Annual Fianancial Report
According to article 4 of L. 3556/2007
for the financial year from January 1st, 2018 to December 31st, 2018
(amounts in € thousand unless otherwise mentioned)

MARFIN INVESTMENT GROUP HOLDINGS S.A.
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General Commercial Reg. Nr. 3467301000 (Societe Anonyme Reg. Nr. 16836/06/B/88/06)

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ABBREVIATIONS

As used in the Financial Statements unless otherwise mentioned:

“Company”, “Group”, “ MIG”	refers to “MARFIN INVESTMENT GROUP HOLDINGS S.A.”
“ATHENIAN ENGINEERING”	refers to “ATHENIAN ENGINEERING S.A.” former “OLYMPIC ENGINEERING S.A.”
“ATTICA”	refers to “ATTICA HOLDINGS S.A.”
“BARBA STATHIS”	refers to “BARBA STATHIS S.A.”
“BLUE STAR”	refers to “BLUE STAR MARITIME S.A.”
“BVI”	refers to BRITISH VIRGIN ISLANDS
“DELTA”	refers to “ DELTA FOODS S.A.”
“EVEREST”	refers to “EVEREST S.A.”
“FORTRESS”	refers to “FORTRESS INVESTMENT GROUP”
“GOODY’S”	refers to “GOODY’S S.A.”
“HSW”	Refers to “HELLENIC SEAWAYS S.A.”
“HYGEIA”	refers to “HYGEIA S.A.”
“MARFIN CAPITAL”	refers to “MARFIN CAPITAL S.A.”
“MEVGAL”	refers to “MEVGAL S.A.”
“MIG AVIATION 1”	refers to “MIG AVIATION 1 LTD”
“MIG AVIATION 2”	refers to “MIG AVIATION 2 LTD”
“MIG AVIATION HOLDINGS”	refers to ”MIG AVIATION HOLDINGS LTD”
“MIG LEISURE”	refers to “MIG LEISURE LTD”
“MIG LRE CROATIA”	refers to “MIG LEISURE & REAL ESTATE CROATIA B.V.”
“MIG REAL ESTATE”	refers to “MIG REAL ESTATE S.A.”
“MIG REAL ESTATE SERBIA”	refers to “MIG REAL ESTATE (SERBIA) B.V.”
“MIG SHIPPING”	refers to “MIG SHIPPING S.A.”
“MITERA”	refers to “MITERA HOSPITAL S.A.”
“OLYMPIC AIR”	refers to “OLYMPIC AIR S.A.”
“RKB”	refers to “JSC ROBNE KUCE BEOGRAD”
“SINGULARLOGIC”	refers to “SINGULARLOGIC S.A.”
“SKYSERV”	refers to “SKYSERV HANDLING S.A.” former “OLYMPIC HANDLING S.A.”
“VIVARTIA”	refers to “VIVARTIA HOLDINGS S.A.”
“IFRS”	refers to International Financial Reporting Standards
“CBL”	refers to “Convertible Bond Loan”
“CGU”	refers to “Cash Generating Unit”
“CGU”	refers to “Cash Generating Unit”
“CBL”	refers to “Convertible Bond Loan”

A. REPRESENTATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS

The below statements, made in compliance with Article 4, Par. 2 of the Law 3556/2007, as currently effective, are made by the following representatives of the Company Board of Directors:

1. Panagiotis Throuvalas, father’s name Konstantinos, Chairman of the Board of Directors
2. Athanasios Papanikolaou, father’s name Efthimios, Chief Executive Officer
3. Christophe Vivien, father’s name Francois, Member of the Board of Directors

The following Members who sign the financial statements, under our capacities as Members of the Board of Directors, specifically appointed for this purpose by the Board of Directors of MARFIN INVESTMENT GROUP HOLDINGS S.A. declare and certify to the best of our knowledge that:

(a) The attached Annual Financial Statements of the company “MARFIN INVESTMENT GROUP HOLDINGS S.A.” for the annual period 01/01-31/12/2018 prepared according to the applicable accounting standards, present truly and fairly the assets and liabilities, the equity and the financial results of the Company as well as of the companies included in the consolidation in aggregate, and

(b) The attached BoD Report provides a true view of the Company’s evolution, performance and position, as well as of the companies included in the consolidation in aggregate. A description of the main risks and uncertainties to which they are exposed is also encompassed in the Report.

Kifissia, April 24, 2019

The designees

The Chairman of the BoD	The Chief Executive Officer	The Member of the BoD
Panagiotis Throuvalas	Athanasios Papanikolaou	Christophe Vivien
ID No: AK543083	ID No: AN612863	Passport No: 14AD07810

B. Independent auditor's report

To the Shareholders of "MARFIN INVESTMENT GROUP HOLDINGS S.A."

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of MARFIN INVESTMENT GROUP HOLDINGS S.A. (the Company) and its subsidiaries, which comprise the separate and consolidated statements of financial position as at December 31 2018, and the separate and consolidated statements of profit or loss and other comprehensive income, statements of changes in equity and cash flow statements for the year then ended, including a summary of significant accounting policies and selected explanatory notes to the financial statements.

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

Basis for opinion

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

Material Uncertainty Related to Going Concern

We would like to draw your attention to Note 3.1 of the financial statements which describes that the Group's and Company's current liabilities exceed current assets by € 369.5 mil. and € 245.4 mil., respectively. As described in the same Note and in Note 26 of the financial statements, Management is in discussions for the restructuring of borrowing liabilities of the subsidiaries amounting to € 153.2 mil. In addition, in the context of the Restructuring Agreement signed by the Company, which requires compliance with terms in order to substantially reduce the Company's total borrowings, and in respect of loan liabilities amounting to € 248.8 mil., Management examines the restructuring the of the aforementioned liabilities or/ and their repayment through the disposal of assets.

The above conditions indicate the existence of material uncertainty regarding the Group's and Company's ability to continue as a going concern. The successful finalization of the restructuring of borrowing liabilities constitutes a key requirement for the adequacy of the Group's and Company's working capital. As mentioned in the same Note, Management has planned actions to enhance the Group's and Company's financial position and the going concern assumption, condition which has been taken into account for the preparation of the accompanying financial statements according to the going concern principle.

Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the separate and consolidated financial statements of the current year. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not express a separate opinion on these matters. Except of the matter as described in the paragraph "Material Uncertainty Related to Going Concern" of our audit report, we have concluded that the matters which are described below are the key audit maters that must be disclosed in our audit report.

Key audit matters	How our audit addressed the key audit matter
Assessment of impairment of non-current assets	
As at December 31, 2018, the Group has recognised goodwill of € 233.7 mil, intangible assets of € 235.1 mil. and tangible assets of € 1,017.8 mil. Further as at December 31, 2018 the Company has recognised investments in subsidiaries of € 782.1 mil. In accordance with IFRS, management performs at the end of each reporting period, impairment tests for goodwill and intangible assets with indefinite useful life while for intangible assets with definite useful life, tangible assets and investments in subsidiaries impairment tests are performed only when relevant indications exist. The abovementioned assessment requires significant level of judgement. The impairment test requires the identification of the recoverable amount of each Cash Generating Unit (CGU) as the higher of the fair value less costs to sell and value in use. The assessment requires judgement by management regarding the future cash flows of each CGU (relating to variables as revenue growth rate, capital and operating expenditures and the requirements of the relevant legal framework affecting their operation) and the discount rates applied to future cash flows. Based on the impairment tests performed for the year ended on December 31, 2018, the Group has recognized impairment losses of € 3.3 mil. on goodwill, € 13.5 mil. on intangible assets with indefinite useful life and € 1 mil. on tangible assets, whilst the Company has recognized impairment losses of € 102.8 mil. on investments in subsidiaries. Due to the importance of these financial statement items and management's use of assumptions and estimates, we consider the impairment assessment of the abovementioned financial statement items as one of the key audit matters. The Group's and Company's disclosures relating to the accounting policy, judgements and estimates used for the impairment assessment of the abovementioned assets are included in notes 4.3, 5.2, 5.3, 5.4, 10, 11 and 12 of the financial statements.	Our audit approach included, among others, the following procedures: • We assessed management's estimates regarding the existence of impairment indications of these non-current assets. • For those CGUs that impairment indications existed, we evaluated: i) the appropriateness of the methods applied for the identification of recoverable amount and ii) the reasonableness of the key assumptions and estimates of future cash flows. • We evaluated the reliability of management's estimates during the preparation of the business plans which are the basis of the valuations. Among others, we compared and analyzed the budgeted estimates /forecasts to the actual performance of the CGUs. • For the abovementioned procedures where it was deemed appropriate, we used Grant Thornton's specialist. • We assessed the adequacy of the related disclosures in the financial statements.
Provisions and contingent liabilities from court cases	
As at December 31, 2018, the Group and the Company are involved under their capacity as defendant in various and complex court cases and arbitration procedures during their normal operations. The recognition and measurement of provisions and the measurement and disclosure of contingent liabilities related	Our audit approach included, among others, the following procedures: • We assessed Managements procedures regarding the collection, monitoring and assessment of pending court cases and respective provisions

to court cases and arbitration procedures includes significant judgements by Management which take into consideration the estimates of its legal advisors and as a result we considered this area as one of the key audit matters. The estimates relate to the outcome and the possible financial impact of each case to the Group and the Company.

The Group's and Company's disclosures relating to the provisions and contingent liabilities are included in notes 4.16, 5.15 and 46.3 of the financial statements.

recognized.

- We received and evaluated the letters of both Group's legal department and external legal advisors and we discussed with Management and the legal advisors where necessary.
- We evaluated Management's conclusions regarding the impact of pending court cases in both Group's and Company's financial statements.
- We evaluated the adequacy of disclosures in the attached financial statements in relation to this matter.

Fair value measurement of investment properties

As at December 31 2018, the Group has recognized investment properties of € 259.8 mil. and losses from fair value adjustments on investment property of € 7.5 mil.

Investment properties are recognized initially at acquisition cost including any transaction costs and subsequently at fair value. The fair value assessment of investment properties which has been assigned by Group's Management to an independent appraiser is based on significant estimates relating among others to the range of market rentals, the rental adjustment factor and the discount rate.

Taking into consideration the abovementioned factors and the significance of this item to the Group's financial statements, we assessed the fair value measurement of investment properties as one of the key audit matters.

The Group's and Company's disclosures relating to the accounting policy, judgements and estimates used for the fair value measurement of investment properties are included in notes 4.8, 5.11 and 15 of the Group's financial statements.

Our audit approach included, among others, the following procedures:

- We tested Management's procedures regarding the fair value measurement of investment properties.
- We assessed the independence, objectivity, experience and knowledge of the independent appraiser assigned by Management to assess the fair value.
- We tested the reasonableness of Management's assumptions and estimates used for the assessment of the fair value of investment properties. In addition, we tested the appropriateness of the valuation methods used.
- We tested on a sample basis the completeness and accuracy of data provided by Management to the independent appraiser, including reconciliation to lease agreements and market contracts.
- For the abovementioned procedures where it was deemed appropriate, we used Grant Thornton's expert.
- We evaluated the adequacy of disclosures in the attached financial statements in relation with this matter.

Recoverability of trade receivables

As at December 31 2018, the Group has recognized trade receivables of € 288.5 mil. against which provision for impairment amounting to € 132.2 mil. has been recognized.

At each reporting date, management assesses the recoverability of the abovementioned Group's receivables in order to be reflected at their recoverable amount. As of 01/01/2018, the Group has applied IFRS 9 for the

Our audit approach included, among others, the following procedures:

- We evaluated management's procedures regarding the monitoring of trade receivables and the assessment of their recoverability.
- We assessed management's estimates regarding the recoverability of trade receivables. During this

measurement of the financial instruments, which led to changes in the impairment requirements of the financial assets in scope of this Standard.

The Group has applied the simplified approach of this Standard for contract assets, trade receivables and lease receivables by using a provision matrix in which the abovementioned financial instruments have been grouped based on the balances' nature and ageing and by taking into account available historical data in respect of the debtors, adjusted with future factors related to debtors and economic environment. This process involves significant judgements and estimates.

In this context and combined with the importance of this item in the financial statements, we assessed the recoverability of trade receivables as one of the key audit matters.

The Group's and Company's disclosures regarding the accounting policy, judgements, and estimates used for the recoverability assessment of trade receivables, are included in the notes 4.2, 4.3.2, 5.7 and 19 of the financial statements.

process, we evaluated among others, the estimates provided by legal consultants addressing the receivables for which legal proceedings have been initiated.

- We assessed proper application of IFRS 9 requirements for the calculation of the expected credit losses over the assets' lifetime.
- We assessed Management's results regarding the recognition of impairment provisions of the Group's trade receivables.
- We assessed the adequacy of the related disclosures in the financial statements with respect to this matter.

Revenue Recognition

Group's revenues are derived from different operating segments ("Food & Dairy", "Transportation", "IT & Telecoms" and "Private Equity").

Each operating segment includes different revenue streams whose recognition involves different level of complexity and judgements by Management. Furthermore, revenue recognition requires judgments and estimates by Management regarding proper application of the accounting standards and in specific of IFRS 15- Revenues from Contracts with Customers, which was applied by the Group on 01/01/2018 using the cumulative effect method. Taking into consideration the above and the significance of this financial statement item we assessed revenue recognition as one of the key audit matters.

Group's disclosures regarding the accounting policies of revenue recognition and Management's judgements and estimates used for revenues are included in the notes 4.17 and 34 of the financial statements.

Our audit approach included, among others, the following procedures:

- We obtained an understanding of the internal controls which have been designed by management relating to the revenue recognition of each operating segment. Where necessary, we tested the operating effectiveness of key controls which cover the revenues recognition procedures.
- For each reporting segment, we performed among others, the following substantive procedures: (i) we tested on a sample basis the accuracy of revenue recognition according to the relevant contract terms and IFRS requirements, (ii) we performed revenue analytical procedures to identify potentially unusual fluctuations, and (iii) we tested revenue cut-off in the appropriate accounting period.
- We assessed whether the policy and methology implemented by Management are appropriate and consistent with IFRS 15.
- We assessed the adequacy of the related disclosures in the financial statements with respect to this matter.

Acquisition of a subsidiary

In May 2018, ATTICA group obtained the control of "Hellenic Seaways Maritime S.A." ("HSW") through the acquisition of a share of 50.30%. In May 2018, ATTICA

Our audit approach included, among others, the following procedures:

group proceeded with the acquisition of an additional share of 48.53%, holding a total share of 98.83%. The total price of the transaction stood at € 142.9 mil. At the stage that control was obtained (50.30%), the Group recognized temporary goodwill of € 26.3 mil.

In accordance with IFRS 3 “Business Combinations”, the acquirer shall measure in its financial statements the identifiable assets acquired and the liabilities assumed at their acquisition-date fair values. The measurement period shall not exceed 1 year from the acquisition date.

During the 4th quarter of 2018, the fair value measurement of the net assets of HSW acquired on 31/05/2018 was completed. Based on the fair values determined, the purchase price allocation of “Hellenic Seaways Maritime S.A.” was completed and the temporary goodwill was reduced. The final amount of goodwill was determined at € 10.8 mil.

The abovementioned measurements require the use of complex valuation techniques, assumptions and estimates.

Due to the significant value of the transaction involved, as well as the significant assumptions /accounting estimates by Management for the determination of the purchase price allocation, this area was considered critical for our audit.

Management’s disclosures regarding the accounting policy, judgements, and estimates used and the analysis of the abovementioned items are included in the notes 4.1, 5.1 and 6.1 of the financial statements.

- We reviewed the legal documents relevant to the acquisition and we assessed both the accounting treatment as business acquisition based on IFRS 3 and the HSW consolidation in Group’s financial statements based on IFRS 10.
- We assessed the valuation methodologies and techniques used for fair value measurement of acquired assets and liabilities assumed (purchase price allocation).
- We understood and analyzed the valuation techniques used for the fair value measurement and we have compared them to generally accepted practices.
- We evaluated the reasonableness of key assumptions and judgments used, including amongst others the discount rate.
- For the abovementioned procedures where it was deemed appropriate, we used Grant Thornton’s specialist.
- We assessed the adequacy of the related disclosures in the financial statements.

Other Information

Management is responsible for the other information. The other information are included in the Management Report of the Board of Directors, for which reference is made in the “Report on Other Legal and Regulatory Requirements” and the Representations of the Members of the Board of Directors, does not include the financial statements and the auditor’s report thereon.

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

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

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 the IFRSs as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of 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 there is an intention to liquidate the Company or the Group or to cease operations, or there is no realistic alternative but to do so.

The Audit Committee (artic. 44 Law 4449/2017) of the Company is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the separate and consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, as incorporated into the Greek Law, 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 financial statements.

As part of an audit in accordance with ISAs, as incorporated into the Greek Law, 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 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 or 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 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 of 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 Company and the Group to express audit opinions on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

Report on Other Legal and Regulatory Requirements

1. Management Report of the Board of Directors

Taking into consideration that Management is responsible for the preparation of the Management Report of the Board of Directors for the year ended 31 December 2017, according to the provisions of paragraph 5 of article 2 of Law 4336/2015 (part B) we note the following:

a. The Management Report of the Board of Directors includes a statement of corporate governance that provides the information required by Article 43bb of Codified Law 2190/1920.

b. In our opinion, the Management Report of the Board of Director's has been prepared in accordance with the legal requirements of article 43a and 107A and paragraph 1 (c and d) of Article 43bb of the Codified Law 2190/1920 and the content of the report is consistent with the accompanying separate and consolidated financial statements for the year ended 31 December 2018.

c. Based on the knowledge we obtained during our audit of the Company "MARFIN INVESTMENT GROUP HOLDINGS S.A." and their environment, we have not identified any material misstatements in the Management Report of the Board of Directors.

