1.5 million Euros beginning from May 2019 up until November 2023 and with final repayment of 10 million Euros in May 2024.

The analysis of the loans is presented below:

4.10.10.1 Group

Group		
Analysis of Bond Loans		
Bank	**Maturity**	**Amount**
EBRD	12/05/2019	1,500,000
EBRD	12/11/2019	1,500,000
EBRD	12/05/2020	1,500,000
EBRD	12/11/2020	1,500,000
EBRD	12/05/2021	1,500,000
EBRD	12/11/2021	1,500,000
EBRD	12/05/2022	1,500,000
EBRD	12/11/2022	1,500,000
EBRD	12/05/2023	1,500,000
EBRD	12/11/2023	1,500,000
EBRD	12/05/2024	10,000,000
EUROBANK	15/10/2021	10,000,000
EUROBANK	21/12/2021	6,000,000
Total		**41,000,000**

4.10.10.2 Company

Company		
Analysis of Bond Loans		
Bank	**Maturity**	**Amount**
EBRD	12/05/2019	1,500,000
EBRD	12/11/2019	1,500,000
EBRD	12/05/2020	1,500,000
EBRD	12/11/2020	1,500,000
EBRD	12/05/2021	1,500,000
EBRD	12/11/2021	1,500,000
EBRD	12/05/2022	1,500,000
EBRD	12/11/2022	1,500,000
EBRD	12/05/2023	1,500,000
EBRD	12/11/2023	1,500,000
EBRD	12/05/2024	10,000,000
EUROBANK	15/10/2021	10,000,000
EUROBANK	21/12/2021	6,000,000
Total		**41,000,000**

The tables below present the change from liabilities arising from financing activities:

Group	Non Current Loans & Borrowings	Current Loans & Borrowings	Total
At 1 January 2018	**26,018,341**	**5,708,068**	**31,726,410**
Cash Flows	37,982,052	-33,438,500	**4,543,552**
Loans and borrowings liabilities from the Acquisition		9,563,734	
Non Cash Flows			
-Effects of Foreign exchange	-393	-112,684	**-113,078**
-Loans and borrowings classified as non current at 31 December 2017 becoming current during 2018	-26,000,000	26,000,000	**0**
At 31 December 2018	**38,000,000**	**7,720,618**	**45,720,618**

Company	Non Current Loans & Borrowings	Current Loans & Borrowings	Total
At 1 January 2018	**26,000,000**	**2,400,000**	**28,400,000**
Cash Flows	38,000,000	-25,400,000	**12,600,000**
Non Cash Flows			
-Effects of Foreign exchange	0	0	**0**
-Loans and borrowings classified as non current at 31 December 2017 becoming current during 2018	-26,000,000	26,000,000	**0**
At 31 December 2018	**38,000,000**	**3,000,000**	**41,000,000**

4.10.11 Income Tax

	Group		Company	
	1.1 - 31.12.2018	**1.1 - 31.12.2017**	**1.1 - 31.12.2018**	**1.1 - 31.12.2017**
Income tax	-5,801,937	-4,000,492	0	0
Tax audit differences	0	0	0	0
Deferred tax	160,420	-1,680,426	317,092	-2,096,867
Total	**-5,641,516**	**-5,680,918**	**317,092**	**-2,096,867**
Earnings / (Losses) before taxes	**38,780,299**	**34,665,575**	**3,889,767**	**22,862,769**
-minus/plus: Temporary differences in income	-3,957,275	-5,399,319	-2,646,009	-5,401,771
-minus/plus: Temporary differences in expenses	4,219,379	581,565	3,339,210	1,171,195
Adjustments in tax for income not subject to taxation				
- Tax free income	0	0	0	-16,000,000
- Differences in income	-5,222,011	-6,958,716	-229,372	-181,556
- Profit from company acquisition	0	0	0	0
- Other adjustments	0	-54,915	0	0
Adjustments in tax for Expenses which are not tax deductible				
- Differences in expenses	177,735	480,856	433,175	480,856
- Non tax-deductible expenses	319,443	402,201	1,554,586	1,817,069
Offsetting of losses from previous fiscal years	**0**	**0**	**-16,613,252**	**-21,471,614**
Total	**34,317,571**	**23,717,246**	**-10,271,896**	**-16,723,052**
Tax Rate (Average tax for the Group)	0	0	0	0
Expected Tax Expense	**5,807,680**	**3,989,634**	**0**	**0**
Adjustments on the tax due to change in tax rate	-116,063	0	-116,063	0
Tax due to recognition of tax losses	0	870,000	0	870,000
Tax of temporary differences	-44,357	810,426	-201,028	1,226,867
Other movements	-5,744	10,858	0	0
Provisions and expenses of additional tax liabilities	0	0	0	0
Real tax expense	**5,641,516**	**5,680,918**	**-317,092**	**2,096,867**

With regard to the fiscal year 2018, the Company is subject to the tax audit of the Certified Auditors stipulated by the provisions of article 65A of Law 4174/2013. The audit is under progress and the relevant tax certificate is expected to be granted after the release of the annual financial statements for the period 31.12.2018. The Management of the Company does not expect the emergence of any significant tax obligations apart from those already depicted in the financial statements.