2. Complementary Report to the Audit Committee

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

3. Provision of non-audit Services

We have not provided the prohibited non-audit services referred to in Article 5 of EU Regulation 537/2014.

The permitted non-audit services that we have provided to the Company and its subsidiaries during the financial year that ended 31st December 2018, are disclosed in note 35 of the accompanying separate and consolidated financial statements.

4. Auditor's Appointment

We have been appointed statutory auditors by the Annual General Meeting of the Company on 29/06/2004. Since, we have been appointed as the statutory auditors for a total period of 15 years based on the decisions of the shareholder's Annual General Meetings.

Athens, 24th April 2019

Certified Accountant (C.A.)

Manolis Michalios

I.C.P.A. Reg. No.: 25131

Chartered Accountants Management Consultants
56, Zefirou str., 175 64 Palaio Faliro, Greece
Registry Number SOEL 127

C. MANAGEMENT REPORT OF THE BOARD OF DIRECTORS OF "MARFIN INVESTMENT GROUP S.A." ON THE CONSOLIDATED AND CORPORATE FINANCIAL STATEMENTS FOR THE YEAR 2018

The current Annual Report of the Board of Directors pertains to the annual period which ended on 31/12/2018. The Report has been prepared by the Board of Directors in compliance with the relevant provisions of the CL 2190/1920 as replaced by as of 1-1-2019 Articles 150-154, Law 4548/2018, of the law 3556/2007 (Government Gazette 91A/30.04.2007) as well as the executives resolution of the BoD of the Hellenic Capital Market Commission.

The current report briefly describes the financial information for the year 2018, the most significant events that took place (before and after the Financial Statements reporting date) and the prospects regarding the company MARFIN INVESTMENT GROUP HOLDINGS S.A. (hereinafter "MIG", "The Company") as well as its subsidiaries. Moreover, it provides a description of the main risks and uncertainties the Group and the Company might be facing within 2019 as well as the most significant transactions that took place between the issuer and its related parties.

1. FINANCIAL DEVELOPMENTS AND PERFORMANCE DURING THE YEAR 2018

In the Financial Statements of the period ended 31/12/2018:

- HSW's Statement of Financial Position is consolidated for the first time since the completion of its acquisition by ATTICA group on 31/05/2018, while its results are included in the Group's results for a period of seven months (01/06-31/12/2018).
- The items of the Statement of Financial Position as of 2017 included the items of HYGEIA group, whose disposal was finalized in November 2018.
- The items of the Financial Statements of CTDC, owner of Hilton Cyprus hotel, as well as of the parent company MIG LEISURE were classified as disposal groups held for sale given the Company's decision to proceed with the disposal of its indirect participating interest in CTDC, which was completed as at 18/04/2019. The results of the aforementioned companies for the period from 01/01/2018 to 31/12/2018 as well as for the comparative period are presented in results of discontinued operations.

1.1 Consolidated Income Statement

Sales: Sales from continuing operations amounted to € 996.2 m and recorded an increase of 13.3% compared to sales of € 879.6 m in the respective last year period. All of the Group's operating segments recorded an increase (not including intercompany transactions) and in particular: Transportation segment +34.5%, IT and Telecommunications segment +9.7%, Private Equity segment +10.9% and Food and Dairy segment +3.9%.

EBITDA from continuing operations: EBITDA from continuing operations stood at profit of € 109.6 m versus € 90.1 m last year recording an increase of 21.6%. The operating results of 2018 include a profit of € 11.7 m from the disposal of ATTICA group's vessels.

Financial Income and Expenses: Financial income stood at € (84.2) m versus € (88.5) m in 2017 recording an increase of 4.9% mainly due to the completion of the Group's debt restructuring in the second half of 2017 and the first half of 2018. Financial income stood at € 0.2 m versus € 0.4 m in the respective last year period.

Other Financial Results: Other financial results of the Group stood at € (7.7) m versus € 1.7 m in FY 2017. The aforementioned item in FY 2018 includes impairment losses of assets of € (17.7) m, from which the amount of € (16.8) m was caused by the value in use decrease of VIVARTIA and ATTICA groups' assets and € (0.9) m pertained to tangible assets impairment. Also, the above item includes profit amounting to € 11.1 m from hedging part of the fuel price risk of ATTICA group. It is to be noted that the last FY was burdened with impairment losses of assets amounting to € (4.0) m, while profit was arising from reversal of impairment of vessels of ATTICA group amounting to € 5.3 m.

Results from associates: The results from associates stood at € 1.0 m profit versus € (6.5) m losses in the respective last year period. The aforementioned results pertain to the associate of ATTICA group, whose results stood at € 0.4 m profit versus € (7.5) m losses last year and associates of VIVARTIA group, whose results stood at € 0.6 m profit versus € 1.0 m profit in FY 2017.

Income Tax: Income tax from continuing operations stood at € 2.9 m versus € (2.1) m in the respective last year period.

Profit/(Loss) from Continuing Operations: Consolidated loss after tax from continuing operations in 2018 stood at € (52.4) m versus loss of € (74.4) m in the respective last year period.

Profit/(Loss) from Discontinued Operations: In 2018, profit from discontinued operations stood at € 105.7 m and pertains mainly to the result of € 93.4m from the disposal of HYGEIA group. Also, they include the operating results of HYGEIA group until the disposal date, and of CTDC and its' parent company MIG LEISURE.

Profit/(Loss) from Continuing and Discontinued Operations: Total profit stood at € 53.3 m versus loss € (76.0) m in the respective last year period. Total profit attributable to the owners of the Parent Company pertains to an amount of € 47.0 m, while profit attributable to non-controlling interest pertains to an amount of € 6.4 m.

1.2 Consolidated Statement of Financial Position

Cash, Cash Equivalent & Restricted Cash and Debt: The Group's cash, cash equivalents & restricted cash on 31/12/2018 stood at € 121.5 m and is analyzed as follows: Food and Dairy € 55.2 m (45.4% of the total), Transportation € 59.9 m (49.3% of the total), IT and Telecommunications € 1.7 m (1.4% of the total), Private Equity € 1.5 m (1.2% of the total) and Financial Services € 3.2 m (2.6% of the total).

Group's total debt on 31/12/2018 stood at € 1,455.3 m decreased by € 169.0 m versus 31/12/2017. The change is mainly due to a) decrease in bank loans of the MIG parent by € (153) m within 2018, b) increase in bank loans of VIVARTIA group by € 37 m mainly due to the transfer of short-term liabilities to long-term loan liabilities in the context of the implementation of the Restructuring Agreement of the Syndicated Bond Loans of VIVARTIA group, c) increase in loan liabilities of ATTICA group by approximately € 107 m, mainly due to the full consolidation of HSW, d) non-consolidation of loan liabilities of HYGEIA group standing at € (132) m as at 31/12/2017 due to disposal of the aforementioned investment within 2018, and e) classification of loan liabilities totaling approximately € (30) m of MIG LEISURE and CTDC into disposal groups held for sale.

MIG Group's borrowing is analyzed as follows: Food and Dairy products € 430.7 m (29.6% of the total), Transportation € 346.1 m (23.8% of the total), IT & Telecommunications € 57.5 m (3.9% of the total), Private Equity € 75.0 m (5.2% of the total) and Financial Services (refers to MIG parent's borrowings) € 546.0 m (37.5% of the total).

Net Cash Flows from Operating Activities: Net cash flows from operating activities stood at € 40.4 m versus € 20.8 m in the corresponding period last year.

Cash Flows from Investing Activities: Cash flows from investing activities stood at € 129.1 m versus € 15.0 m in the respective period of the last year. The difference is attributed mainly to the inflow from the sale of HYGEIA group and to the outflow from the acquisition of HSW by ATTICA group.

Cash Flows from Financing Activities: Cash flows from financing activities stood at (176.2) m versus € (48.0) m in the respective period last year. The difference is attributed mainly to the decrease on the bank loans of the Group in 2018.

1.3 Financial Results per Operating Segment

1.3.1 Food and Dairy

The sales of this operating segment in 2018 stood at € 606.6 m (€ 6.5 m of which were intragroup), thus recording an increase of 4.1% compared to € 582.8 m in the respective period last year (€ 5.3 m of which were intragroup). The sales of the segment are analyzed as follows: Dairy: € 288.5 m, Frozen Food: € 143.8 m and Catering and Entertainment: € 180.2 m (including intragroup sales of € 5.9 m).

EBITDA stood at € 59.0 m, versus € 56.4 m in the respective period last year.

Profit after tax stood at € 3.0 m versus losses of € (1.5) m in the respective last year period.

Net Debt on 31/12/2018 stood at € 377.3 m versus € 335.7 m on 31/12/2017. The increase is mainly due to the transfer of short-term liabilities of approximately € 45 m to the long-term debt obligations in the context of the completion of the restructuring of the Syndicate Bond Loans of VIVARTIA group during the first half of 2018.

1.3.2 Transportation

The sales of the transportation operating segment in 2018 stood at € 365.4 m (€ 14.6 m of which were intragroup) posting an increase of 34.6% versus € 271.6 m (€ 10.7 m of which were intragroup) in the respective period last year. It is to be noted that as from 01/06/2018 HSW which was acquired by ATTICA group is fully consolidated generating an increase of approximately 26% in the turnover of ATTICA group.

EBITDA (not including the earnings from the sale of vessels amounting to € 11.7 m) stood at € 56.9 m versus € 59.5 m in the respective comparative period. The results of the segment in 2018 were burdened by the increase in the price of fuel as well as by the increased expenses due to operational consolidation of HSW and the organizational restructuring of ATTICA group.

Profit after tax stood at € 2.8 m versus € 1.9 m in the respective last year period.

Net Debt on 31/12/2018 stood at € 286.2 m versus € 194.1 m on 31/12/2017. The net debt of ATTICA group stood at € 286.7 m versus € 194.6 m on 31/12/2017. The increase in net debt is mainly due to the full consolidation of HSW as a result of its acquisition by ATTICA group in 2018.

1.3.3 IT and Telecoms

The **sales** of the operating segment in 2018 stood at € 41.4 m (€ 3.7 m of which intragroup) recording an increase of 10.2% versus € 37.5 m (€ 3.2 m of which intragroup) in the respective period of 2017.

EBITDA recorded profit of € 1.4 m versus losses of € (4.8) m in the respective comparative period.

Loss after tax stood at € (5.2) m versus loss of € (13.8) m in the respective period last year.

Net debt on 31/12/2018 stood at € 61.0 m versus € 56.6 m recorded as at 31/12/2017.

1.3.4 Private Equity (Leisure, Real Estate and Others)

In 2018, Private Equity operating segment consists mainly of RKB, since MIG LEISURE and its subsidiary CTDC were classified into disposal groups held for sale due to the Company's decision to proceed with the disposal of its indirect investment in CTDC. The aforementioned disposal was finalized on 18/04/2019.

The **sales** of the operating segment in 2018 stood at € 13.9 m (€ 6.3 m of which intragroup) versus the amount of € 12.7 m (€ 5.9 m of which intragroup) in the respective last year period recording an increase of 9.1%.

EBITDA stood at € (3.9) m versus € (8.1) m in the respective last year period.

Loss after tax stood at € (8.2) m versus € (12.4) m in the respective last year period.

As at 31/12/2018 **net debt** stood at € 299.8 m (€ 226.3 m of which intragroup) versus € 327.4 m (€ 226.3 m intragroup) on 31/12/2017. The decrease in net debt is attributed to the fact that on 31/12/2018, MIG LEISURE and its subsidiary CTDC were classified as disposal groups held for sale in the financial statements.

1.3.5 Financial Services (MIG parent company mainly)

Loss after tax for 2018 stood at € (44.9) m versus loss of € (48.7) m in the respective last year period. It is to be noted that the results of 2018 include provisions for reimbursement of court fees amounting to € 5 m in accordance with the decision of the Arbitration Court.

Net debt on 31/12/2018 stood at € 543.7 m versus € 690.0 m on 31/12/2017 and pertains mainly to MIG parent. The decrease is mainly due to the decrease in MIG parent's net debt of € 146.2 m within FY 2018.

2. VALUE GENERATION AND PERFORMANCE MEASUREMENT FACTORS

In the context of implementing the Guidelines on "Alternative Performance Measures" of the European Securities and Markets Authority (ESMA/2015/1415el) effective as from July 3rd 2016 in respect of Alternative Performance Measures (APMs)

The Group uses Alternative Performance Measures (APMs) in the context of decision making regarding financial, operational and strategic planning as well as while evaluating and recording its performance. APMs facilitate better understanding of financial and operating results of the Group and its financial position. APMs should always be taken into account in conjunction with the financial results recorded under IFRSs and should under no circumstances replace them.

EBITDA (Earnings Before Interest Taxes Depreciation & Amortization): The ratio adds total depreciation of tangible assets and amortization of intangible assets to consolidated earnings before taxes. The higher the ratio, the more efficiently the entity operates.

EBITDA Margin (%): EBITDA Margin (%) divides the basic earnings before interest, taxes, depreciation, and amortization by the total turnover.

EBITDA (Earnings Before Interest Taxes Depreciation & Amortization) for total subsidiaries – The ratio adds to consolidated earnings before taxes and interest, total depreciation of tangible assets and amortization of intangible assets apart from holding companies, provisions other than those pertaining to the ordinary course of business, gain/losses arising from disposal of investment property, tangible and intangible assets and fair value adjustments to investment property.

EBITDA Margin (%) for total subsidiaries: EBITDA Margin (%) divides EBITDA for total subsidiaries by the total turnover.

EBIT (Earnings Before Interest & Taxes) for total subsidiaries: EBIT calculated as EBITDA less subsidiaries depreciation of tangible assets and amortization of intangible assets.

EBIT Margin (%) for total subsidiaries: EBIT Margin divides EBIT for total subsidiaries by the total turnover.

31/12/2018 *Amounts in € m*	Food & Dairy	Financial Services	IT & Telecoms	Transportation	Private Equity	Total from continuing operations
Revenues (a)	600.1	-	37.7	350.8	7.6	**996.2**
Operating profit/(loss) -EBIT	27.0	(15.9)	(0.4)	28.7	(3.9)	**35.4**
Depreciation	32.0	0.4	1.8	40.0	0.0	**74.2**
Earnings before interest, taxes, depreciation and amortization - EBITDA (b)	**59.0**	**(15.5)**	**1.4**	**68.6**	**(3.9)**	**109.6**
EBITDA margin (%) [(b)/(a)]	**9.8%**	**-**	**3.7%**	**19.6%**	**-52.0%**	**11.0%**
EBITDA of Holding companies	-	15.7	-	-	-	**15.7**
Profit/(Loss) on sale of investment property, property, plant and equipment and intangible assets	(0.1)	-	0.1	(11.7)	-	**(11.6)**
Fair value adjustment of investment property	-	-	-	-	7.5	**7.5**
EBITDA business operations (c)	**58.9**	**0.2**	**1.5**	**57.0**	**3.5**	**121.1**
EBITDA business operations margin (%) [(c)/(a)]	**9.8%**	**-**	**4.0%**	**16.2%**	**46.4%**	**12.2%**
Depreciation of subsidiaries	(32.0)	-	(1.8)	(40.0)	(0.0)	**(73.8)**
EBIT business operations (d)	**26.9**	**0.2**	**(0.3)**	**17.0**	**3.5**	**47.3**
EBIT business operations margin (%) [(d)/(a)]	**4.5%**	**-**	**-0.9%**	**4.9%**	**46.3%**	**4.7%**

31/12/2017 *Amounts in € m*	Food & Dairy	Financial Services	IT & Telecoms	Transportation	Private Equity	Total from continuing operations
Revenues (a)	577.5	-	34.4	260.9	6.8	**879.6**
Operating profit/(loss) -EBIT	26.4	(13.2)	(8.2)	23.8	(8.1)	**20.6**
Depreciation	30.0	0.4	3.4	35.6	0.0	**69.5**
Earnings before interest, taxes, depreciation and amortization - EBITDA (b)	**56.4**	**(12.8)**	**(4.8)**	**59.5**	**(8.1)**	**90.1**
EBITDA margin (%) [(b)/(a)]	**9.8%**	**-**	**-13.8%**	**22.8%**	**-118.7%**	**10.2%**
EBITDA of Holding companies	-	12.7	-	-	-	**12.7**
Profit/(Loss) on sale of investment property, property, plant and equipment and intangible assets	(0.2)	-	0.2	-	0.0	**0.1**
Fair value adjustment of investment property	-	-	-	-	10.9	**10.9**
EBITDA business operations (c)	**56.2**	**(0.1)**	**(4.5)**	**59.5**	**2.8**	**113.9**
EBITDA business operations margin (%) [(c)/(a)]	**9.7%**	**-**	**-13.1%**	**22.8%**	**41.4%**	**12.9%**
Depreciation of subsidiaries	(30.0)		(3.4)	(35.6)	(0.0)	**(69.1)**
EBIT business operations (d)	**26.2**	**(0.1)**	**(8.0)**	**23.8**	**2.8**	**44.8**
EBIT business operations margin (%) [(d)/(a)]	**4.5%**	**-**	**-23.1%**	**9.1%**	**41.3%**	**5.1%**

3. MOST SIGNIFICANT EVENTS DURING 2018

3.1 Food and Dairy

VIVARTIA group

- Within June 2018, a Restructuring Agreement for VIVARTIA group loans with the banks ALPHA BANK S.A., EUROBANK ERGASIAS S.A., NATIONAL BANK OF GREECE S.A. and PIRAEUS BANK S.A. was finalized. The Restructuring Agreement incorporates beneficial terms for the group, such as significant financial cost reduction and maturity extension for VIVARTIA group Bond Loans until October 2024.
- In the first half of 2018 DELTA won the "Creative Greece Award 2018" for the continuous growth of the export activity of the company, which is growing rapidly.
- In July 2018, DELTA received 4 GOLD awards at "Self Service Excellence Awards 2018" for products and responsible operations in the categories "Relaunching products" and New Packaging" for DELTA Fresh Milk, and "Quality Assurance Systems" and "Excellence in Supply Chain" for the respective Quality Assurance projects.
- In February, the Food Services group as part of the Franchise 2018 awards, received the following four distinctions: a) GOODY'S Burger House was awarded the Best International Expansion Award for its successful operation abroad; b) FLOCAFE Espresso Room, was awarded the "Best Concept Re-design" category for its complete redesign at store level, product range and service; c) LA PASTERIA was awarded the "Most Innovative Product" category for innovation both in recipes and in the production method and serving of its dishes, and d) EVEREST, was awarded in the category "Best Core Web Strategy" for the creation and implementation of new innovative e-ordering service, which gives the customer the opportunity to order from any device either for delivery or takeaway.