4.10.12 Deferred taxes

Group

Deferred tax assets	**31.12.2018**	**31.12.2017**
Differences of intangible assets	0	-363,375
Differences of tangible assets	-120,941	-30,206
Write-off of trade receivables	31,461	6,076
Provisions for employee benefits	14,312	71,726
Provisions	178,778	487,889
Recognition of tax loss	630,970	0
Foreign exchange differences	0	-4,951
Total	**734,581**	**167,160**

Deferred liabilities	**31.12.2018**	**31.12.2017**
Differences of tangible assets	229,821	-145,930
Differences of intangible assets	6,958,578	3,754,473
Provisions for doubtful debts	-208,852	-380,614
Provisions for employee benefits	-520,711	67,356
Provisions	-684,605	0
Foreign exchange differences	-2,079	0
Total	**5,772,151**	**3,295,285**

Deferred taxes income / (expense)	**31.12.2018**	**31.12.2017**
Differences of intangible assets	-2,840,729	-529,824
Differences of tangible assets	-466,486	38,242
Write-off of trade receivables	234,237	-4,299
Provisions for employee benefits	82,684	76,900
Provisions	442,850	-647,245
Recognition of tax loss	630,970	-870,000
Foreign exchange differences	1,233	-5,923
From acquisition	2,102,038	0
Sub total	**186,797**	**-1,942,147**
Proportion of deferred tax from associated companies	25,919	284,014
Total	**212,716**	**-1,658,134**
Total deferred tax recognized in the statement of comprehensive income (a)	160,420	-1,680,426
Total deferred tax recognized in the statement of comprehensive income (b)	52,296	22,292

Company

Deferred tax assets /(liabilities)	31.12.2018	31.12.2017
Differences of intangible assets	215,032.26	174,602.48
Differences of tangible assets	-2,166,226.89	-2,170,796.60
	196,651.97	0.00
Provisions for employee benefits	447,520.75	380,613.98
Recognition of tax loss	0.00	0.00
Provisions	248,442.23	-73,580.15
Total	**-1,058,579.68**	**-1,689,160.29**

Deferred taxes income / (expense)	31.12.2018	31.12.2017
Differences of intangible assets	4,569.71	1,812,951.74
Differences of tangible assets	40,429.78	-2,289,371.84
Provisions for employee benefits	196,651.97	68,478.57
Recognition of tax loss	66,906.77	-870,000.00
Provisions	322,022.38	-791,111.25
From absorption of subsidiary	0.00	-5,521.62
Total	**630,580.61**	**-2,074,574.40**
Total deferred tax recognized in the statement of comprehensive income (a)	317,091.73	-2,096,866.86
Total deferred tax recognized in the statement of comprehensive income (b)	313,488.88	22,292.46

4.10.13 Employee benefits

Employee salaries and expenses are analyzed as follows:

Group	31.12.2018	31.12.2017
Employee salaries	33,838,734	29,313,548
Employee benefits	1,044,784	2,673,318
Employer contributions	6,965,874	6,595,002
Employment termination indemnities	673,576	452,322
Attendance fees of BoD members	0	0
Remuneration of BoD members	952,105	940,164
Total	**43,475,074**	**39,974,355**
Average number of employees	**2,581**	**1,676**

Company	31.12.2018	31.12.2017
Employee salaries	16,465,384	15,489,872
Employee benefits	590,645	2,232,469
Employer contributions	4,098,625	3,884,978
Employment termination indemnities	518,772	411,388
Attendance fees of BoD members	0	0
Remuneration of BoD members	304,010	301,052
Total	**21,977,435**	**22,319,760**
Average number of employees	**696**	**699**

4.10.14 Expenses per category

Expenses per category are analyzed as follows:

Group	31.12.2018	31.12.2017
Cost of sales	215,102,260	183,200,661
Employee expenses	37,322,199	34,978,626
Third-party fees	7,196,885	5,599,226
Third-party benefits	10,062,069	8,570,266
Taxes – duties	2,257,121	2,396,165
Sundry expenses	37,463,428	37,346,728
Fixed asset depreciation	4,555,835	3,646,977
Total Activities	**313,959,797**	**275,738,649**

Company	31.12.2018	31.12.2017
Cost of sales	84,806,674	78,796,931
Employee expenses	19,679,123	20,295,524
Third-party fees	3,360,019	2,650,635
Third-party benefits	4,176,967	3,642,273
Taxes – duties	1,150,054	1,355,626
Sundry expenses	15,466,794	17,813,545
Fixed asset depreciation	3,169,024	2,664,960
Total Activities	**131,808,654**	**127,219,494**

Note: The above expenses are reduced by the amount of expenses that have been charged to the production of the parent Company and Group.

4.10.15 Financial Income / Expenses

The financial income / expenses are analyzed as follows:

Group	31.12.2018	31.12.2017
Interest Expense	-1,375,048	-1,349,426
Interest Income	122,066	91,923
Foreign exchange differences	-958,233	92,711
Gain from sale of participations & securities	1,077,284	1,757,623
Loss & expenses from sale of participations & securities	-154,717	-727,741
Impairement of goodwill	0	-321,000
Other financial income/expense	-1,089,216	616,362
Σύνολο	**-2,377,863**	**160,452**

Company	31.12.2018	31.12.2017
Interest Expense	-1,127,329	-1,206,618
Interest Income	68,525	81,427
Foreign exchange differences	-28,292	20,591
Gain from sale of participations & securities	1,077,284	1,451,008
Loss & expenses from sale of participations & securities	-154,714	-301,240
Dividends from subsidiaries	0	16,000,000
Impairement of goodwill	0	-265,130
Other financial income/expense	-653,408	886,040
Σύνολο	**-817,934**	**16,666,078**

4.10.16 Share capital

Share Capital					
	Number of shares	Nominal value of shares	Share capital	Share premium	Total
31.12.2018	69,877,484	0.78	54,504,438	40,676,356	**95,180,793**
31.12.2017	34,938,742	1.55	54,155,050	41,025,743	**95,180,793**
31.12.2016	34,780,982	1.55	53,910,522	39,373,996	**93,284,518**

Following the decision of the Ordinary General Meeting of shareholders on 27/04/2018, the Company proceeded with a share capital increase by an amount of 349,387.42 Euros via capitalization of part of the share premium account.

The share capital increase took place via the corresponding increase of the nominal value per share from 1.55 Euros to 1.56 Euros. Following the above share capital increase, the Company's share capital amounts to 54,504,437.52 Euros divided into 34,938,742 common registered shares with a nominal value of 1.56 Euros per share.

Following, the General Meeting approved the decrease of the nominal value per share from 1.56 Euros to 0.78 Euros and the simultaneous increase of the total number of shares from 34,938,742 to 69,877,484 common registered shares (stock split).

The above 34,938,742 new shares were distributed as bonus shares to the Company's shareholders based on the ratio of one new common registered share for every one old common registered share.

Following the above corporate action, the Company's share capital remained unchanged at 54,504,437.52 Euros divided into 69,877,484 common registered shares with a nominal value of 0.78 Euros per share.

The commencement of trading of the new bonus shares on the Athens Exchange was set on 18/06/2018.

Following the above, the changes in the share capital are analyzed as follows:

Share Capital			
	Number of shares	Nominal value of shares	Share capital
31.12.2017	34,938,742	1.55	54,155,050
Share Capital increase	0	1.56	349,387
Split	34,938,742	0.78	0
31.12.2018	69,877,484	0.78	54,504,438

4.10.17 Earnings per Share

Earnings per share were calculated according to the weighted average number of shares after the deduction of the weighted average number of treasury shares held by the Company.

	Group		Company	
	1.1-31.12.2018	1.1-31.12.2017	1.1-31.12.2018	1.1-31.12.2017
Earnigns after tax attributed to the owners of the Company	32,539,619	28,631,498	4,206,859	20,765,902
Weighted average number of shares	67,778,268	34,240,266	67,778,268	34,240,266
Earnigns per share (€)	0.4801	0.4098	0.0621	0.2972

Earnings per share of the period 1/1-31/12/2017 for the Group and the Company have been adjusted for comparability purposes following the split that took place in June 2018.

4.10.18 Dividends

- For the period ended on 31/12/2018:

The Ordinary General Meeting of shareholders during its meeting on 27.04.2018 approved the distribution of a dividend of 0.26905 Euros per share or a total amount of 9,400,423.76 Euros. According to the legislation in effect, the dividend that corresponded to 1,365,800 treasury shares of the Company further increased the total dividend of the other shareholders and therefore the total gross dividend per share accounted for 0.2800 Euros.

- For the period ended on 31/12/2017:

The Ordinary General Meeting of shareholders during its meeting on 03.05.2017 approved the distribution of a dividend of 0.17254 Euros per share or a total amount of 6,001,201.85 Euros. According to the legislation in effect, the dividend that corresponded to the 488,400 treasury shares of the Company further increased the total dividend of the other shareholders and therefore the total gross dividend per share accounted for 0.1750 Euros.

4.10.19 Treasury Shares

The share buy-back program, which was approved in accordance with the provisions of article 16 of Codified Law 2190/1920 of the Extraordinary General Meeting, which took place on the 9th of June 2016, has been completed. During the above program, pursuant to Regulations EU/596/2014 and EU/1052/2016, as well as any acceptable practice for servicing the legitimate purposes and uses allowed, the company purchased in total 2,731,600 own common registered shares (adjusted after split), which correspond to 3.91% of its share capital, at an average acquisition price of 4.59 Euro per share, paying a total of 12,528,913 Euros.

As of 31/12/2018, the Company held in total 2,731,600 treasury shares with nominal value of EUR 0.78 per share, corresponding to 3.91% of its share capital.

4.10.20 Transitory Accounts

4.10.20.1 Transitory Asset Accounts

The transitory asset accounts are analyzed as follows:

Group	31.12.2018	31.12.2017
prepaid expenses	878,781	578,616
Accrued income	253,281	147,353
other transitional asset accounts	858,576	685,270
Σύνολο	**1,990,638**	**1,411,238**

Company	31.12.2018	31.12.2017
prepaid expenses	490,338	420,326
Accrued income	119,117	95,376
Σύνολο	**609,455**	**515,701**

4.10.20.2 Transitory Liability Accounts

The transitory liability accounts are analyzed as follows:

Group	31.12.2018	31.12.2017
prepaid income	67,078	183,422
accrued expenses	1,483,231	1,494,751
other transitional liability accounts	1,070,707	458,875
Σύνολο	**2,621,016**	**2,137,049**

Company	31.12.2018	31.12.2017
prepaid income	2,641	2,641
accrued expenses	554,005	941,927
other transitional liability accounts	54,993	0
Σύνολο	**611,640**	**944,568**

4.10.21 Revaluation and Other Reserves

The reserves are analyzed as follows:

Group	31.12.2018	31.12.2017
Ordinary reserve	5,673,696	4,545,116
Special reserve	12,723,970	12,852,993
Extraordinary reserve	165,446	128,263
Tax-free reserves on special law provisions	3,601,875	3,601,875
Reserve for treasury shares	-12,528,913	-12,528,913
Reserve from revaluation of fixed assets	1,306,187	0
Σύνολο	**10,942,261**	**8,599,334**

Company	31.12.2018	31.12.2017
Ordinary reserve	4,038,581	3,226,954
Special reserve	77,704,933	87,281,566
Tax-free reserves on special law provisions	3,601,875	3,601,875
Reserve for treasury shares	-12,528,913	-12,528,913
Σύνολο	**72,816,477**	**81,581,482**

4.10.22 Table of changes in fixed assets

4.10.22.1 Company

	Land - fields	Buildings, building facilities and technical projects	Investment property	Machinery, technical installations and other equipment	Vehicles	Furniture and other equipment	Fixed assets under construction and prepayments	Intangible assets	Total
Acquisition cost 31/12/2016	5,724,685	30,735,516	203,660	10,490,788	925,613	8,898,633	525,141	19,735,426	**77,239,461**
Additions	2,042,387	49,839	0	1,620,558	0	1,210,384	2,206,535	3,238,640	**10,368,343**
Reclassifications	0	1,952,105	0	343,510	0	300,401	-2,596,016	0	**0**
Due to absorption of subsidiary	0	0	0	0	28,000	1,170	0	0	**29,170**
Revaluation	0	0	0	0	0	0	0	0	**0**
Reductions	0	0	0	0	-34,939	-105,023	0	0	**-139,962**
Write-offs	0	-17,028	0	-91,478	0	-131,873	0	0	**-240,379**
Value as at 31/12/2017	**7,767,072**	**32,720,432**	**203,660**	**12,363,377**	**918,673**	**10,173,692**	**135,660**	**22,974,067**	**87,256,632**

	Land - fields	Buildings, building facilities and technical projects	Investment property	Machinery, technical installations and other equipment	Vehicles	Furniture and other equipment	Fixed assets under construction and prepayments	Intangible assets	Total
Depreciations 31/12/2016	0	13,330,392	13,514	7,731,880	734,723	6,621,397	0	3,111,751	**31,543,657**
Depreciations for the Period	0	1,122,638	0	620,888	34,975	657,300	0	951,729	**3,387,530**
Due to absorption of subsidiary	0	0	0	0	28,000	1,170	0	0	**29,170**
Revaluation	0	0	0	0	0	0	0	0	**0**
Depreciations of reductions	0	0	0	0	-11,160	-104,178	0	0	**-115,339**
Depreciations of write-offs	0	-16,038	0	-52,476	0	-117,384	0	0	**-185,898**
Depreciations 31/12/2017	0	14,436,992	13,514	8,300,292	786,538	7,058,304	0	4,063,480	**34,659,120**
Net book value as at 31/12/2017	**7,767,072**	**18,283,440**	**190,146**	**4,063,085**	**132,136**	**3,115,388**	**135,660**	**18,910,586**	**52,597,512**

	Land - fields	Buildings, building facilities and technical projects	Investment property	Machinery, technical installations and other equipment	Vehicles	Furniture and other equipment	Fixed assets under construction and prepayments	Intangible assets	Total
Acquisition cost 31/12/2017	7,767,072	32,720,432	203,660	12,363,377	918,673	10,173,692	135,660	22,974,067	**87,256,632**
Additions	6,000	230,847	0	1,669,972	168,695	1,062,224	165,758	77,418	**3,380,915**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluation	0	0	0	0	0	0	0	0	**0**
Reductions	0	0	0	0	0	0	0	0	**0**
Write-offs	0	0	0	-22,198	-25,150	-20,503	-86,160	0	**-154,011**
Cost of disposals	0	0	0	-46,177	-57,482	-51,001	0	0	**-154,660**
Value as at 31/12/2018	**7,773,072**	**32,951,279**	**203,660**	**13,964,975**	**1,004,737**	**11,164,412**	**215,258**	**23,051,484**	**90,328,877**

	Land - fields	Buildings, building facilities and technical projects	Investment property	Machinery, technical installations and other equipment	Vehicles	Furniture and other equipment	Fixed assets under construction and prepayments	Intangible assets	Total
Depreciations 31/12/2017	0	14,436,992	13,514	8,300,292	786,538	7,058,304	0	4,063,480	**34,659,120**
Depreciations for the Period	0	1,172,322		688,612	34,059	795,448	0	1,201,633	**3,892,074**
Revaluation	0	0	0	0	0	0	0	0	**0**
Depreciations of reductions	0	0	0	0	0	0	0	0	**0**
Depreciations of write-offs	0	0	0	-7,624	-24,831	-16,085	0	0	**-48,540**
Depreciation of disposals	0	0	0	-44,737	-35,079	-44,972	0	0	**-124,789**
Depreciations 31/12/2018	0	15,609,315	13,514	8,936,543	760,686	7,792,695	0	5,265,113	**38,377,866**
Net book value as at 31/12/2018	**7,773,072**	**17,341,964**	**190,146**	**5,028,432**	**244,050**	**3,371,717**	**215,258**	**17,786,371**	**51,951,011**