3.2 Transportation

ATTICA group

- Within the first six-month of 2018, the acquisition of 98.83% of HSW's share capital was completed. In April 2018, the Competition Commission approved the acquisition of HSW by ATTICA. In May 2018, ATTICA group completed the acquisition of HSW's majority stake as part of the implementation of an agreement with PIRAEUS BANK S.A. as of 11/08/2017 and another minority shareholder of HSW for the acquisition of a total of 37,789,833 shares of HSW for a total consideration of € 69.07 m. Part of the consideration of € 25.61 m was paid in cash from ATTICA group's cash available and the remaining amount due to the sellers amounting to € 43.46 m was agreed to be repaid to them by delivery of ATTICA's total 24,145,523 new shares. Following the decision of the Regular General Meeting of shareholders of 26/06/2018, the increase of the share capital of ATTICA by € 7,243,656.90 was decided, through the issue of 24,145,523 common nominal shares, of nominal value of € 0.30 and an issue price € 1.80 each, by capitalizing receivables of PIRAEUS BANK S.A. and another minority shareholder of HSW and the abolition of the relevant pre-emptive rights. In this context, the participating interest of MIG in ATTICA decreased to 79.38% from 89.38%. In June 2018, ATTICA group completed the acquisition of an additional 48.53% stake in the share capital of HSW following the implementation of as of 26/10/2017 agreement with MINOAN LINES S.A. on the total acquisition of 37,667,504 shares of HSW for a cash consideration of € 78.5 m. ATTICA group proceeded with the sale of the vessel SUPERFAST XII to GRIMALDI group for a cash consideration of € 74.5 m and HSW proceeded with the sale of the vessel HIGHSPEED 7 to MINOAN LINES S.A. for a cash consideration of € 25 m.

- On March 28th 2018, ATTICA group announced its triple accolade at the 2018 Tourism Awards for the following: a) Gold award in the “Support for local communities/CSR Actions” category – Overall Social Contribution, b) Silver award in the “Technology enhanced experience” category - @sea Infotainment Platform, and c) Silver award in the “Reward Schemes” category – SEASMILES Customer Reward Scheme.
- On June 29, 2018, ATTICA announced its honorary distinction at the Environmental Sensitivity Awards, OIKOPOLIS, in the Business Prize category, sub-category “Environmental Policy”. This award is a further recognition of ATTICA's efforts to systematically and responsibly operate in respect of the environmental issues, a key pillar of ATTICA’s Corporate Responsibility program.
- On 31/07/2018, by the decision of the Annual General Meeting of Shareholders of ATTICA, at 26/06/2018, 24,145,523 new common shares started trading. The share capital of ATTICA amounts to € 64,741,752.90 divided into 215,805,843 common shares with voting rights of nominal value € 0.30 each.
- On 20/11/2018, ATTICA group announced receiving a distinction as one of 20 “Most Admired Companies 2018” based on the largest corporate research conducted by FORTUNE magazine in cooperation with KPMG.
- On 28/12/2018 the Extraordinary General Meeting decided on voluntary prepayment of the exchangeable bond loan amounting to € 87 m issued by the subsidiary BLUE STAR FERRIES MARITIME S.A. following the exercise of the exchange option by the bondholders (investment funds managed by FORTRESS). The company’s management decided on the early repayment of a bond loan amounting to € 18.4 m, issued by the subsidiary BLUE STAR FERRIES MARITIME S.A. to the bondholders (investment funds managed by FORTRESS). The repayment of those two loans was made through receiving a new long-term bank loan amounting to € 100.4 m with 5 year maturity from a banking institution.

3.3 IT and Telecoms

SINGULARLOGIC

- In January 2018, SINGULARLOGIC, received Tableau Certification as a Bronze Reseller & Service Partner. The certification accredits the ability and expertise to design and develop cutting-edge Business Intelligence (B.I.) solutions and data analytics, to provide actionable insights through the Tableau platform.
- In February 2018, SENSE ONE S.A, member of SINGULARLOGIC group, received global recognition from World Information Technology and Services Alliance (WITSA) as one of the leading international companies in the field of Internet of Things.
- In April 2018 SINGULARLOGIC completed the certification requirements for the International Standard ISO 20000-1: 2011 for the Management of its Information Technology Services.
- SINGULARLOGIC received two gold awards at BITE AWARDS 2018 in the “Business Applications” category in partnership with HELEXPO S.A. for the implementation of the integrated Galaxy ERP and CRM solution and in the “Retail” category in collaboration with OXFORD COMPANY for the implementation of Galaxy Platform. Moreover, the Citizen Trading Platform with OTS eLocalGovernments.gr received the silver award in the category “Applications and Solutions for Central and Decentralized Public Administration” and the

application AGRIPHARM based on Galaxy platform, received the bronze award in the category "Vertical Applications in Business Sectors".

3.4 Financial Services

MARFIN INVESTMENT GROUP

- As at 03/01/2018 the Non-Executive Chairman of the Board of Directors of the Company Mr. Stavros Lekkakos submitted his resignation from the Board of Directors of the Company. The Board of Directors elected Mr. Panagiotis Throuvalas, who was the Executive Vice President until then, as new Chairman of the Board of Directors with executive authority. As a result, the Board of Directors of the Company was reorganized as follows:

  1. Panagiotis Throuvalas, Chairman - Executive Member
  2. Manolis Xanthakis, Vice-Chairman – Independent Non-Executive Member
  3. Athanasios Papanikolaou, Chief Executive Officer - Executive Member
  4. Christophe Vivien, Executive Member
  5. Georgios Efstratiadis, Non-Executive Member
  6. Fotios Karatzenis, Non-Executive Member
  7. George Lassados, Independent Non-Executive Member
  8. Stefanos Capsaskis, Independent Non-Executive Member
  9. Petros Katsoulas, Independent Non-Executive Member
  10. Efstratios Chatzigiannis, Independent Non-Executive Member

- As at 14/03/2018 the Independent Non-Executive Vice-Chairman of the Board of Directors and Chairman of the Audit Committee and the Remuneration and Recruitment Committee, Emmanouil Xanthakis, passed away.

- As at 28/03/2018 a change in voting rights was recorded as the percentage directly held by Mr. Jochen Müller decreased to 4.54% from 9.6597% initially.

- As at 27/04/2018 MIG announced that at the meeting held on 26/04/2018, the Board of Directors elected Mr. Konstantinos Galiatsos and Mr. Anastasios Kyprianidis as new members of the Board of Directors in filling vacant positions, in accordance with the Articles of Association of the Company and the applicable law. As a result, the Board of Directors of the Company is as follows:

  1. Panagiotis Throuvalas, Chairman - Executive Member
  2. Athanasios Papanikolaou, Chief Executive Officer-Executive Member
  3. Christophe Vivien, Executive Member
  4. Georgios Efstratiadis, Non-Executive Member
  5. Fotios Karatzenis, Non-Executive Member
  6. Konstantinos Galiatsos, Non-Executive Member
  7. George Lassados, Independent Non-Executive Member
  8. Stefanos Capsaskis, Independent Non-Executive Member
  9. Petros Katsoulas, Independent Non-Executive Member
  10. Efstratios Chatzigiannis, Independent Non-Executive Member
  11. Anastassios Kyprianidis, Independent Non-Executive Member.

- On 27/07/2018, the Company announced that the International Arbitration Tribunal dismissed the claim for damages against the Republic of Cyprus arising from the Company's investment in "Cyprus Popular Bank Public Co Ltd.".

- The previously postponed Regular General Meeting of the Company's Shareholders, held on 25/08/2018 took the following decisions:
  - It was approved the election of Messrs. Efstratios Chatzigiannis and Konstantinos Galiatsos as New Members of the Board of Directors and of Mr. Anastasios Kyprianidis as a new Member of the Board of Directors and the Audit Committee in filling respective vacant positions, pursuant to the decision of the Company's Board of Directors. Furthermore, (i) Messrs. Efstratios Chatzigiannis, Anastasios Kyprianidis and Konstantinos Galiatsos were appointed as Independent Non-Executive Members and (ii) Mr. Anastasios Kyprianidis was appointed as Member of the Audit Committee.
  - It was approved the sale and transfer of the Company's total (direct and indirect) shareholding in HYGEIA to HELLENIC HEALTHCARE S.A.R.L., as well as all relevant decisions and actions of the Board of Directors, inter alia, for the appointment of the financial advisor, the assessment of the submitted offers and the approval of the offer of HELLENIC HEALTHCARE S.A.R.L. and the execution of the relevant Share Purchase Agreement.
- The BoD at its meeting held on 27/09/2018 elected Messrs Rigas Tzortzis and Loukas Papazoglou as new Non-Executive Members of the BoD in filling vacant seats, in accordance with the Company's Articles of Incorporation and the current legislation.

- On 09/11/2018 MIG completed the transfer of HYGEIA group shares (ie 215,189,466 shares corresponding to 70.38% of the share capital of HYGEIA) to the entity controlled by the investments funds of «CVC CAPITAL PARTNERS». The total enterprise value of HYGEIA group stood at € 420 m. An amount of approximately € 290 m will be paid to the shareholders, of which € 204 m will be paid to the Company. The sale agreement was signed on 05/07/2018, while on 27/09/2018 the Competition Commission had announced its decision approving the transaction.

4. SIGNIFICANT POST REPORTING PERIOD EVENTS

4.1 Transportation

ATTICA group

- On 6/3/2019, ATTICA group announced receiving the gold distinction at the GREEK HOSPITALITY AWARDS 2019, held by ETHOS MEDIA. In particular, ATTICA group was awarded the Gold prize in the category "Best Greek shipping Company".

4.2 IT and Telecoms

- SINGULARLOGIC successfully completed certification as Oracle Cloud Excellence Implementer (CEI). The certification of SINGULARLOGIC, Gold Partner of Oracle, pertains to Customer Experience Engagement Oracle Cloud for Eastern and Central Europe.

4.3 Financial services

MARFIN INVESTMENT GROUP

- On 27/02/2019, MIG announced the signing of an agreement for the sale of the total stake held by its subsidiary MIG LEISURE in CTDC, owner of Hilton Cyprus hotel, to VIBRANA HOLDINGS LTD interest of NATIONAL PANGAIA REIC and INVEL group. The sale is part of a wider transaction for the sale to the purchaser of a total of 96.82% in CTDC owned by the Company and LOUIS PLC for the amount of € 54.89 m. On 18/04/2019, following the approval of the competent Cypriot Commission for the Protection of Competition, the transfer of total shares held by (100%) subsidiary MIG LEISURE in the company CTDC, owner of Hilton Cyprus hotel, was finalized and the shares were transferred to VIBRANA HOLDINGS LTD interest of NATIONAL PANGAIA REIC and INVEL group versus a fully paid consideration of €38.64 m. The disposal consideration is regarded as particularly satisfactory and it contributed to further decreasing the loan liabilities of the Group. PRICEWATERHOUSECOOPERS BUSINESS SOLUTIONS S.A. was the Company’s financial advisor in respect of the aforementioned transaction.

5. PROSPECTS REGARDING THE DEVELOPMENT OF THE OPERATIONS IN 2019

During the current year, MIG disposed its participation in HYGEIA group. The consideration of the transaction was satisfactory and amounted to € 204 m. The major part of the proceeds from the disposal was used towards repayment of the Company's loan liabilities, which decreased from € 700 m as at 31/12/2017 to € 547 m as at 31/12/2018. Moreover, within the current year, the restructuring agreement of VIVARTIA group’s bank debt was completed, thus significantly improving the repayment schedule and the financial position of the Group.

Company’s loan liabilities of € 228.8 m are contractually payable in October 2019. The Management plans to restructure the aforementioned liabilities and/or repay them through disposal of assets, since substantial decrease in high borrowing and achieving financial balance remain the core objectives of the Company. In this context, on 18/04/2019, the sale of the total of shares held by its subsidiary MIG LEISURE in CTDC, the owner of Hilton Cyprus, was completed. The major part of the consideration from the disposal was used towards repaying loan liabilities of the Group.

For 2019, efforts remain focused to reinforce the operating results of all subsidiaries and to further improve the Group’s financial stability. Based on the above priorities, each of the Group’s operating segments has set the main objectives for 2019, as discussed below in this section.

5.1 Food and Dairy

VIVARTIA group

In 2019, VIVARTIA group stays committed to improving its companies’ operations through strengthening their financial performance and developing their business activities. In particular, the Dairy sector recognizes that challenges are numerous and significant, but within these frameworks, and utilizing targeted actions to strengthen its operational sectors, it goes dynamically into the development phase to the extent that the general economic climate allows it. The Dairy sector will continue to implement its key strategic objectives that have to do with undertaking new product initiatives and innovations, investing in the high quality of its products, obtaining access to new distribution channels and further enhancing its presence in international markets. Regarding the Frozen sector, it is expected to continue to implement its investment plan through investing in production and packaging lines for vegetables and doughs, automated refrigeration chambers, dough production facilities, i.e. the investments that will facilitate further development. At the same time, as part of implementing its strategic plan, it will continue its efforts aimed at further strengthening its presence in international markets in line with penetrating the new markets and distribution channels, focusing on sustainable development and investing in the primary sector. Regarding the Catering sector, its main priority still refers to facilitating on-going development and strengthening its networks, concentrating on tourism markets, while focusing on strategic partnerships domestically and outside Greece. This development will be achieved through performing investments coupled with the partnerships with existing and new strategic partners. Digital innovation constitutes the strategic pillar for development of all catering sector brands in 2019. The objective is to increase the overall consumer experience and their levels of loyalty through tools and instruments that respond to modern consumer needs.

5.2 Transportations

ATTICA group

The key factors that will affect the course and development of ATTICA group's turnover in 2019 have to do, amongst others, with the intensity of competition, the impact of the domestic tourism traffic in relation to the disposal income and above all the evolution of the fuel prices that constitutes a significant component of the segment's operating cost structure and especially any extreme movements in the international oil prices and refinery products which are already high. ATTICA group's management continuously assesses every new element that could affect the above mentioned factors and plans to optimize the group's performance on the basis of the resulting data.

5.3 IT and Telecoms

SINGULARLOGIC

Greek IT Market is expected to remain almost stable in 2019, after the negative performance recorded within the three-year period 2015-2017 and the correction of 2.5% recorded in 2018. The key factors in IT market growth will continue pertain to services and software, while hardware is estimated to record a lower performance.

The company continues the process of redesigning the total of its operations, both in terms of organizational structure and product base, as formed in the recent years following various acquisitions and mergers of the companies in the industry. The Company's performance in the sectors of integrator and software constitutes its comparative advantage over its competitors, providing the Company with growth opportunities in various markets and sectors of the Greek economy, making the best possible use of the human capital utilizing all the currently effective human capital and technological factors.

5.4 Private Equity (Leisure, Real Estate and others)

RKB

RKB seeks to improve its financial performance by increasing occupancy and rental rates of its retail stores, while also targeting high-quality international tenants and investors that plan to expand in the Serbian market. In this context, RKB is conducting active asset management of its available for rent and/or sale sites that includes improved leasing tactics, vacant space management, promotional and marketing initiatives as well as new revised procedures to enhance operational efficiency. The objective is to create a stable and strong customer base, increase occupancy of retail stores, improve efficiency and financial structure and develop its operations on an on-going basis.

6. RISKS AND UNCERTAINTY FACTORS

6.1 Risk Management Objective and Policies

The Company and the Group are exposed to risks pertaining to financing, interest rates, fuel prices, liquidity, credit and currencies. The Group reviews and periodically assesses its exposure to the risks cited above on a one by one basis as well as collectively and uses financial instruments to hedge its exposure to certain risk categories.

The main objective is to evaluate and assess all the risks to which the Company and Group are exposed to through their operating and investing activities.

The Group uses several financial instruments or pursues specialized strategies to limit its exposure to potential changes in the value of its investments stemming from market volatility, including fluctuations in prevailing interest rates and currency exchange rates.

6.2 Currency Risk

The Group operates on an international scale and therefore is exposed to currency risk that arises mainly from fluctuations in the exchange rate of the USD, UK Sterling, and other currencies of European countries where the subsidiaries of the Group operate. This type of risk mainly arises from the commercial activities and the foreign currency transactions as well as investments in foreign legal entities. It is noted that the Company's and the Group's largest portion of revenues and expenses is Euro denominated. Likewise, the largest part of the Company's investments is denominated in Euro.