4.10.22.2 Group

	Land - fields	Buildings, building facilities and technical projects	Investment property	Machinery, technical installations and other equipment	Vehicles	Furniture and other equipment	Fixed assets under construction and prepayments	Intangible assets	Total
Acquisition cost 31/12/2016	6,216,183	33,718,549	550,855	21,399,865	2,307,399	9,627,638	1,031,948	40,816,490	**115,668,928**
Additions	2,042,387	58,708	0	2,217,945	116,990	1,220,938	2,622,052	3,503,961	**11,782,980**
Reclassifications	0	1,952,105	0	809,598	0	300,401	-3,068,942	6,838	**0**
Revaluation	0	0	0	0	0	0	0	0	**0**
Reductions	0	0	0	-70,813	-224,770	-110,478	0	-826	**-406,887**
Write-offs	0	-29,485	0	-186,213	0	-135,006	0	-12,827	**-363,531**
Foreign exchange differences	29,825	175,251	-8,837	612,292	38,179	18,477	29,271	286,408	**1,180,866**
Value as at 31/12/2017	**8,288,396**	**35,875,128**	**542,018**	**24,782,675**	**2,237,798**	**10,921,969**	**614,329**	**44,600,044**	**127,862,356**

	Land - fields	Buildings, building facilities and technical projects	Investment property	Machinery, technical installations and other equipment	Vehicles	Furniture and other equipment	Fixed assets under construction and prepayments	Intangible assets	Total
Depreciations 31/12/2016	0	14,139,079	13,514	12,990,691	1,667,484	7,174,946	0	6,797,987	**42,783,700**
Depreciations for the Period	0	1,217,249	0	1,548,931	194,481	695,249	0	1,498,087	**5,153,997**
Revaluation	0	0	0	0	0	0	0	0	**0**
Depreciations of reductions	0	0	0	-69,729	-166,313	-105,024	0	-826	**-341,891**
Depreciations of write-offs	0	-25,752	0	-147,211	0	-120,517	0	-11,784	**-305,263**
Foreign exchange differences	0	46,299	0	280,208	24,477	18,705	0	78,579	**448,268**
Depreciations 31/12/2017	0	15,376,875	13,514	14,602,890	1,720,130	7,663,359	0	8,362,043	**47,738,811**
Net book value as at 31/12/2017	**8,288,396**	**20,498,254**	**528,505**	**10,179,784**	**517,668**	**3,258,610**	**614,329**	**36,238,001**	**80,123,546**

	Land - fields	Buildings, building facilities and technical projects	Investment property	Machinery, technical installations and other equipment	Vehicles	Furniture and other equipment	Fixed assets under construction and prepayments	Intangible assets	Total
Acquisition cost 31/12/2017	8,288,396	35,875,128	542,018	24,782,675	2,237,798	10,921,969	614,329	44,600,044	**127,862,356**
Additions	1,011,207	1,522,489	0	4,124,267	360,531	1,277,865	4,567,577	18,812,955	**31,676,891**
Reclassifications	0	0	0	314,019	7,891	-1,169	-320,514	-228	**0**
Revaluation	931,161	911,558	583,076	0	0	0	261,237	0	**2,687,033**
From absorption of subsidiary	43,573	1,938,123	0	3,614,310	171,540	177,318	277,194	739,399	**6,961,456**
Reductions	0	0	0	0	0	0	0	0	**0**
Write-offs	0	0	0	-83,751	-25,328	-28,337	-96,735	0	**-234,151**
Cost of disposals	0	0	0	-331,868	-283,845	-79,113	-198,569	-20,525	**-913,921**
Foreign exchange differences	-23,282	6,523	-315	-163,580	-8,628	-4,318	-4,206	-210,848	**-408,654**
Net book value as at 31/12/2018	**10,251,054**	**40,253,822**	**1,124,780**	**32,256,071**	**2,459,960**	**12,264,215**	**5,100,314**	**63,920,796**	**167,631,011**

	Land - fields	Buildings, building facilities and technical projects	Investment property	Machinery, technical installations and other equipment	Vehicles	Furniture and other equipment	Fixed assets under construction and prepayments	Intangible assets	Total
Depreciations 31/12/2017	0	15,376,875	13,514	14,602,890	1,720,130	7,663,359	0	8,362,043	**47,738,811**
Depreciations for the Period	0	1,308,339	0	1,983,548	178,378	829,986	0	2,119,523	**6,419,774**
Revaluation	0	227,989	0	0	0	0	0	0	**227,989**
Due to absorption of subsidiary	0	681,243	0	1,966,739	125,272	162,356	0	472,490	**3,408,100**
Depreciations of reclassifications	0	0	0	1,615	0	-1,387	0	-228	**0**
Depreciations of reductions	0	0	0	0	0	0	0	0	**0**
Depreciations of write-offs	0	0	0	-79,470	-25,009	-23,919	0	0	**-128,399**
Depreciations of disposal	0	0	0	-304,407	-224,069	-73,084	0	0	**-601,560**
Foreign exchange differences	0	10,199	0	-67,211	-5,876	-3,067	0	-49,801	**-115,757**
Depreciations 31/12/2018	0	17,604,645	13,514	18,103,704	1,768,826	8,554,244	0	10,904,027	**56,948,959**
Net book value as at 31/12/2018	**10,251,054**	**22,649,177**	**1,111,266**	**14,152,367**	**691,134**	**3,709,971**	**5,100,314**	**53,016,769**	**110,682,052**

The net book value of intangible assets within the Group at 31/12/2018 includes trademarks – rights amounting to 46.3 mil. euros (29.8 mil. euros at 31/12/2017) and software amounting to 6.7 mil. euros (6.4 mil. at 31/12/2017). The change in trademarks – rights is driven by the acquisitions of Indulona and Ergopack realized within 2018 (see paragraph 4.6.2)

The net book value of intangible assets within the Company at 31/12/2018 includes trademarks – rights amounting to 13.5 mil. euros (14.9 mil. euros at 31/12/2017) and software amounting to 4.3 mil. euros (4.0 mil. at 31/12/2017).