On 31/12/2018, out of the Group's total assets and liabilities € 13.9 m and € 7.1 m respectively were held in foreign currency. A change in exchange rates by +/-10% would result in an amount of € +/- € 0.2 m being recognized before tax in the income statement and an amount of € -/+ € 0.2 m being recognized in equity.

6.3 Financing, Interest rate and Price Risk

Changes in interest rates can affect the Group's net income by increasing the costs of servicing debt used to finance the Group. Changes in the interest rates can also affect, amongst others: (a) the cost and availability of debt financing and the Group's ability to achieve attractive rates of return on its investments; and (b) the capability of financing the debt of the investments and of the businesses in which the Group has invested.

Bank debt constitutes one of the funding sources of the Group. A large portion of the Group's bank debt pays floating interest rates and therefore is directly dependent upon interest rate levels and fluctuations, a fact which exposes the Group to cash flow risk. The Group's policy is to constantly monitor interest rate trends as well as the duration of its financial needs. Thus, decisions about the length along with the relationship between fixed and floating rate of a new loan, are taken separately for each case.

On 31/12/2018, assets and liabilities amounting to € 121.5 m and € 1,455.3 m respectively for the Group were exposed to interest rate risk. A change of interest rates by +/- 1% would result in -/+ € 17.7 m being recognized in the Consolidated Income Statement and Equity.

The risk of the Group and the Company with respect to the trading portfolio, financial instruments at fair value through profit or loss, the investment portfolio and investments in associates arises from potential adverse changes in the market prices of shares and other securities. On 31/12/2018, the assets exposed to market risk amounted to € 3.0 m for the Group and € 0.2 m for the Company respectively. A fluctuation of +/- 30% in investments whose revaluation gains or losses are recognized in the Income Statement and cumulatively in Equity, would lead to a change of +/- € 0.1 m for the Group and +/- € 0.05 m for the Company.

The Group's companies that operate in the Transportation Segment are significantly affected by the fluctuation of fuel prices, since it constitutes one of its main operating costs. An increase or decrease in the price of fuels by 10% on an annual basis would affect the Income Statement of the Group and its equity by approximately -/+ € 13.5 m.

6.4 Credit Risk

Credit risk is the risk of the potential delayed payment to the Group and the Company of its current and future receivables by its counterparties.

Aiming at minimizing credit risk and bad debts, the Group has adopted efficient monitoring processes and policies per counterparty based on the counterparty's credibility.

- In relation to trade and other receivables, the Group is not exposed to significant credit risks. At 2018 year closing, the Management considers that there are no substantial credit risks which have not been already covered by bad debts provisions.
- The Group trades only with recognized financial institution of adequate credit rating in order to minimize the credit risk in its cash available and cash equivalents.

6.5 Liquidity Risk

Prudent liquidity risk management implies cash adequacy as well as the existence and availability of necessary funding sources. The Group is managing its liquidity requirements on a daily basis through systematic monitoring of it's short and long-term financial liabilities and through daily monitoring of the payments made. Furthermore, the Group constantly monitors the maturity of its receivables and payables, in order to maintain a balance between capital continuity and flexibility via its bank credit worthiness.

Maturity of financial liabilities as at 31/12/2018 and 31/12/2017 for the Group and the Company is analyzed as follows:

THE GROUP

	31/12/2018				31/12/2017			
Amounts in € '000	Short-term		Long-term		Short-term		Long-term	
	Within 6 months	6 to 12 months	1 to 5 years	More than 5 years	Within 6 months	6 to 12 months	1 to 5 years	More than 5 years
Long-term borrowing	126,553	290,170	660,034	303,999	98,608	120,976	964,417	13,872
Liabilities relating to operating lease agreements	614	650	790	-	725	760	2,604	-
Trade payables	127,398	4,685	-	-	165,608	4,540	-	-
Other short-term-long-term liabilities	129,327	9,086	4,610	-	164,482	11,117	6,045	400
Short-term borrowing	19,385	53,061	-	-	368,144	54,197	-	-
Derivative financial instruments	10,732	-	-	-	-	-	-	-
Total	**414,009**	**357,652**	**665,434**	**303,999**	**797,567**	**191,590**	**973,066**	**14,272**

THE COMPANY

	31/12/2018				31/12/2017			
Amounts in € '000	Short-term		Long-term		Short-term		Long-term	
	Within 6 months	6 to 12 months	1 to 5 years	More than 5 years	Within 6 months	6 to 12 months	1 to 5 years	More than 5 years
Long-term borrowing	-	228,750	297,205	-	32,250	26,500	623,950	-
Other short-term-long-term liabilities	16,501	-	3,638	-	15,634	-	4,955	-
Short-term borrowing	900	20,000	-	-	16,822	-	-	-
Total	**17,401**	**248,750**	**300,843**	**-**	**64,706**	**26,500**	**628,905**	**-**

As presented in the table above, total debt of the Group on 31/12/2018 amounted to € 1,455,256k. Long-term debt amounted to € 964,823k while short-term debt amounted to € 490,433k. Respectively, total debt of the Company on 31/12/2018 amounted to € 546,855k of which € 297,205k was long term debt and € 249,650k was short term debt.

The Group and the Company on 31/12/2018 had negative working capital, since current liabilities exceeded current assets by € 369,531k and € 245,375k respectively. This issue will be solved following the successful completion of the restructuring of the debt of the companies of the Group (see Notes 3.1 and 26).

6.6 Accidents Risk

Due to the nature of their operations, the Group's companies are subject to the abovementioned risk that may negatively affect the Group's results, customers and / or operations. ATTICA group vessels are insured for hull and machinery, for increased value and against war risks. VIVARTIA group companies are covered by a wide range of insurance policies that include civil liability, property, transportation, environmental liability in such a way that any risk and potential damage can be effectively and reliably addressed. Similarly, SINGULARLOGIC group is covered for its operation by the relatively strict ISO standards and the corresponding insurance contracts.

7. SIGNIFICANT TRANSACTIONS WIRTH RELATED PARTIES

All transactions with related parties are on an arm's length basis. Please refer to Note 45 to the Financial Statements for details of these transactions.

8. CORPORATE GOVERNANCE STATEMENT PURSUANT TO LAW 3873/2010

The corporate governance framework has been developed in Greece mostly by adopting mandatory rules, such as Law 3016/2002 on corporate governance, which provides for the participation of non-executive and independent non-executive members in the Board of Directors of Greek listed companies, the establishment and operation of an Internal Audit Unit and the adoption of an Internal Regulation of Operation as well as the provisions of the decision of the Hellenic Capital Market Commission under number 5/204/14.11.2000 on the "Rules of conduct of the companies listed in the Stock Exchange and of the persons connected to them". Moreover, new corporate governance rules were established by a series of new legislative statutes that, inter alia, incorporated European corporate law directives in the Greek legal framework, such as Law 4449/2017 "Compulsory audit of annual and consolidated financial statements, public oversight of the audit work and other provisions (Directives 2006/43/EC and 2014/56/EC, adoption of appropriate provisions for effective application of Regulation (EU) 537/2014).

Furthermore, in Greece, the new Law 4548/2018 "Reform of the law of societes anonymes" includes the basic rules for the governance and operation of societes anonymes in general and well as specific arrangements for listed companies on a regulated market.

8.1 Corporate governance principles

In complying with the existing legal framework on corporate governance, the Company has established and adopted a Corporate Governance Code, which is posted in the Company's website www.marfininvestmentgroup.com.

8.2 Corporate governance practices implemented by the Company beyond law requirements

The majority of the Company's Board of Directors consists of non-executive members. In particular, on 31/12/2018, ten (10) out of thirteen (13) Board members were non-executive members. Six (6) of them were independent non-executive members.

The term of the Board of Directors, pursuant to article 19 paragraph 2 of the Company's Articles of Incorporation, is initially set for five years.

8.3 Description of the internal audit and risk management system in relation with the drafting of financial statements

Internal audit framework

Ensuring effective corporate governance is considered a very significant target for the Company. The internal audit system is evaluated on a continuous basis to ensure that a safe and effective audit environment is maintained.

The Audit Committee deals with all serious auditing issues raised by the Management as well as by the internal and external auditors, and informs the Board of Directors accordingly. The Audit Committee ensures all corrective measures are taken by Management for any established defects of the internal audit system.

Internal Audit

Internal Audit is an independent unit whose officers are appointed by the Company's Board of Directors. Internal Audit's operation is governed by a written regulation and reports to the Board of Directors through the Audit Committee, which is empowered to monitor and evaluate its operation.

The object of Internal Audit is to evaluate the adequacy and efficiency of the existing internal audit system of the Company. Every fiscal year, the Internal Audit submits the Annual Audit Schedule to the Audit Committee for approval. Said schedule is prepared in consultation with the Company's Management and upon assessment of the potential risks and their classification based on their significance.

The powers and responsibilities of Internal Audit include the following:

- Establishing the Company's policy in matters of internal audit.
- Scheduling and implementing the annual internal audit plan.
- Checking compliance with the corporate operation procedures.
- Checking compliance with corporate regulations and laws, regulatory rules and principles, and best market practices.
- Checking financial transactions and compliance with agreements.
- Evaluating the level of implementation and efficacy of procedures established for the risk management of the Company.
- Reviewing instances of conflict of interest in the Company's transactions with affiliated persons and submitting relevant reports to the Board of Directors.
- Preparing reports and communicating the audit findings to the Management and the Audit Committee.
- Monitoring the implementation of corrective adjustments.

Internal Audit updates the Audit Committee about its operation in writing, through reports prepared on at least a quarterly basis or whenever deemed necessary.

The Company's Internal Audit is in regular contact with the external auditors and the respective departments of its subsidiaries in order to ensure that the Audit Committee will be immediately informed of significant issues pertaining to the operation of the Group companies.

Organization Structure – Authorizations

The Company's organization structure is reflected on a specific Organization Chart, which forms part of the Company's Internal Regulation. The Internal Regulation provides the tasks and objects of each department of the Company.

The Board of Directors has delegated certain powers and authorities to officers and members of the Management, monitoring their activities so as to facilitate the Company's efficient operation.

IT Systems

The Company has developed IT Systems which support accounting and financial reporting effectively.

Data and information are protected by implementing adequate procedures of data protection, recovery and back-up, e-mail protection and prevention of malicious acts, ensuring their integrity and smooth management.

The course of financial figures of subsidiaries in relation with the respective forecasts is monitored on a monthly basis, in order to evaluate performance and deviations.

Risk Management

The Company assesses potential risks on an annual basis according to their origin (endogenous – exogenous) and type (strategic, financial, operational risks, risks relating to regulatory compliance and financial reporting). Risk assessment is performed both on a Company and on a Group level, and includes assessment of the eventuality of risks as well as of the effects of each risk.

The Company has established adequate mechanisms for checking and monitoring the condition and value of its investments – assets, in order to assess and manage the risks relating to the preparation of financial statements.

In this context, there are specific procedures implemented in a series of accounting and financial operations such as asset impairment tests, reconciliation of bank and cash accounts, consistency of receivables – liabilities e.t.c.

Moreover, the Group utilizes various financial instruments or implements specialized strategies to limit its exposure to financial risk factors such as financing and interest-rate risks, market risk, fuel price risk, liquidity risk and currency risk.

8.4 Information under article 152, para. 1(d) of Law 4548/2018.

The information as provided in article 152 para.1(d) of Law 4548/2018 is included in the explanatory report of the Board of Directors, which is being compiled according to article 4 paragraphs 7 and 8 of Law 3556/2007 and is incorporated in the report of the Board of Directors.

8.5 Composition and Operation mode of the General Meeting, the Board of Directors and Committees of the Company

A. General Meeting

The General Meeting is the Company's supreme body, convoked by the Board of Directors and is empowered to decide on any matter concerning the Company. Its lawfully adopted decisions are binding on absent or dissenting shareholders as well.

The General Meeting is competent to decide on issues regulated by article 117 of Law 4548/2018.

According to article 119 of Law 4548/2018, the General Meeting must be convened at the registered seat of the Company or in the district of another municipality within the district of the registered seat or at another municipality coterminous with the municipality of the seat or at another municipality provided for in the Articles of Incorporation, at least once every financial year no later than the tenth (10^{th}) calendar day of the ninth month following the end of the financial year.

The General Meeting may also be held at the district of the municipality, where the seat of the Athens Stock Exchange is located.

The Board of Directors ensures that the preparation and holding of the General Meeting will facilitate the effective exercise of the rights of the shareholders, who must be fully informed on all matters relating to their participation at the General Meeting, including the items on the agenda and their own rights at the General Meeting.

The Chairman or, as the case may be, the Vice-Chairman of the Board, the Chief Executive Officer or the General Manager, the Chairmen of BoD Committees and the Internal Audit Officer and the ordinary auditor attend the General Meeting of the shareholders in order to provide information and update in matters of their competence brought to discussion, as well as to respond to any queries or provide clarifications requested by the shareholders.

The General Meeting of shareholders is presided over temporarily by the Chairman of the Board of Directors or, if he is prevented from attending, by the Vice-Chairman or, if he is also prevented from attending, by the eldest of the directors present at the Meeting. A person appointed by the Chairman acts temporarily as Secretary.

The convention, the constitution and the operation of the General Meeting take place in accordance with the provisions of the applicable law (specifically articles 116 et seq. of Law 4548/2018, as in force from time to time) and the provisions of the Company's Articles of Incorporation.

Each share affords all rights provided in the Law and the Articles of Incorporation of the Company, as specifically provided in the explanatory report of the Board of Directors, which is compiled pursuant to article 4 paragraphs 7 and 8 of Law 3556/2007 and is being incorporated in the report of the Board of Directors

The minority rights of the shareholders are exercised according to article 141 of Law 4548/2018, as in force. Pursuant to article 121 para. 4 of Law 4548/2018, the invitation of the General Assembly of the Company's shareholders includes, inter alia, information at least on the rights of shareholders provided in paragraphs 2, 3, 6 and 7 of article 141, with reference to the time period during which each right may be exercised, or alternatively, the concluding date until which the specific rights may be exercised, provided that more detailed information with regard to the specific rights and the terms of their exercise will be available with explicit reference of the invitation to the Company's website.

B. Board of Directors

The Board of Directors manages and represents the Company and is competent to decide on all matters pertaining to the administration of the Company, the management of its assets and the general pursuit of its business objectives, except from those assigned exclusively to the General Meeting by virtue of the law or the Articles of Incorporation.

According to the Articles of Incorporation, the Company is managed by a Board of Directors consisting of nine (9) at least to fifteen (15) members.

Immediately upon its election, the Board of Directors meets for the purpose of being constituted in body, appointing a Chairman, up to two Vice Chairmen and the Chief Executive Officer or the Chief Executive Officers, and possibly one or several Deputy Chief Executive Officers.

The Board of Directors consists today of thirteen (13) members, three (3) of which have executive powers and ten (10) have non-executive powers. Six (6) out of the non-executive members have been appointed as independent. The current composition of the Board of Directors is as follows:

1. Panagiotis Throuvalas – Chairman of the Board, executive member,

2. Athanasios Papanikolaou – Chief Executive Officer, executive member,
3. Christophe Vivien – executive member,
4. Fotios Karatzenis – non-executive member,
5. Georgios Efstratiadis – non-executive member,
6. Rigas Tzortzis – non-executive member,
7. Loukas Papazoglou – independent, non-executive member,
8. Konstantinos Galiatsos – independent, non-executive member
9. Stefanos Capsaskis – independent, non-executive member,
10. Petros Katsoulas - independent, non-executive member,
11. Georgios Lassados – independent, non-executive member,
12. Efstratios Chatzigiannis - independent, non-executive member,
13. Anastasios Kyprianidis – independent, non-executive member.

By virtue of a resolution of the Board of Directors, Mr. Fotios Karatzenis has been appointed as Secretary of the Board of Directors.

According to the Articles of Incorporation, the members of the Board of Directors are elected by the General Meeting for a 5-year term. The term of the members of the Board commences on the day following their election by the General Meeting and expires on the respective day of the year of expiry of their term, and is automatically extended until the Annual General Meeting following the expiry of their term, but cannot exceed a 6-year period. The term of the current Board of Directors expires on 27/06/2019 and is extended until the Ordinary General Meeting of the year of his term of office. The members of the Board of Directors are always re-eligible, re - appointable and can be freely revoked. Non-shareholders may also be appointed at the Board of Directors.

The Board of Directors is in quorum and is validly convened when half plus one of the Directors are present or duly represented, provided that the number of the Directors who are present is never less than three (3). For the calculation of the number of quorum, any resulting fraction is omitted.

A Director who is prevented from attending may be represented only by another Director. Each Director may represent only one absent Director. In such case, he/she has two (2) votes.

The decisions of the Board of Directors are taken by absolute majority of the present and represented Members, except from the cases of article 5, paragraph 2 of the Articles of Incorporation. In case of parity of votes, the vote of the Chairman of the Board of Directors shall prevail.

The discussions and resolutions of the Board of Directors are recorded in minutes kept in a special book signed by the Directors present at the meeting. Any dissenting Director may request that their opinion be recorded in summary in the relevant minutes.

The Board of Directors is allowed, in accordance with the relevant provisions, to hold a meeting by teleconference. In this case the invitation to the members of the Board of Directors includes the required information and technical guidance with regard to their participation in the meeting.

The Board of Directors may delegate the powers of management and representation of the Company and the internal audit to one or more persons according to article 87 of Law 4548/2018.

Subject to specific authorizations for the execution of specific operations, the Company is represented in accordance with the decisions of the Board of Directors dated 11/07/2016 and 26/01/2017 (which have been registered in GEMI (General Commercial Registry) with code no. Registration No. 741294 and No. 933028 according to the Announcements of GEMH with Protocols No. 502439 of 30/08/2016 and 775863 of 20/2/2017 respectively).

For the more effective supervision of the operation and administration of the Company, the General Assembly and the Board of Directors have constituted committees, which consist of members of the Board of Directors or/and third persons, the powers and way of operation of which are regulated by the Internal Regulation of Operation and the Code of the Corporate Governance and are mentioned in summary as follows:

C. Executive Committee

The task of the Executive Committee is to continuously supervise all operations of the Company and the Group, to set the targets which will constitute the basis for preparing the budgets of the Group companies for strategic planning purposes, and to monitor the course of financial figures and performance.

The Committee consists of four up to seven members appointed by the Board of Directors. The Chairman of the Committee is appointed by the Committee members or indicated by the BoD.

The Committee meets at least once every two months. The selection of meeting dates depends on factors such as the periodicity of the Company operations, the dates of BoD meetings and any extraordinary issues arising during the course of operations.

The current composition of the Committee is the following:

1. Panagiotis Throuvalas, Chairman
2. Athanasios Papanikolaou, Member
3. Christophe Vivien, Member
4. Kyriakos Mageiras, Member

D. Audit Committee

The role of the Audit Committee is to monitor, among other things, the statutory audit of the annual financial statements, the financial reporting process, the proper functioning of the entity's internal audit unit, the effective functioning of the internal control system and the risk management system.

The Committee consists of three members (two independent non-executive and one non-executive member). The Audit Committee members are elected by the General Meeting of shareholders of the Company in accordance with the applicable Laws. The Committee's decisions are adopted by a majority of 2/3.

The Committee meets at least every three months or whenever considered necessary.

According to decisions of the General Meetings of the Company's Shareholders dated 11/07/2016 and 25/08/2018, the current composition of the Committee is the following:

1. Georgios Lassados,
2. Georgios Efstratiadis, and
3. Anastasios Kyprianidis.

E. Nomination and Remuneration Committee

The main task of the Committee is to assist the Board of Directors in fulfilling its duties pertaining to issues of staff, remunerations and incentives.

Its role is to make recommendations to the Board of Directors and involves the following:

- Evaluating the needs concerning qualitative and quantitative composition of the Board of Directors and the Committees, in accordance with the selection procedure referred to below.
- Determining criteria for the selection of new Board members or senior executive officers.

- Preparing a succession plan for the members of the Board of Directors and Committees, the Chief Executive Officer and senior executive officers.
- Submitting to the BoD reports on policies in matters of employment, fees and incentives.

The Committee consists of three (3) members elected among non-executive members of the Board of Directors by the General Meeting of Shareholders.

The Chairman of the Committee is elected by the Committee members or is indicated by the General Meeting of Shareholders.

The Committee meets at least once per year.

According to decision of the General Meetings of the Company's Shareholders dated 11/07/2016 and the decision of the Board of Directors dated 26/04/2018, the current composition of the Committee is the following:

1. Anastasios Kyprianidis,
2. Fotios Karatzenis, and
3. Georgios Lassados.

Statutory Auditors

Auditing Firm:	GRANT THORNTON S.A.	I.C.P.A. Reg. No: 127
Statutory Auditor:	Emmanouil Michalios	I.C.P.A. Reg. No: 25131

8.6 Diversity policy

Irrespective of the structure of administrative, management and supervisory organs, their composition plays a major role to the success of a company or group of companies. Aiming at the enhancement of its development and competitiveness, the Company considers the increased diversity in its Board of Directors as a basic element for the achievement of the strategic targets of MIG Group, taking especially into consideration the various sectors where the individual subsidiary companies operate.

In particular, the diversity of education, professional experience and origin among the members of the Board of Directors facilitates the understanding of business organization and business affairs and renders objective and constructive the exchange of opinions for the taking of decisions. In contrast, inefficient diversity could lead to limited exchange of opinions, fewer ideas and challenges during meetings and perhaps to less effective supervision of the Board of Directors or the executive members.

The Company encourages diversity in relation to aspects, such as indicatively age, nationality, sex, educational background, professional experience or candidates' skills.

The Company adopts a policy according to which nomination of the members of the Board of Directors relies on meritocracy and candidates are examined in relation to objective criteria, taking into account the benefits of diversity in the Board of Directors. The above parameters of diversity are taken into consideration in determining the best possible composition of the Board of Directors and, if possible, they are balanced properly.

So far no case of application of said policy has taken place (i.e. election of a new member of the Board of Directors).

9. INFORMATION AND EXPLANATORY REPORT ON THE ARTICLE 4 (7) & (8) OF THE LAW 3556/2007

This explanatory report of the Board of Directors of "MARFIN INVESTMENT GROUP HOLDINGS S.A." (hereinafter "the Company") is submitted to the Ordinary General Meeting of its shareholders and is incorporated into the Report of the Board of Directors pursuant to article 4 (7) and (8) of the Law 3556/2007.

9.1 Structure of the Company's share capital

On 31/12/2018 the share capital of the company amounted to € 281,853,224.40 fully paid, divided into 939,510,748 ordinary registered shares of a nominal value of € 0.30 each. The Company's shares are listed for trading on the Main Market of Athens Exchange.

Each share confers all rights as provided by law and by the company's Articles of Association, among which:

- a right to receive the profits and the proceeds of the liquidation of the Company (article 37 para. 3 L. 4548/2018);
- a pre-emption right at each share capital increase of the Company not involving contribution in kind and at each convertible bond loan issue (article 26 L. 4548/2018);
- a right to participate in a General Meeting, whereas each share confers a right to one vote (articles 124 & 37 para. 3 L. 4548/2018);
- a right to obtain a copy of the financial statements and reports of the auditors and the Board of Directors of the Company 10 days prior to the annual general meeting (article 123 para. 1 L. 4548/2018);

Furthermore, it is hereby noted that the 2nd Reiterative Annual General Meeting of the Shareholders that took place on 10/07/2017 resolved that a new Convertible Bond Loan be issued (hereinafter referred to as the "CBL") in the maximum amount of € 460,302,000, through issuance of up to 1,534,340,000 bonds of a nominal value of € 0.30 each, convertible into Company's shares.

The coverage and payment by PIRAEUS BANK S.A. of Tranche A amounting to € 425,200,000.20 divided into 1,417,333,334 bonds of a nominal value of € 0.30 each convertible into Company's shares took place on 31 July 2017 and was certified by the Board of Directors on the same date. The 31st July 2017 was determined as issuance date.

According to the terms of CBL, on 31/7/2018 the Company issued 28,740,370 new shares of Tranche B of CBL (PIK Bonds) of a nominal value of € 0.30 each and of a total nominal value of € 8,622,111, which was paid by capitalizing the Company's liability to pay interest of the CBL of equal amount.

Following early partial repayment of the capital of the CBL, the total outstanding balance of the CBL at 31/12/2018 amounted to € 297,204,694.20 divided into 990,682,314 bonds convertible into shares of a nominal value of € 0.30 each.

In accordance with the terms of the CBL, its bonds have not been listed for trading on the Athens Exchange.

9.2 Restrictions on the transfer of the Company's shares

The transfer of the Company's shares is effective in accordance with the Law and there are no restrictions on their transfer pursuant to the Company's articles of incorporation, considering that they are intangible shares listed on the ASE.

9.3 Significant direct or indirect holdings for the purpose of the Law 3556/2007

According to the notifications received by the Company from the shareholders - holders of voting rights pursuant to the Law 3556/2007, the shareholders who directly or indirectly held more than 5% of the total voting rights of the Company on 31/12/2018 are the following:

Shareholder	Percentage on voting rights based on the latest notification received from the shareholder until 31/12/2018	Current percentage on voting rights
PIRAEUS BANK S.A.	28.4986%	31.19%

9.4 Shares conferring special control rights

As per article 19 of the Company's Articles of Incorporation, a right to appoint one (1) member in the Company's Board of Directors pursuant to formerly effective provisions of article 18 (3), (4) and (5) of the Law 2190/1920 (currently replaced by article 79 of L. 4548/2018) is conferred to Messrs. (a) Theodoros Kaloudis, the son of Antonios, and (b) Athanassios Panagoulias, the son of Theodoros, and to each acting separately, provided that each of them owns shares of the Company representing at least 5% of the entire share capital. Messrs. Theodoros Kaloudis and Athanassios Panagoulias may even appoint themselves. In case any of the above shareholders exercises this right, the General Meeting shall limit its respective power to the election of the remaining members of the Board. The aforementioned article originates from the articles of association of COMM GROUP which has absorbed the Company. Regarding the above, it is hereby noted that neither of the aforementioned persons held a percentage equal or more than 5% of the share capital of the Company on 31/12/2018.

9.5 Restrictions on voting rights

No restrictions or deadlines are imposed by its Articles on exercising of the voting rights deriving from the Company's shares.

9.6 Shareholders' agreements in the Company

The Company is not aware of any agreements between its shareholders which might result in restrictions on the transfer of the Company's shares or in the exercise of the voting rights conferred by its shares.

9.7 Rules on appointment and replacement of the Board members and amendment of Articles

In addition to the above mentioned in the relevant section of the Corporate Governance Statement regarding the appointment and replacement of the members of the Board of Directors of the Company and the amendment of the provisions of the Articles of Incorporation, the provisions of L. 4548/2018 apply.

9.8 Competency of the Board of Directors in respect to the issuance of new shares or buy-back programs

A) The Board of Directors may issue new shares according to the provisions of L. 4548/2018 and especially articles 24 (Extraordinary capital increase) and 71 para. 4 (Convertible Bond Loan).

By a resolution of the 2nd Reiterative Annual General Meeting of the Shareholders that took place on 23/07/2015, the power of the Board of Directors to increase the share capital of the Company was renewed for five years, i.e. until 23/07/2020.

B) During the current period, no share buy-back program is in effect.

9.9 Important agreements that are to come into effect to be amended or expire in case of change of control following a tender offer

There are no important agreements which will come into effect, be amended or expire in case of change of control following a tender offer.

9.10 Agreements with members of the Board or personnel of the Company

There are no agreements of the Company with members of its Board of Directors or its personnel that provide for a payment of compensation, especially, in case of resignation or unfair dismissal or in case of termination of their term or employment following a tender offer.

It is hereby noted that by resolutions of the Annual General Meetings of the Company's Shareholders dated 15/06/2017 and 25/08/2018, the Company's employees' pension plan was approved with a minimum duration of 10 years for the purpose of rewarding the beneficiaries' faith and loyalty towards the Company and ensuring the unhindered continuance of their services. The entire cost of the plan shall not exceed an average amount of € 660k per year, depending on the number of beneficiaries.

10. NON-FINANCIAL REPORTING

The following section presents non-financial reporting items and information under provisions of Law 4403/7.7.2016, which has superseded Article 43a, CL 2190/1920 and pertains to Corporate Social Responsibility actions that are implemented by MIG and its subsidiaries. Diversity characterizing MIG's subsidiaries operations reflects the context in which they implement Corporate Responsibility actions.

During 2018, the following events took place per group or company:

10.1 VIVARTIA group

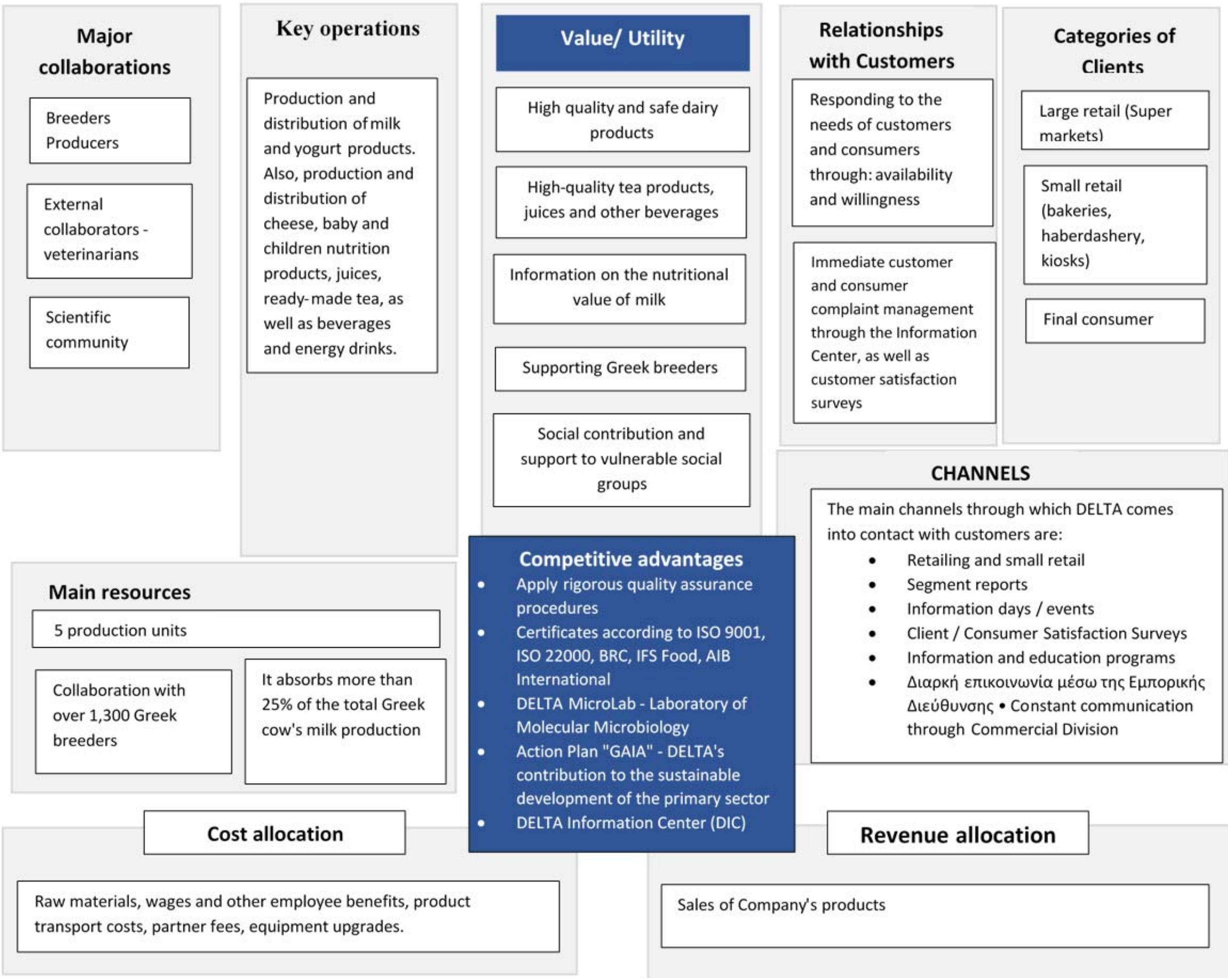
Since the majority of the subsectors' operations concern the particularly sensitive and significant domain of nutrition, VIVARTIA group subsidiaries have established extremely high standards. Moreover, compliance with the institutional regulations constitutes a non-negotiable basis of the group companies' operation. Corporate Responsibility is deeply integrated into the culture of VIVARTIA group and its subsidiaries and acts as the key component of the way they operate and grow.

In particular, in 2018, the following CSR actions were implemented, classified per VIVARTIA group operations (DELTA, Food Services and Entertainment GOODY'S | EVEREST and Frozen Foods BARBA STATHIS):

10.1.1 DELTA

Since its foundation date, DELTA has established extremely high standards in respect of the whole range of its operations. Moreover, compliance with the institutional regulations constitutes non-negotiable basis of the food segment, serving as a basis for sound management. The company's business model provides a brief description of the way the company operates and grows.

DELTA business model



DELTA develops and implements the Corporate Responsibility Action Plan based on the following six (6) strategic initiatives:

1. High quality and safety of products
2. Support for local communities and the primary sector
3. Care and protection of the environment
4. Creative working environment
5. Sound corporate governance and financial viability
6. Supporting the community (primarily local communities), education and sports programs.

Corporate Governance and Organization

For DELTA, adopting sound corporate governance practices and principles contributes to efficiency of the internal organization, while also increasing its competitiveness and maximizing value for the benefit of its stakeholders. Through implementation of these practices and principles, DELTA wants to achieve transparency in management and independence regarding management and control procedures. In this context, the company has developed a clear organizational structure, as well as an effective internal control and risk management system.

Managing issues of transparency and corruption

As a subsidiary of VIVARTIA group, DELTA implements the “VIVARTIA Code of Business Ethics”. Under the Code’s provisions, transactions in respect of all the group companies should be conducted in a legal and ethical way, according to the applicable national and international legislation. With regard to transparency and corruption, specific rules and principles have been put in place in respect of accepting business gifts and avoiding bribery regarding the all the employees.

In particular, preventive actions taken by DELTA and its subsidiaries include establishing specific limits to responsibility for all the employees and imposing relevant controls in order to assess the compliance. Moreover, the company has established the Code of Conduct dealing with procurement of goods and services, under which the group has established specific standards and principles defining the relationship between employees and suppliers with regard to offering or receiving gifts.

Internal control and risk management system

The Internal Control Department controls operation of the safeguards established in response to the relevant business risks. In this context, the Department annually carries out numerous control procedures, and, among other things, examines the way in which DELTA Corporate Responsibility issues are implemented. The audit results are compiled and presented quarterly to the VIVARTIA group Audit Committee.

Furthermore, based on the precautionary principle, at the management level, DELTA maintains effective risk management system. Therefore, it recognizes, evaluates, prioritizes potential business risks and uses various instruments or implements specialized strategies in order to limit its exposure to the aforementioned risks.