4.10.23 Number of Employees

The number of employees for the Group and Company is as follows:

	Group		Company	
	01/01 - 31/12/2018	01/01 - 31/12/2017	01/01 - 31/12/2018	01/01 - 31/12/2017
Regular employees (during the presented date)	1,841	1,574	623	630
Day-wage employees (during the presented date)	740	102	73	69
Total Employees	**2,581**	**1,676**	**696**	**699**

4.10.24 Provisions for post-employment employee benefits

The liability for post employment benefits is presented in the Financial Statements according to IAS 19 and is based on an actuarial study that was carried out based on 31 December 2018.

The calculations of the study were based on the following actuarial assumptions:

a. Average annual long-term inflation rate: 2%

b. Annual Increase of Wages: 1.3%

c. Discount rate: According to guidance of IAS 19, the discount rate for the calculation of present values, and the investment of reserves must be defined prudently. In our case, this rate was set at 2.22%, in nominal terms.

d. Employee mobility: We assumed that no dismissals will occur and all employees will receive indemnity during their retirement.

e. Retirement ages and condition: According to the statutory provisions of the Primary Social Insurance fund of each employee.

f. Indemnities: In application of the legal provisions of Law 4093/2012.

g. Assets for the indemnity of Law 2112/20: zero (0)

The expense for the provision for staff retirement indemnities that was recognized in the results, is as follows:

	Group		Company	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
Current Employment Service Cost	465,385	140,020	477,620	123,826
Financial cost	31,846	42,919	38,477	35,436
Actuarial Losses (Profit)	199,698	76,871	199,698	76,871
Total	**696,928**	**259,809**	**715,794**	**236,133**
Further Payments	-238,173	0	-238,173	0
Retirement expenses	**458,755**	**259,809**	**477,621**	**236,133**
Balance of Liability at beginning of period	**1,419,942**	**1,160,133**	**1,312,462**	**1,076,329**
Retirement expenses	**458,755**	259,809	**477,621**	236,133
Reductions due to discontinued activities		0		0
Closing Balances	**1,878,697**	**1,419,942**	**1,790,083**	**1,312,462**

A quantitative sensitivity analysis of the major assumptions as of 31st December 2018 is presented below:

Assumptions	Discount rate		Future salary increase	
Sensitivity level	0.50% increase	0.50% reduction	0.50% increase	0.50% reduction
	EUR	EUR	EUR	EUR
effect on the defined benefit obligation	-59,773	60,452	67,187	-65,484

4.10.25 Litigation Cases

- There are no pending or under arbitration legal cases and decisions by judicial or arbitration bodies which may significantly affect the financial statements of the Group and the Company, apart from the case of Marinopoulos S.A., where the Company has a claim of 2.4 million euros, that is included in the Company's provisions.

- With regard to the own-initiative case of investigation that was conducted by the General Division for Competition in the Greek cosmetics market of high quality and price and in an effort to detect possible violations of the provisions of articles 1, 2 and 2a of Law 703/1977, case which was discussed in front of the Competition Committee and in continuation of the Decision No 646/2017 of the Greek Competition Committee pursuant to which a fine amounting to 1,939,849.41 Euros was imposed to the Company, it is noted that:

    - The Company filed a recourse before the Administrative Court of Appeal in Athens, which was upheld with the Decision No. 2246/2018 of the Court that cancelled the fine imposed by the Competition Committee's decision No. 646/2017.

    - The company ESTEE LAUDER HELLAS S.A., where GR. SARANTIS SA participates indirectly by 49%, and which was fined by an amount of 5,388,425.35 Euros by the same Decision No. 646/2017 of the Competition Committee, similarly filed a recourse before the Administrative Court of Appeal in Athens, which was upheld with Decision No. 2248/2018 of the same Court that cancelled the fine imposed to ESTEE LAUDER HELLAS SA by the Competition Committee's respective decision.

4.10.26 Contingent Liabilities

During the period 01.01 – 31.12.2018 there are no contingent liabilities either in the Group or the Company.

4.10.27 Contractual Obligations

The Group leases transport means, offices, buildings and other equipment under non-cancellable operating leases.

The lease contracts are as follows:

	Group		Company	
	31.12.2018	**31.12.2017**	**31.12.2018**	**31.12.2017**
Up to 1 year	4,077,564	3,388,614	1,817,105	1,199,123
From 1 to 5 years	10,598,674	12,096,686	4,861,646	4,889,541
Over 5 years	717,450	1,425,533	0	0
Total	**15,393,688**	**16,910,833**	**6,678,751**	**6,088,664**

4.10.28 Events after the Balance Sheet Date

As of 01/01/2019 SANECA TRADE CZ S.R.O. was absorbed by SARANTIS CZECH REPUBLIC sro .

4.10.29 Foreign Exchange Differences

The operating currency of the Group is the Euro. The Company converts the statements of income of the subsidiary companies into euro based on the average exchange rate and the balance sheets based on the closing exchange rate as of 31st December.

The major foreign exchange differences that were used in the conversion of foreign transactions into euro are the following:

	Average rate for the period ended		Spot rate as at	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
US dollar	1.18	1.13	1.15	1.20
UK sterling	0.88	0.88	0.89	0.89
Polish zloty	4.26	4.26	4.30	4.17
Romanian leu	4.65	4.57	4.66	4.66
Bulgarian lev	1.96	1.96	1.96	1.96
Czech koruna	25.65	26.32	25.73	25.54
Serbian dinar	118.28	121.40	118.19	118.47
Macedonian dinar	61.51	61.57	61.50	61.49
Hungarian florint	318.85	309.28	321.51	310.14
Bosnia-Herzegovina convertible marka	1.96	1.96	1.96	1.96
Ukrainian hryvnia	32.13		31.71	
Russian rouble	73.95		79.46	

4.10.30 Related party transactions

The most significant transactions between the Company and its related parties, as such are defined by International Accounting Standard 24, are presented below.

Subsidiaries ***Company***

Trade receivables	31.12.2018	31.12.2017
Sarantis Romania S.A.	814,636	1,400,511
Sarantis Czech Republic sro	763,938	0
Sarantis Polska S.A.	426,494	542,316
Elode France SARL	19,506	15,894
Polipak SP.Z.O.O.	7,460	37,730
Sarantis Hungary Kft.	274,109	210,465
Sarantis Bulgaria LTD	108,171	110,767
Sarantis Portugal LDA	1,142,773	1,023,944
Total	**3,557,085**	**3,341,628**
Grand Total Receivables	**3,557,085**	**3,341,628**

Trade Liabilities	**31.12.2018**	**31.12.2017**
Sarantis Polska S.A.	246,879	67,846
Sarantis Czech Republic sro	399	374,931
Sarantis Belgrade D.O.O	1,647,316	1,522,428
Polipak SP.Z.O.O.	454,131	538,590
Sarantis Skopje D.O.O	902,108	708,623
Sarantis Hungary Kft.	670	18,366
Sarantis Portugal LDA	0	80,589
Sarantis France SARL	57,181	60,793
Total	**3,308,683**	**3,372,166**

Liabilities from loans	**31.12.2018**	**31.12.2017**
Waldeck LTD	538,493	547,240
Total	**538,493**	**547,240**
Grand Total Liabilities	**3,847,176**	**3,919,406**

Income

Income from sale of merchandise	**31.12.2018**	**31.12.2017**
Sarantis Romania S.A.	4,915,722	4,443,353
Sarantis Bulgaria LTD	1,946,875	1,797,888
Sarantis Belgrade D.O.O	2,124,960	1,967,157
Sarantis Skopje D.O.O	597,697	500,903
Sarantis Polska S.A.	4,289,920	4,924,999
Sarantis Czech Republic sro	2,986,444	3,012,108
Sarantis Hungary Kft.	1,028,109	848,792
Sarantis Portugal LDA	975,686	736,694
Total	**18,865,414**	**18,231,893**

Other Income	**31.12.2018**	**31.12.2017**
Sarantis Banja Luca DOO	3,870	2,541
Sarantis Romania S.A.	82,628	65,026
Sarantis Belgrade D.O.O	83,046	26,909
Sarantis Skopje D.O.O	14,234	11,984
Sarantis Hungary Kft.	53,387	56,946
Sarantis Czech Republic sro	99,294	116,540
Sarantis Polska S.A.	159,394	173,610
Sarantis Bulgaria LTD	31,743	21,797
Sarantis Portugal LDA	77,321	67,159
Polipak SP.Z.O.O.	43,742	21,969
Total	**648,660**	**564,481**
Grand Total Income	**19,514,074**	**18,796,375**

Expenses and Purchases

Purchases of Merchandise - Services	31.12.2018	31.12.2017
Sarantis Bulgaria LTD	0	327,008
Sarantis Romania S.A.	79,505	71,742
Sarantis Czech Republic sro	3,502	50,864
Sarantis Belgrade D.O.O	14,292	28,665
Sarantis Polska S.A.	1,430,136	346,918
Sarantis Hungary Kft.	1,564	18,366
Polipak SP.Z.O.O.	3,521,156	2,666,493
Sarantis Portugal LDA	390	80,589
Total	**5,050,544**	**3,590,645**

Expenses – Interest	31.12.2018	31.12.2017
Waldeck LTD	22,060	22,060
Total	**22,060**	**22,060**
Grand Total Expenses	**5,072,603**	**3,612,705**

Table of Disclosures of Related Parties		
	Group	**Company**
a) Income	0	19,514,074
b) Expenses	0	5,072,603
c) Receivables	0	3,557,085
d) Liabilities	0	3,847,176
e) Transactions and remuneration of senior executives and management	994,128	346,032
f) Receivables from senior executives and management	81,519	0
g) Liabilities towards senior executives and management	0	0
h) Receivables from affiliates	4,863	4,863

4.10.31 Business Units and Geographical Analysis Tables

4.10.31.1 Breakdown by Business Unit

Turnover Analysis

SBU Turnover (€ mil)	*FY '18*	*%*	*FY '17 **
Cosmetics	**151.53**	**10.60%**	**137.00**
% of Total	**44.05%**		**45.72%**
Own	96.12	8.60%	88.51
% of SBU	63.43%		64.61%
Distributed	55.41	14.26%	48.49
% of SBU	36.57%		35.39%
Household Products	**130.46**	**25.20%**	**104.20**
% of Total	**37.93%**		**34.77%**
Own	129.63	25.26%	103.49
% of SBU	99.36%		99.32%
Distributed	0.83	17.14%	0.71
% of SBU	0.64%		0.68%
Private Label	**18.61**	**15.83%**	**16.06**
% of Total	**5.41%**		**4.68%**
Other Sales	**43.40**	**2.31%**	**42.41**
% of Total	**12.62%**		**14.15%**
Health Care Products	9.77	-4.86%	10.27
% of SBU	22.52%		24.21%
Selective	33.63	4.61%	32.14
% of SBU	77.48%		75.79%
Total Turnover	**344.00**	**14.79%**	**299.68**