Avoiding conflict of interest

In accordance with the precautionary principle, DELTA respects the “VIVARTIA Code of Business Conduct”, which establishes specific measures and practices applied in order to avoid conflicts of interest. The company’s key principle is that its employees should be free from conflicts of interest, which may affect their judgment, objectivity or loyalty. Such principles include issues of parallel occupation, rules and impediments to recruitment and employment of relatives, the Information Security Policy, and the Confidential Information Management Framework.

Awards-Distinctions 2018

DELTA, in 2018, won the following 18 Awards and Distinctions:

- “Creative Greece Award 2018” for its export activity as part of the annual Business Excellence Forum for Greece of extroversion.
- 4 gold awards at “Self Service Excellence Awards 2018” for Rejuvenation of DELTA Fresh Milk, DELTA New Interactive Packaging of DELTA Fresh Milk, Food Fraud Quality System and Food Safety and Hygiene Program in the Distribution Network
- 2 membership awards at “IAB MIX AWARDS 2018” for the new film created by MILKO and DELTA under the title “Giannis Needs Milko“
- 3 awards at “Ermis Awards 2017” for the film “Let me tell you about basketball”, starring Giannis Antetokounmpo
- 2 awards at “Social Media Awards 2018” for the latest renewed interactive packaging for DELTA fresh Milk and new communication campaign “A glass full of love” through the application Shazam
- Award at “Supply Chain Awards 2018” for innovative solutions regarding ExVan Sales

- 2 awards at “18th Marketing and Sales Congress” for launching Double Strained Yogurt and DELTA Herbal Drinks
- “Together for Children” association honors
- 2 awards for “DELTA Athletic Team” in the charity run “Athens No Finish Line (NFL)” for coming first in the category “teams of 15-29 members” and second in the total competition results.

DELTA Responsible Strategy – Quality and Innovation

DELTA's long-standing goal, clearly expressed in the company’s vision, is t creation of innovative products of high quality and high nutrition, which will meet the diverse needs of its consumers. DELTA is always committed to achieving this goal through rigorous quality assurance procedures, from the early stages of product design and development to points of sale.

Research and Development: Designing product of high quality and high nutritional value

DELTA systematically invests in Research and Development since its establishment, when in early 90s it created and supported the operation of the Research and Development Division via investing in the first pilot and laboratory facilities of the company based in Agios Stephanos Production Unit. Since then, DELTA has invested substantial amounts in research potential, state-of-the-art technologies and cutting-edge equipment, as well as new product development processes, being one of the few companies in Greece to distinguish itself through innovation by developing its own products based on its own highly specialized scientific executives.

Quality Assurance

Delta's philosophy of product quality assurance is fully in line with the most strict international standards. All production units of the company strictly comply with the provisions of international standards on quality and food safety management. In particular, DELTA maintains, applies and is duly certified in respect of the following systems:

- AIB FOOD SAFETY
- FSSC 22000
- BRC
- IFS
- DIO
- ISO 9001
- RESPONSIBLE SOURCING PROGRAM
- ISO 14001
- OHSAS 18001
- HALAL

The company performs the necessary quality controls at every stage of its production process. From the point of recovery of the raw material to the final disposal of the products at the points of sale, DELTA ensures quality, freshness and preservation of tits products nutritional value.

For the purposes of ensuring its on-going development based on the provisions of its high quality standards, DELTA has established, for its entire business, internal quality indicators (KPIs), which it constantly monitors. DELTA also has specialized scientific staff, which ensures that the company is fully in line with the European and domestic legal and safety requirements.

DELTA Information Centre

DELTA Information Centre, which is operational since 2001 and staffed by scientists in the field of food products. Its objective is to ensure the two-way communication between consumers and the market with DELTA. Since 2008, it has been part of the Quality Assurance operations, being of strategic importance to the company as it is the essential Dialogue Center for timely receiving market messages and valid public information from DELTA. It is branded and has its own logo depicted on all DELTA packaging. DELTA implements educational activities and facilitates guided tours at the company's factories listed below in the Training sections (paragraph 8 ii).

Caring for DELTA employees

DELTA people are the most valuable pillar for the Sustainable Development of the company. For this reason DELTA does the best it can in order to maintain safe, fair and merit-based working environment every day, through which continuous growth opportunities are offered to all its employees.

DELTA is committed to and applies modern methods to facilitate professional growth of its people, provides ongoing and systematic training programs and applies modern assessment and reward systems to enable its people to continually develop and enhance their skills by acknowledging their commitment and contribution.

DELTA human resources per gender	2017		2018	
	Men	Women	Men	Women
DELTA employees	988	213	971	208
Total	***1,201***		***1,179***	

Human resources age allocation	2017			2018		
	<30	30-50	51+	<30	30-50	51+
Men	27	714	247	22	671	278
Women	9	152	52	4	150	54
Total	***1,201***			***1,179***		

Continuous training

DELTA implements a variety of educational activities, including seminars, conferences, provisions of certifications, and financing postgraduate programs, since its long-term objective is to provide appropriate training and know-how to its employees in order to facilitate their on-going development and enrich their knowledge.

Through the training provided by the company, the employees obtain the necessary skills assisting them in finding immediate solutions to everyday challenges and at the same time improving their productivity. In 2018, a total of 4,872 training hours were performed and seminars on various issues were held.

Total training hours per hierarchy category	2017			2018		
	Men	Women	Total	Men	Women	Total
Directors	47	37	84	27	13	40
Executives	519	190	709	352	144	496
Employees	752	946.5	1,699	783	723	1,506
Foremen and workmen	2,172	314	2,486	2,529	301	2,830
Total	**3,490**	**1,488**	**4,978**	**3,691**	**1,181**	**4,872**

Employee development and performance rating system

DELTA implements a system aimed at assessing its employees' performance. It is a modern system of development, which emphasizes performance, conduct and skills of every employee.

Emphasis is also placed on graduation of skills, which are directly related to the specificities of every position. Through the results of the assessment, strengths and weaknesses of every department are identified and decisions are made regarding professional development every employee.

Human Rights and Equal Opportunities

The working culture established in DELTA is based inter alia on encouraging diversity. The company recognizes that human resources comprise various kinds of people who have their own mentality, lifestyle and goals. All the employees, regardless of age and gender, are widely supported and granted equal opportunities for growth and development.

Extract from the Code of Ethics of VIVARTIA group companies

KEY PRINCIPLES AND VALUES OF THE CODE OF ETHICS:

- *We respect dignity and honor of all people, implementing objective approach to selecting and developing our personnel and associates.*
- *We encourage initiatives and innovations in an environment of flexibility, cooperation and trust.*
- *We create and maintain a healthy and safe working environment.*

Health and safety

Ensuring Health and Safety of its people is a daily concern for DELTA. The company's commitment to health and safety at work is expressed through the policy it has developed and implemented at all production units and facilities.

Extract from Health and Safety Policies

DELTA remains committed to the following issues:

- *Development, implementation, maintenance and continuous improvement of Health and Safety at Work Management System*
- *Full compliance with the relevant national and European legislation on health and safety at work*
- *Prevention and permanent reduction of accidents at work and occupational diseases and continuous improvement of the working environment*
- *Protection of employees and third parties from occupational hazards*
- *Preventing and eliminating occupational hazards at source*
- *Creating responsibility for the measures that the employees must take to protect themselves and their colleagues and for consolidation of safe working conduct*
- *Commitment of external partners to take similar measures.*

Health and safety programs that are implemented are formulated on an annual basis according to the projections made in respect of every production facility and according to the results of the analysis of health and safety indicators.

Investments in Health and Safety

DELTA's investment in health and safety is an integral part of its commitment to its employees. The annual needs of every production facility, as well as headquarters for health and safety, are carefully evaluated, ranked, and then implemented by the company.

Moreover, DELTA closely monitors health and safety ratios, aiming at on-going improvements in this domain.

HEALTH & SAFETY INDICATORS	2017	2018
Injury Ratio (IR)	3.9	7.4
Lost Days Ratio (LDR)	134.84	112.9
Absorption Ratio (AR)	0.13	0.15

Responsibility to Environment

Protection of environment constitutes priority to DELTA and, since its Management's commitment, it is implemented through integrated management systems, always with the contribution of all employees. The company has adopted and implemented Environmental Policy, in which context it develops and implements actions, demonstrating its respect for natural environment, always based on precautionary principle.

Extract from the Environmental Policies

Regarding the total of its operations, DELTA maintains stricter rules and standards related to respecting and protecting the environment, taking into account all scientific developments, by evaluating and controlling all data and by applying, as far as possible, the most appropriate preventive and corrective actions.

Environmental policy applies to all areas of the company's operations, based on the needs of all those involved in the life cycle of the company's products.

Initiatives and actions aimed at protecting the environment

DELTA undertakes significant initiatives aimed at ensuring efficient use of energy and water resources, efficient use of chemicals, and always makes attempts to minimize the environmental impact of its operations. In doing so, it not only demonstrates its commitment to care and protection of the natural environment, but also remains faithful to its objective, that of achieving sustainable development. DELTA initiatives aimed at environmental and protection actions include Energy Consumption, Water Supplies Use, Product Packaging, Waste and Transportation.

Environmental Performance Indicators

ENVIRONMENTAL DATA 2018 versus 2017	Ag. Stephanos		Tauros		Sindos		Plati		Lamia		Vigla		Milk Zone		TOTAL	
	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018
Electricity consumption in MWh	15,141	14,248	17,706	17,513	11,131	10,548	4,256	4,212	4,018	4,008	2,931	2,561	882	811	56,065	53,901
Specific electricity consumption (Kwh/tn product)	1,050	943	313	304	146	146	429	424	211	238	1,109	1,187				
Thermal energy consumption in MWh	20,881	20,937	15,983	16,527	25,286	23,585	21,286	20,940	6,095	5,760	3,900	2,727	1,433	1,154	94,864	91,630
Specific thermal energy consumption (KWh/tn product)	1,448	1,386	266	287	329	327	2,146	2,109	290	341	1,476	1,264				
Direct emissions CO2 (in tn)	3,800	3,807	3,228	2,617	5,230	4,717	4,227	4,188	1,610	1,252	767	618	392	348	19,254	17,547
Specific direct emissions CO2 (tn/tn product)	0.263	0.252	0.054	0.045	0.069	0.065	0.430	0.422	0.071	0.074	0.290	0.286				
Direct emissions NOx (in kg)	2,700	2,709	814	856	3,547	3,310	2,980	2,939	1,340	1,040	833	726	507	450	12,721	12,030

Specific direct emissions NOx (kg/tn product)	0.187	0.179	0.014	0.014	0.046	0.046	0.300	0.296	0.059	0.061	0.380	0.330				
Direct emissions VOCs (in kg)	200	201	45	48	195	182	164	162	47	45	259	226	91	81	1,001	944
Specific direct emissions VOCs (kg/tn product)	0.014	0.013	0.001	0.001	0.003	0.003	0.020	0.016	0.002	0.003	0.110	0.100				
Total water consumptions	338,640	386,587	176,985	187,732	352,241	356,542	265,000	280,000	125,028	103,211	54,700	53,562	41,377	43,794	1,353,971	1,411,428

DELTA's production unit in Platy Imathia is certified according to the international environmental management standard ISO 14001.

Supplies chain and primary production

DELTA supports Greek primary production and remains the largest buyer of cow's milk, absorbing over 25% of total quantities of milk produced by Greek livestock breeders.

In 2018, it continued collaborating with PIRAEUS BANK in the domain of contractual livestock farming, aiming at providing the livestock farmers with the necessary liquidity on satisfactory terms and on-going support and development of dairy livestock farming.

Moreover, in 2018, the company went on with the implementation of GAIA ACTION PLAN, which is its initiates aimed at: a) sustainable development and, more specifically, providing support for Greek dairy livestock farming through research, training and technical support actions, and b) exploitation of Greek crops for production of animal feed.

Regarding training in livestock issues, a training session was organized by Delta Dairy Zone in Ilia on welfare, productivity and quality as key factors for viability of livestock breeding, including good heath of livestock, rational training and breeding. The event was attended by many producers from Ilia and Achaia, representatives of local veterinary and geotechnical services and local press.

Furthermore, recording impressive success and response of the collaborating producers, the "Program for controlling stockpiling of livestock farms in the West Peloponnese", a DELTA activity aimed at providing practical support and sustainable development to the primary dairy farming sector, was completed at 34 cow-dairy collaborating with DELTA units, located in the prefectures of Ilia and Achaia.

The Farm Advisory Program on Nutrition and Management continued well into 2018 in collaboration with the Agricultural University of Athens.

The program has begun since 2016 and gradually benefits from the growing number of livestock farmers that are part of it.

Finally, for the second consecutive year, DELTA also offered, within GAIA project, scholarships to young breeders for education they received at the Thessaloniki American Farm School.

25 young breeders attended four-month training programs on training techniques in the management of the livestock unit.

For analytical information, please refer to the site: http://gaiaproject.vivartia.com

Supporting the Society

DELTA believes that Corporate Responsibility is an integral part of its operation. For the Greek company, trusted by tens of thousands of Greek families every day, a responsible operation combined with the support of society, especially children and the family, is a central component of its strategy and its core mission. Furthermore, the company implements a number of actions related to education and sport.By demonstrating its social sensitivity in actions, DELTA undertakes actions on the following social axes:

I. Supporting vulnerable social groups

In 2018, DELTA distributed more than 900,000 portions of food to cover the basic nutritional needs of our fellow citizens through the following initiatives:

- DELTA always collaborates with reputable organizations and institutions, such as Together for the Child, The Smile of the Child, The Ark of the World, SOS Children's Villages, Doctors of the World, KYADA, UNESCO, Scouts of Greece and many other associations.
  The company also offers products through the Food Bank and the Social Structures of many Municipalities, giving priority to all the areas where its facilities are located throughout Greece.
- In 2018, DELTA started providing systematic support to the operation of SOS Children's Villages and SOS Mothers. On the occasion of World Dairy Day, the company offered 12,000 glasses of milk to the children of SOS Children's Villages and continued this systematic offer, covering the needs of children living in SOS Children's Villages in Attica in milk and yogurt for the entire year. In view of the new school year, DELTA implemented the voluntary action “SCHOOL SMILES”, involving the children of DELTA personnel. 3,000 parcels of school supplies were gathered daring the event. Wishing to help all the children return to school this year with joy, optimism and lots of smiles, DELTA and its employees offered every child of SOS Children's Villages in Attica, of all ages, new school bag, full of all the stationary they need to return to school with optimism and lots of smiles.
- DELTA offered fresh milk to the firefighters at Mati fires, as well as long-lasting products to our fellow human beings in areas hit by fires.
- Moreover, DELTA covered the needs in fresh milk needs of the Kindergartens in municipality of Tavros for 3 months (October to December 2018), so that children would not be deprived of the most essential food.
- DELTA supports products distribution at many schools of all levels, from Kindergartens to Universities, either systematically or by supporting events, conferences and ceremonies, giving priority to Special Schools.

II. Training and Athletics

- In 2018, in the framework of education aimed at right and balanced diet, the company also implemented the “Trip to PROINOCHORA” program, in order to educate pre-school children about the value of a healthy and balanced breakfast. In 2018, DELTA also developed and presented a new story on Waste of Food, “Trip to TROFOUPOLI”, aiming at the promotion values such as food economy, recycling and environmental protection. At the same time, in 2018, 55 presentations of PROINOCHORA and TROFOUPOLI programs were attended by 1,276 pupils.
- DELTA continues organizing school and colleges and university visits to its premises. In particular, in 2018, 95 school visits were conducted with a tour of the production units located in Tavros, Agios Stephanos, Sindos, Plateos and Lamia, while the total number of children guided around the five units amounted to 3,603.

- DELTA responds to initiatives aimed at professional orientation of high school pupils as well as linking academic knowledge to the labor market for school and academic institutions graduates. In the context of supporting young scientists, the company provides graduate students with the opportunity for practical training.
- DELTA also supported MILKO TOURNAMENT 3X3, organized by the Hellenic Basketball Federation (EOK), in 2018, for the third successive year, aimed at children and youngsters in 30 cities across Greece, with the entries for 2018 exceeding 22,000 children. The children, boys and girls from 8 to 18 years of age, taking part in the competition, received prizes from MILKO.
- DELTA was the gold sponsor of the SKYRUNNER GREECE SERIES mountain run, held in 2018 all over Greece, on footpaths and forest roads, aimed at exceeding 1,500m altitude, as well as supporting the local communities. The company sponsored several other runs, thus promoting athletic spirits and its values.

III. Voluntary work

DELTA employees voluntarily participate in social support actions of the company so that even more products arrive daily where needed. In addition, under voluntary actions, in 2018, employees participated in DELTA's Easter Action (laboratory and food collection) and collected approximately 200 product packages. Moreover, the employees collected 100 bags of clothing and toys in order to assist social support organizations.

DELTA Sports Team continued its workouts in 2018. The team participated in the Marathon and the Half Marathon of Athens, as well as other volunteer social actions such as No-Finish_Line, where DELTA was awarded 2 prizes as the best team in its category and took the second place in all the categories at team competition, making contribution to the children of the Association “Together for the Child”.

Further information regarding policies, procedures and actions as well as the total non-reporting results of the company are presented in the Annual DELTA CSR Report: https://www.delta.gr/eke/

10.1.2 BARBA STATHIS

BARBA STATHIS operates in food retail sector, the leading food company in Greece, offering consumers the best quality products, bearing the label of the successful brands “BARBA STATHIS” and “CHRYSI ZYMI”. **The main pillars of the company's operation are innovation, quality and safety, investment in Greek entrepreneurship, research / development and extroversion,** with a clear goal to offer consumers **daily value-added, safe and quality products,** with human resources as a key lever.

Corporate Responsibility is an integral part of the BARBA STATHIS culture and defines its business choices and actions, to the maximum extent possible. The Corporate Responsibility Action Plan focuses on five main axes:

- Financial Development and Corporate Governance
- Quality and Innovation
- Human Capital
- Environmental Responsibility
- Society

BARBA STATHIS proceeded in 2018 to the publication of the 2nd Corporate Responsibility Report, in which it analyzes the actions implemented by the company on the basis of corporate responsibility, in its effort to respond consistently and promptly to the needs of the parties interested in it. The Annual Corporate Responsibility Report of BARBA STATHIS is developed according to the international standards of GRI Standards.

OUR VISION
Our vision is to offer consumers safe and quality added-value products, contributing to the formation of dietary patterns inspired by Greek nutritional wisdom, while at the same time promoting a healthy lifestyle.

BARBA STATHIS S.A. carries out its business strategy based on the vision, its mission and values, aiming at improving both corporate performance, as well as the implementation of important corporate responsibility actions. Within the framework of its business strategy, the company takes care of the continuous development of its employees, evolves through new investments and makes efficient use of sources and funds.

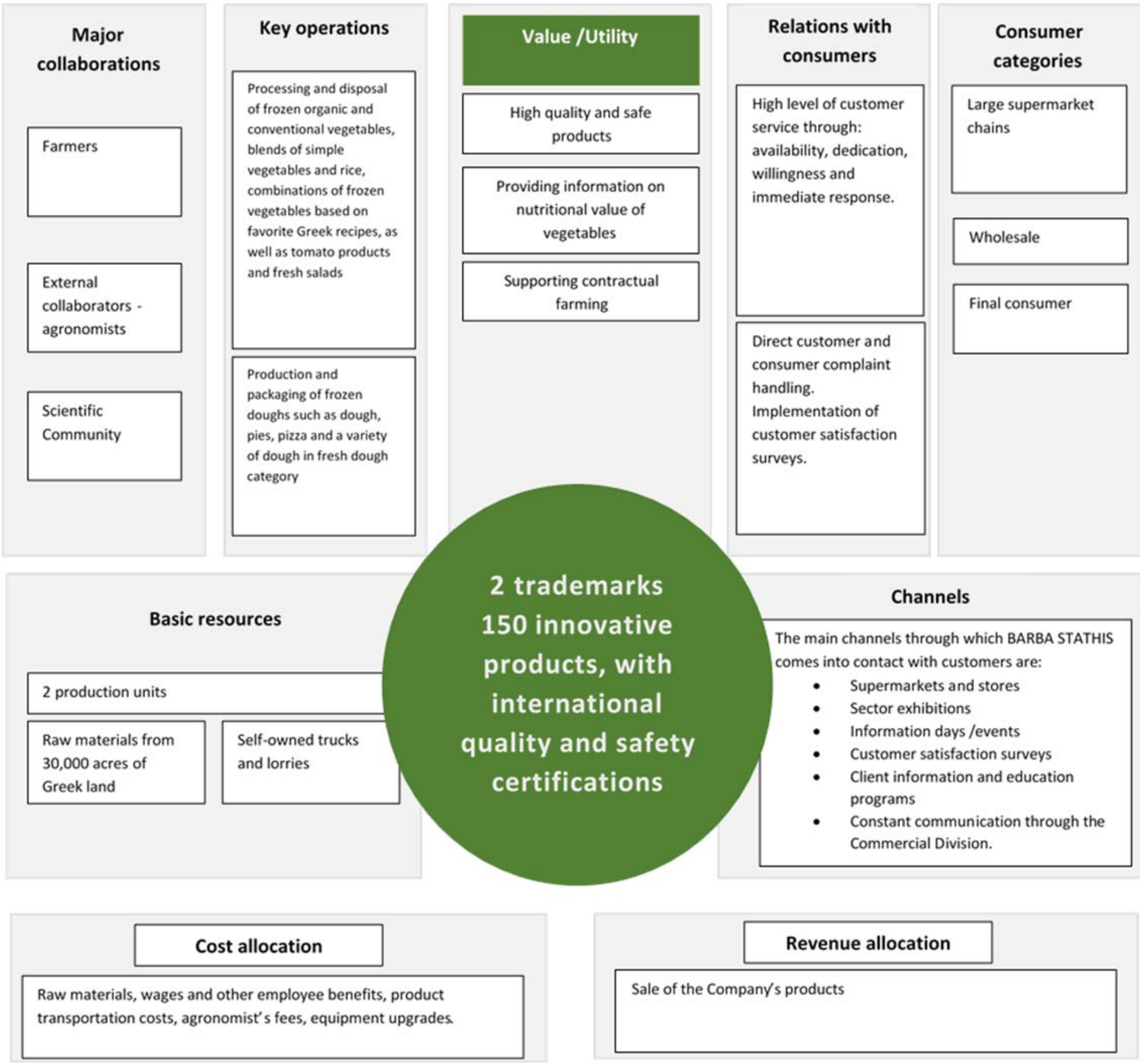
The Corporate Responsibility of BARBA STATHIS, as well as the maximization of its social commitment, is synonymous with the development of dialogue with the parties interested in it. The company has recognized that systematic dialogue contributes to the fuller recording of the impacts of its activity, as well as to the recording of the issues that concern each interested parties. The company has identified as interested parties those groups that are directly or indirectly affected by its activities and, of course, all those groups which may affect its operation in any way and at any time.

The groups of interested parties that the company has recognized and systematically communicates with are the following:

- Shareholders
- Employees
- Suppliers
- State and regulatory authorities
- N.G.O. & vulnerable social groups
- Consumers
- Customers
- Farmers-producers
- Media
- Local communities

Business model

The company has developed its business model by incorporating important elements such as responding to consumer and market needs, seamlessly cooperating with farmers and the supply chain as a whole, and adopting technological innovations for quality and the safety of raw materials and finished products.



Corporate Governance and organization

The company pays particular attention to the application of clear operating rules and principles of good corporate governance, both within the group and its affiliates, with a view to transparency in management and independence in management and control. The organizational structure of the company, with its risk management and internal control system, contributes to the achievement of its objectives both short and long term.

Internal control and risk management

The Internal Audit Department operates on the basis of Internal Auditing Standards and the Code of Ethics as issued by the Institute of Internal Auditors, including other audit standards where applicable. The Management conducts numerous audits annually and, among other things, examines how to apply issues related to Corporate Responsibility of BARBA STATHIS. The audit results are compiled and presented quarterly to the VIVARTIA Audit Committee. Also, applying the precautionary principle, the company maintains an effective risk management system at the Management level.

Therefore, it recognizes, evaluates, prioritizes potential business risks and uses various instruments or implements specialized strategies to limit its exposure to them. The scope of the Internal Audit Division's activity is to determine whether the risk management, safeguards, and corporate governance processes of the company, as designed and applied by management, operate in a manner that ensures that:

- Areas of business risk are well recognized and managed.
- Significant financial, administrative and operational information is accurate, reliable and timely.
- Employee activity is in line with existing policies and procedures.
- The resources required for the activity are acquired on the basis of specific economic criteria, are efficiently used and adequately protected.
- Important legal or regulatory issues are identified and addressed appropriately.

Managing issues of transparency and corruption

BARBA STATHIS as subsidiary of VIVARTIA group maintains the "VIVARTIA Code of Business Ethics". Under the Code's provisions, all transactions should be conducted in a legal and ethical way, according to the applicable national and international legislation. With regard to transparency and corruption, specific rules and principles have been put in place in respect of accepting business gifts and avoiding bribery regarding the all the group's employees. In particular, preventive actions taken by BARBA STATHIS include establishing specific limits to responsibility for all the employees and imposing relevant controls in order to assess the compliance. Moreover, the company has established the Code of Conduct dealing with procurement of goods and services, under which the group has established specific standards and principles defining the relationship between employees and suppliers with regard to offering or receiving gifts.

In addition, the suppliers themselves are under obligation to respect and observe the relevant Suppliers/Partners Code of Ethics that has been developed and carry out their transactions with the company within the relative framework. The objective of BARBA STATHIS is to ensure honest and faultless way of transacting with its stakeholders and generate added value.

Healthy competition

The company follows the rules of healthy competition, applies the VIVARTIA group Code of Conduct and fully respects the relevant provisions of national and community legislation.

Extract from the VIVARTIA group Code of Conduct

The company promotes healthy and fair competition and is not involved in unfair discussions and agreements or in acts that contravene good morals and laws. The company does not engage in unfair pricing agreements, pre-agreed tenders, customer acquisition, market sharing. By following the rules of healthy competition, the company avoids promoting its products through unfair advertising, respecting the relevant provisions of national and Community legislation.

BARBA STATHIS employees

For BARBA STATHIS, its people are the most valuable pillar of its development. The company offers a working environment where it is possible to constantly develop and demonstrate their abilities, recognizing their dedication and contribution.

BARBA STATHIS takes care of the maintenance of a safe, fair and merit-based working environment that constantly provides opportunities for further development for all employees. The Code of Conduct of VIVARTIA group is adopted and applied to the company.

Basic Principles and Values of the Code of Business Conduct:

We respect the dignity and honor of all people, following a merit-based approach to choosing and developing staff and associates. We encourage initiatives and innovations in an environment of flexibility, cooperation and trust. We create and maintain a healthy and secure work environment.

The working culture of BARBA STATHIS is based inter alia on encouraging diversity. The company recognizes that human resources are staffed by different people with their own personality, lifestyle and goals. All employees as a whole, irrespective of their age and gender, are actively supported by the company in order to give them equal opportunities for development. BARBA STATHIS makes no distinction between the genders.

Human resources *	2017	2018
Men	347	402
Women	124	217
TOTAL	**471**	**619**

Human resources age allocation 2018*	<30	30-50	51+
Men	37	255	110
Women	28	121	68
TOTAL	**65**	**376**	**178**

* Seasonal employees are also included

Employee development

Continuous training of human resources is a long-term goal for BARBA STATHIS, as in this way the personal and professional development of its employees is achieved. In this context, educational activities, whether internal, such as seminars and intra-company education, or external ones, such as participation in conferences, certifications and grants of postgraduate programs, are being organized. Through the training programs that the company plans and implements, workers are offered a variety of opportunities to develop knowledge and skills, information on industry issues and know-how. Structured training programs are aimed at enhancing knowledge as well as developing employee skills and skills, and in the majority they are implemented by learning academies Sales and VIVARTIA Academy.

Sales Academy

Programs implemented through Sales Academy mainly concern Sales Departments executives, as well as other executives, whose educational needs are identical to the relevant issues covered during the seminar. Sales Academy lectures are certified Sales Departments executives.

VIVARTIA Academy

VIVARTIA group Learning Academy aims at training the group companies' employees, as well as their selected collaborators. Training is carried out on voluntary basis by experienced executives of the group, who are either certified trainers or specialize in the subject of every training session. The subjects of training sessions are related to various soft skills. More specifically for BARBA STATHIS in the last two years, the analysis of educational data by gender and hierarchical rank includes:

Total number of employees receiving training	2017			2018		
	Men	Women	Total	Men	Women	Total
Directors	7	1	8	16	6	22
Supervisors	20	2	22	23	5	28
Employees	82	29	111	73	42	115
Foremen and workmen	94	46	140	106	38	144
Total	**203**	**78**	**281**	**218**	**91**	**309**

Employing people from the local community

BARBA STATHIS contributes in the development of the local community and employs the majority of its staff (524 persons) from the wider region of Thessaloniki, while 84 people are employed in the offices of Athens. Also, 11 employees are occupied in the company's logistics facilities in Larissa.

Assessment and reward

At BARBA STATHIS, a modern employee assessment and development system is implemented, which emphasizes both performance and behavior and employee skills. Through the evaluation, the strengths and weaknesses of each employee, as well as the department in which they are employed, are identified and decisions are made on their development and reward, on the basis of objective criteria and the degree of achievement of the objectives set.

A system of employee appraisal is applied vertically to the company.
On this basis, 100% of the permanent staff is assessed annually.

In the context of employee recognition and rewarding, BARBA STATHIS, every year offers employees the ability to communicate with the Management Team an idea they have developed and implemented in the year and has as a final (indirect or direct) result in improving the company's profitability. The concept that has been developed - individually or in groups - should be one of the following:

- Innovation
- Simplification
- Efficiency – Excellence in Execution

Human and Labor Rights and equal opportunities

A key component of the BARBA STATHIS culture is its commitment to human and labor rights. Human rights in the workplace are of fundamental importance and ensure the sustainability of the company. No form of discrimination or violation of workers' rights is accepted in BARBA STATHIS as internationally recognized human rights and fundamental freedoms, enabling all employees to develop and grow fully, are an integral part of the company's culture.

In addition, BARBA STATHIS chooses collaborators who, in turn, respect human rights, do not in any way affect human dignity and, of course, oppose child labor and forced labor.

Extract from VIVARTIA group Code of Conduct.

The company respects human dignity and assists local, national and global society, depending on its subject and geographic spread. It respects human rights, opposes child labor, gives equal rights to men and women, ethnic, religious and racial minorities. It chooses collaborators who accept the same moral values.

Employee benefits and support

In addition to the statutory fees, BARBA STATHIS strengthens the support of its people by offering a range of additional benefits. Indicatively, some of these benefits are listed below:

- Transfer of employees with rented buses
- Daily attendance of a nurse
- Overtime pay and overnight work at the highest legally permitted rates
- Additional leave days
- Flexible hours for young mothers
- Early retirement
- Additional medical and hospital coverage
- On-going wage payment in cases of long-term illnesses (beyond the statutory limits)
- Urgent financial support for personal issues as an interest-free loan
- Christmas gift certificates for permanent and seasonal staff
- Wedding bonuses
- Rewarding the children of employees for their admission to Universities/Technological Institutes
- Monthly food vouchers
- Free distribution of products on case basis and discount on the company's and the group's products
- Financing postgraduate programs
- Rewarding long term of 30-year service
- Subsidizing annual trips of the personnel

Internships of students

With main pillar the support of Greek agriculture through the support of young Greek scientists, the company, in cooperation with the Department of Agriculture of the Aristotle University of Thessaloniki, in 2018, gave the opportunity to one more graduate to be trained in applied cultivation practices.

This initiative enables young agronomists to come in close contact with state-of-the-art research and technology applied by BARBA STATHIS and helps them develop professional skills.

Awarding employees' children

In 2018 the company awarded the children of the employees who succeeded in the entrance examinations at University and Technological Institutes.

Health and Safety at Work

For BARBA STATHIS, the primary objective is to ensure the health and safety of all its employees. This objective is achieved through:

- adopting of continuous improvement processes,
- integrating the value of safe work in all aspects of the company's activities,
- promoting the health and wellbeing of employers, preventing any accident,
- reducing the exposure of employers to dangerous agents at the workplace.

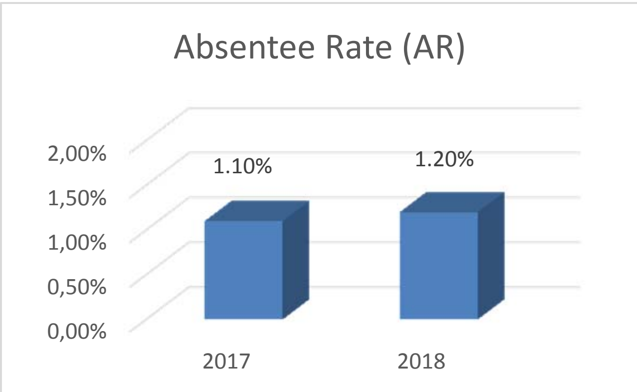
The company has developed and implemented in all areas of its activities, Health and Safety Policy at labor, through which it is committed, inter alia, to the following:

- Identification and recognition of all possible risks and establishment of risk indicators.
- Maintaining performance levels at the highest quality level, with zero accidents, without

injuries and damage to equipment.
- Implementation of frequent training and application of Health and Safety programs at work, aiming at raising awareness and constantly informing employees about safe work.
- Ensuring all the necessary resources aiming at improving technologies and procedures for controlling occupational risks with the aim of their continuous monitoring and recording.
- Focusing on prevention by taking all the necessary measures initially to minimize and then eliminate all possible risks.
- Continuous inspection of the premises and working conditions by the security technicians, covering the whole range of activities of the company.
- Covering legislative requirements.

The objectives of the programs, procedures and guidelines for the establishment, revision and achievement of the Health and Safety objectives set and monitored by the company are documented by the development of a Health and Safety system as provided for in the relevant certificate, is currently integrated as a separate thematic unit in the uniform quality and safety standard EN ISO 9001/2015 & EN ISO 14001/2015.

BARBA STATHIS always keeps up safe working conditions, recognizes its responsibilities towards its employees and applies the principle of prevention on health and safety at work. It is worth noting that the activities of BARBA STATHIS are characterized as low risk, however, the company has compiled a fully revised Occupational Risk Assessment Study (ORAS). There are very rare accidents in the company as it is a low-risk activity.



BARBA STATHIS records and monitors the days of absence from work due to any weakness of the employees. In particular, the Employees' Index of Employees (AR) for the years 2017 and 2018, which has remained at the same low level, is presented.

AR= (number of days absent from work due to any inability / number of days worked in each year).

Unrivaled quality and security

The responsibility of BARBA STATHIS is reflected daily in the high quality products it produces, as well as in the trust and honesty relationships it develops with consumers, customers and cooperating Greek producers. The aim of the company is to make the name “BARBA STATHIS” a synonym for quality as well as a reference point for consumer welfare. By prioritizing the responsible operation towards all its stakeholders, the company's strategy is based on the following axes:

- High-quality innovative products
- Excellent partnerships with Greek producers
- Trust relationships with consumers
- Responsibility to customer relationships
- Collaboration with suppliers.