**FY 2017 adjusted based on IFRS 15 "Revenue from Contracts with Customers", effective since January 1st 2018.*

EBIT Analysis

SBU EBIT (€ mil)		***FY '18***	***%***	***FY '17***
Cosmetics		**12.20**	**10.25%**	**11.06**
	Margin	8.05%		8.07%
	% of EBIT	30.06%		32.06%
Own		**9.12**	**5.52%**	**8.65**
	Margin	9.49%		9.77%
	% of EBIT	22.49%		25.06%
Distributed		**3.07**	**27.16%**	**2.42**
	Margin	5.55%		4.98%
	% of EBIT	7.57%		7.00%
Household Products		**13.30**	**20.16%**	**11.07**
	Margin	10.19%		10.62%
	% of EBIT	32.78%		32.08%
Own		**13.37**	**19.01%**	**11.23**
	Margin	10.31%		10.85%
	% of EBIT	32.94%		32.55%
Distributed		**-0.07**	**58.86%**	**-0.16**
	Margin	-8.03%		-22.88%
	% of EBIT	-0.17%		-0.47%
Private Label		**1.47**	**49.45%**	**0.98**
	Margin	7.88%		6.11%
	% of EBIT	3.61%		2.84%
Other Sales		**4.17**	**16.95%**	**3.57**
	Margin	9.62%		8.41%
	% of EBIT	10.29%		10.34%
Health Care Products		**1.50**	**17.59%**	**1.28**
	Margin	15.35%		12.42%
	% of EBIT	3.70%		3.70%
Selective		**2.67**	**16.59%**	**2.29**
	Margin	7.95%		7.14%
	% of EBIT	6.59%		6.65%
Income from Associated Companies		**9.44**	20.63%	**7.82**
	% of EBIT	23.26%		22.68%
Total EBIT		**40.57**	**17.59%**	**34.51**
	Margin	**11.79%**		**11.51%**

4.10.31.2 Geographical Breakdown

Turnover analysis

Country Turnover (€ mil)	*FY '18*	*%*	*FY '17 **
Greece	**116.71**	**4.01%**	**112.21**
% of Total Turnover	**33.93%**		**37.44%**
Poland	58.20	5.23%	55.31
Poland - Polipak	18.61	15.83%	16.06
Romania	52.36	7.17%	48.85
Bulgaria	14.00	4.91%	13.35
Serbia	18.86	18.60%	15.90
Czech Republic **	20.89	27.20%	16.43
Slovakia**	4.85	67.69%	2.90
Hungary	11.44	11.32%	10.28
FYROM	4.16	4.53%	3.98
Bosnia	3.02	6.33%	2.84
Portugal	2.03	28.32%	1.58
Ukraine	16.89	-	-
Russia	1.97	-	-
Foreign Countries Subtotal	**227.29**	**21.24%**	**187.47**
% of Total Turnover	**66.07%**		**62.56%**
Total Turnover	**344.00**	**14.79%**	**299.68**

**FY 2017 adjusted based on IFRS 15 "Revenue from Contracts with Customers", effective since January 1st 2018.*

*** In 2017 sales in Slovakia were realized through the Czech Republic subsidiary and were recorded within Czech Republic. As of 2018 and following the acquisition of INDULONA, sales in Slovakia are presented separately. FY '17 sales of Czech Republic are adjusted accordingly.*

EBIT Analysis

Country EBIT (€ mil)	***FY '18***	***%***	***FY '17***
Greece	**22.50**	**10.12%**	**20.44**
% of Total Ebit	**55.47%**		**59.23%**
Poland	4.66	41.70%	3.29
Poland-Polipak	1.47	49.45%	0.98
Romania	5.02	6.77%	4.70
Bulgaria	1.64	1.52%	1.62
Serbia	2.12	34.64%	1.58
Czech Republic	1.89	30.98%	1.45
Slovakia	0.25	1272.36%	0.02
Hungary	-0.09	-211.69%	0.08
FYROM	0.65	6.60%	0.61
Bosnia	-0.14	-53.73%	-0.09
Portugal	-0.21	-36.02%	-0.15
Ukraine	1.03	-	-
Russia	-0.23	-	-
Foreign Countries Subtotal	**18.07**	**28.44%**	**14.07**
% of Total Ebit	**44.53%**		**40.77%**
Total EBIT	**40.57**	**17.59%**	**34.51**

Marousi, 10 April 2019

THE CHAIRMAN OF THE BOARD	THE VICE-CHAIRMAN	THE FINANCIAL DIRECTOR & BOARD MEMBER	THE HEAD ACCOUNTANT
GRIGORIS SARANTIS	**KYRIAKOS SARANTIS**	**KONSTANTINOS ROZAKEAS**	**VASILIOS D. MEINTANIS**
ID No. X 080619/03	ID No. AI 597050/2010	ID No. AK 783631/13	ID No. AB 656347/06