Contractual agriculture

BARBA STATHIS is the first company in Greece that has contributed and continues to contribute to the creation of added value for the producers while at the same time ensuring the constant quality and characteristics of varieties in agricultural products by introducing in its activity the terms “contractual agriculture” and “producer groups”. For BARBA STATHIS contractual agriculture is a modern, dynamic approach to rural management, aiming at sustainability and support of primary production. In this context, the company offers the possibility to selected producers who meet the criteria they have set, to cultivate excellent, traditional varieties, supporting them through continuous education, empathy and transfer of know-how, with the guidance, supervision and daily visits of the company’s agronomists on their parcels. At the same time, the application of contractual agriculture responds to the need of producers to secure a guaranteed income and to the company's desire to have guaranteed access to products of guaranteed quality and quantity.

Throughout the production process, BARBA STATHIS ensures and documents the Quality and Safety of its products through the implementation of a horizontal system certified according to international standards: EN ISO 9001, EN ISO 22000, I.F.S. Food and B.R.C.

Direct communication and customer service

A non-negotiable priority for BARBA STATHIS is the creation of relationships of trust with consumers. Having at the heart of its activities the satisfaction of the consumers of its products, the company makes every effort to inform and raise awareness of healthy nutrition through the innovative, healthy and high quality products it develops and produces. At the same time, the company conducts a consumer satisfaction survey every two years, using it as a means of feedback with them.

Communication with the consumer is of prime importance for BARBA STATHIS and is documented through a separate process within the quality management system: EN ISO 9001/2008.

Awards

For 50 years, BARBA STATHIS stands next to Greek consumers, aiming to offer them delicious, nutritious and quality products produced by the Greek land. The company's efforts to integrate innovation and high standards of food safety into every product received a variety of awards and distinctions.

Specifically in 2018, BARBA STATHIS was selected as one of “Top Corporate Brands in Greece” in Corporate Superbrands 2018-2019. Moreover, the company was sleeted as “Best Workplace 2018” in the study performed annually by the Great Place to Work for the purposes of identifying the companies. Offering the best working environment in Greece.

Finally, a major product distinction is the Gold Award of the Launch Service at Excellence Awards 2018, where BARBA STATHIS was awarded for Chrysi Zymi, in particular, for Batzina Campaign.

Collaboration with suppliers

The company regards its suppliers as valuable partners and an integral part of its operational function and seeks to develop long-term cooperative relationships based on mutual benefits and common sense. Transparency and consistency are key components of BARBA STATHIS cooperation with its suppliers, which give a comparative advantage to several tailor made products of the company. BARBA STATHIS has achieved long-term partnerships and trust relationships with responsible and acclaimed suppliers.

Suppliers selection criteria and procedures are common to all suppliers and are documented by ISO 9001 and related internal procedures. The company has a Code of Business Ethics, which defines the core values and principles of the company. Additionally, the Code of Ethics for Procurement, which is an attachment to the Procurement Process, defines the framework for cooperation with suppliers, as well as the relevant transaction and behavior procedures of suppliers.

Extract from Code of Conduct:

All suppliers should be treated equally in terms of the ability to present their products and services to the company and should be offered impartial and equal opportunities.

The total number of suppliers of BARBA STATHIS with at least one transaction in 2018 is 1,996, of which 94% (i.e. 1,871) pertains to domestic suppliers.

Respect for environment

Protecting the natural environment is a top priority for the company. Through its practices and actions, BARBA STATHIS aims to contribute actively to saving energy and minimizing pollutants, increasing recycling actions, protecting the biodiversity of the ecosystem, and promoting the proper use of water. The commitment to responsible environmental behavior is reflected in the environmental policy adopted by the company, but also in the ISO 14001 certified environmental management system that it applies.

Extract from the company's Environmental Policy

The primary role in the business strategy is the protection of the environment from the effects that the (above) activities are or may be causing.

With the implementation of the Environmental Management System, the company expresses its commitment:

- In full coverage of the requirements of ISO 14001/2015
- In compliance with environmental legislative requirements
- In avoiding pollution due to its activities
- In continuously improving its environmental performance through the achievement of its goals and objectives, with a specific time horizon.

BARBA STATHIS ensures the maintenance of its environmental policy at all organizational levels, through:

- Training and awareness raising of staff
- Using technology as environmentally friendly as possible
- Compliance of staff with the requirements of Environmental Management System documentation.

The Environmental Management System applied to the company contributes to the practical improvement of its environmental performance through the achievement of specific objectives. In this context, an environmental manager is appointed who is in charge of enforcing environmental policy, as well as implementing and documenting the company's environmental objectives. In addition, the company implements programs aimed at the rational use of nutrients (reduction of the use of nutrients due to natural fertilization resulting from the incorporation of plant residues in the field) and reduction of plant protection actions.

BARBA STATHIS Environmental Performance Indicators

I. Electricity consumption (specific consumption - per tone of product)

Electricity consumption	2017	2018
Specific electricity consumption (per tone of product) (KWh/tone)	428	426
Specific thermal energy consumption (per tone of product) (KWh/tone)	173	193

It is to be noted that in 2018, specific thermal energy consumption recorded at increase of 11.5% due to diversification in the production variety versus 2017.

II. Water consumption (specific consumption - per tone of product)

Water consumption in m3	2017	2018
Specific water consumption per tone of product (m3/ tone)	14.70	14.05

Waste management

As the company's environmental policy defines, the proper collection and utilization of the waste resulting from the production process is a non-negotiable priority for BARBA STATHIS. To this end, the company applies good management and disposal practices and undertakes further education and awareness initiatives for employees about these practices.

No hazardous waste is generated from the production activities of BARBA STATHIS

The company's production processes result in liquid and solid waste, which are separated and received by suitably licensed partners for their overall management. For the year 2018, the total (100%) of the Company's waste was allocated to licensed partners.

With sensitivity to the society

BARBA STATHIS builds up its Social Responsibility strategy on the same basic axes as its business strategy. It is with a strong sense of responsibility and awareness of the current circumstances that the company implements a broad Social Responsibility Action Program, with respect for society and giving priority to the needs of the children.

In 2018, the company provided over 30 tones of products globally, supporting charities, associations, social grocery stores and local bodies through 155,000 servings of salads and frozen vegetables and dough. In particular, the action "We Run With Our Heart" stood out, during which one ton of Chrysi Zymi products were offered to the charity association "Together for the Child".

Moreover, in the context of promoting the value of balanced nutrition and the message that exercise and healthy eating go hand in hand, BARBA STATHIS supported the 1000m Street Children's Run for Primary School pupils at the 13th International Marathon "Alexander the Great".

Voluntary work

In 2018, voluntary contribution of the company's employees was particularly significant, since they raised money to support charity organizations aimed at children, while also offering food and sanitary supplies for the relief of fire victims in Mati Attica.

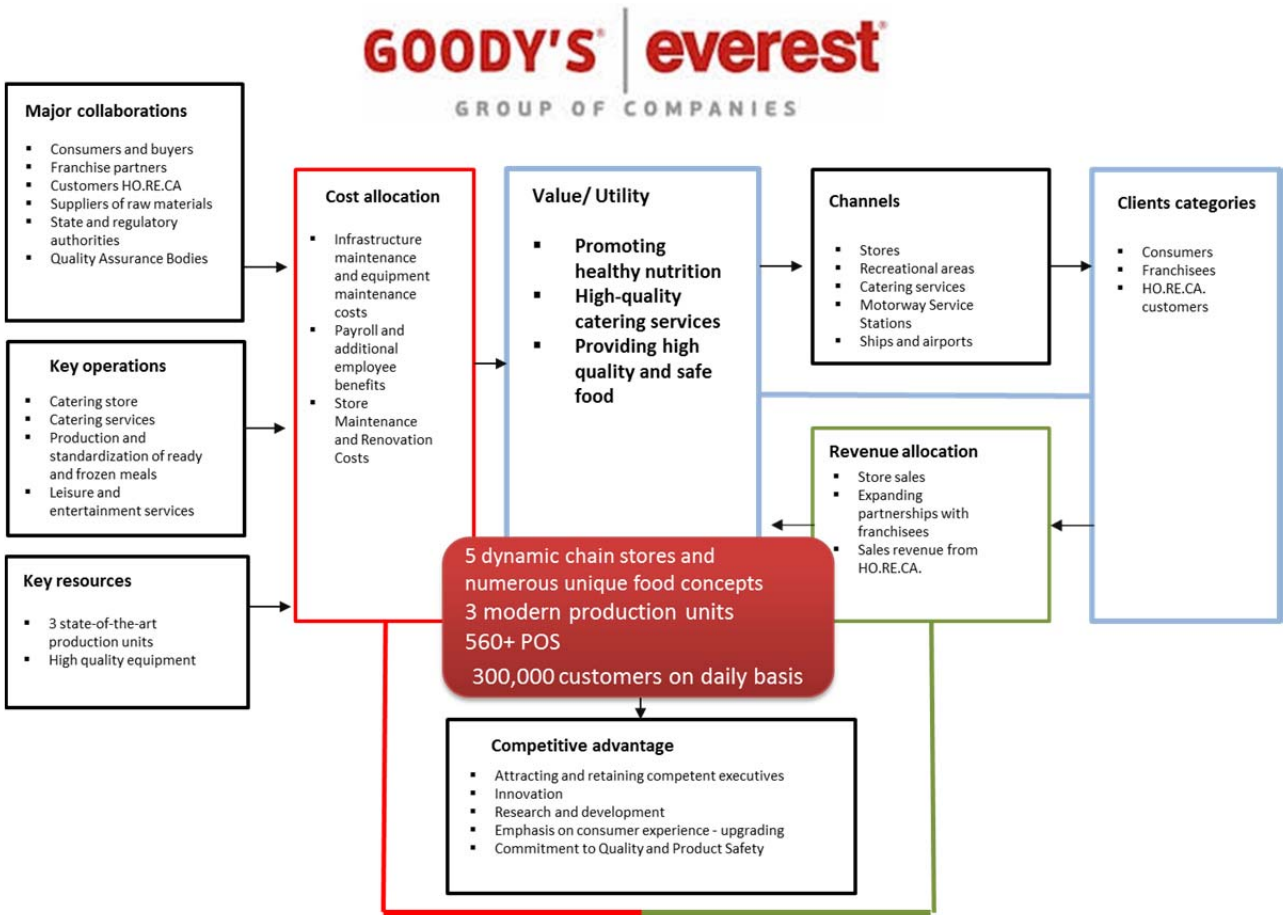
Further information regarding policies, procedures and actions as well as the total non-reporting results of the company are presented in the Annual BARBA STATHIS CSR Report : https://www.barbastathis.com

10.1.3 GOODY'S | EVEREST companies

GOODY'S | EVEREST companies are the undisputed leaders in the Greek market for catering and coffee services. The companies' long-term goal is to produce and deliver high-quality products and services to consumers while contributing to the creation of added value for all interested parties.

For GOODY'S | EVEREST companies Sustainable Development and Corporate Responsibility is in tune with continuous improvement and high quality in all areas of our operations. GOODY'S | EVEREST companies priority is the investment in Greek entrepreneurship and innovation, aiming at the continuous development, development and upgrading of brands.

In the above context, the companies have developed their business model, incorporating significant elements such as critical partnerships, core resources, distribution channels for its products and services, and customer categories. All of this, combined with the cost and revenue structure, is the source of the companies' competitive advantages and the way they generate value through their operations.



Generating value for collaborates and consumers

The companies' objective is always to surpass the expectations of their collaborates and consumers who show preferences to their brands and products, constantly enhancing the value of their brands.

Innovation constitutes an integral part of the companies' philosophy and extends throughout their scope of operations, representing not only a key lever for development of their chains and production units, but also a part of the daily routine of a large group of employees involved in the process of developing new products and new innovative concepts.

Innovation in concepts

The companies launched three innovative concepts in 2018:

- "It's All Grεεk": modern, kontosouvli based grill house
- "Bistro Dei Cavalieri": Italian bistro serving hand-made pizza & Panini
- "Streat Food Masters": street food concept, especially designed for sheltered markets, such as airports.

Moreover, the companies acquired and re-launched forky, a platform offering quality, everyday food at affordable prices, delivered to your house or office through just three clicks.

Finally, GOODY'S | EVEREST companies redesigned the concept of EVEREST brand with emphasis on food, a proposal that was piloted at Pasalimani restaurant and expected to be implemented at the other branches in 2019. Aimed at facilitating even more active presence of EVEREST at the clients gathering points, the companies created a mobile EVEREST (truck) canteen, which first appeared at major summer concerts such as "Ejekt" and "Release festival".

Innovation in products

In 2018, the companies developed and introduced 283 new products in a procedure, during which over 1,000 different products were reviewed.

Indicatively, in 2018, GOODY'S Burger House introduced the innovative "Pulled Burgers", while LA PASTERIA featured the original "Tapas Carello", a stylish stroller with delicious Italian appetizers.

Awards

Within 2018, the companies' brands received numerous awards and honors in major competitions. In particular:

Franchise 2018 awards

- **GOODY'S Burger House** received an award in the "Best International Expansion" category for successful foreign operations.
- **FLOCAFE Espresso Room,** received an award in the "Best Concept Re-design" category for its complete redesign at store level, product range and services.
- **LA PASTERIA,** received an award in the "Most Innovative Product" category for innovation, both regarding recipes and the way the dishes are prepared and served.
- **EVEREST,** received an award in the "Best Core Web Strategy" category for creation and implementation of the new e-ordering service (www.everest.gr), which allows the customer to order from any device either for delivery or for takeaway.

Loyalty Awards 2018

The "**All Star Club**" customer bonus points awards of GOODY'S Burger House (www.goodysallstarclub.gr) was distinguished for **innovation** and **efficiency** as well as for individual design features such as the use of **mobile technology** and **gamification**, which constitutes a special feature of the program.

ESTIA 2019 awards

Six of the companies' brands were distinguished in 8 major categories, thus verifying, one more time, their strong presence in the highly demanding food market. In particular:

- **GOODY'S Burger House** received 2 awards in the category Strategic Growth for successful foreign operations and in the category Best New Taste for new, innovative product line "Pulled Burgers".

- The new concept **It's All Grεεk** received the gold award in the category Food & Drink Concepts as the most dynamic new concept in the catering domain, and has also been awarded in the category Grill / Best new taste specifically for its menu.
- **KUZINA flagship restaurant** was awarded the highest distinction in the "Modern Kitchen" category.
- **EVEREST** received an award in the category "Online Delivery & Special Deals" for creating and implementing the new innovative e-ordering service (www.everest.gr), which allows the customer to order from any device either for delivery or for takeaway.
- **FLOCAFE Espresso Room** received an award in the category Strategic Growth for successful foreign operations
- **LA PASTERIA,** received an award in the category "Junior meals" for its menu for children, designed specifically for young Italian cuisine lovers.

Mobile Excellence Awards 2018

The new application **everest app** received two major awards in the category "Mobile Applications for Retail and Consumers". The award committee rewarded innovation and functionality of the EVEREST app, giving it the Gold Award in the category "Mobile Service for Consumers" and the Bronze Award in the category "Mobile Commerce".

Estiatoria.gr Premium Awards 2018

Kuzina restaurant received the Gold Award of Quality and Taste. The event was organized in the context of the 1st International Hellenic Gastronomy Conference on development and extroversion of the Greek tourist gastronomic product.

Hellenic Responsible Business Awards 2018

GOODY'S Burger House ArGOODaki, an acclaimed charitable institution, received an award in the category Society/ Big Companies for its significant contribution within the last 16 years.

Outstanding quality

GOODY'S | EVEREST are the largest companies occupied in the domain of food services and entertainment in Greece and two of the largest in Europe.

They own and manage some of the biggest food services brands in Greece such as: GOODY'S Burger House, EVEREST, FLOCAFE Espresso Room, LA PASTERIA, PAPAGALLINO, OLYMPUS PLAZA and the award-winning KUZINA restaurant.

They also have 3 state-of-the-art factories production units in Attica and Thessaloniki of a total area of 47,800 square meters, which together have the capacity to produce 70 tons of products per day. These units produce ready-made meals (chilled & frozen), meat products, salads & dressings & baking products for the brands of the companies as well as for the whole catering market. They are leading industrial catering companies that are constantly investing in the research and development of innovative and high-safety products, as well as practices related to quality, health and safety and environmental protection.

The production units of the companies have Management Systems Certificates according to international standards, such as:

- Quality Management System ISO 9001
- ISO 14001 environmental management system
- Health and Safety Management System OHSAS 18001

- ISO 22000 Food Safety Management System
- International IFS Food Safety System (higher level score)
- Halal Certificate: Quality Certification Based on Religious Requirements of the Islamic Law.

Operating more than 560 selling points in Greece and overseas, GOODY'S | EVEREST companies render services to over 300,000 customers on daily basis. The people of the companies share the passion for innovation and commitment to the quality of products and services, always focusing on client satisfaction. The strategic objective of GOODY'S | EVEREST companies is ensuring absolute satisfaction of its clients through producing safe food and rendering integrated food services, offering meals and products of high level of safety and quality.

The key points ensuring food quality and safety are as follows:

1. <u>Implementation and certification of international standards on food quality and safety systems</u>
The companies apply Management Systems for which they are audited and certified by independent certification bodies. In particular, they have the following certifications and have a total of **324 certificates for 2018 throughout its Network**.

2. <u>Fixed quality standards</u>
The specifications regarding the raw materials used remain unchanged and comply with national and European legislation. Also, the specifications of end products to be delivered to consumers remain stable, through stringent quality assurance procedures at all stages, from storage to final disposal.

3. <u>Systematic monitoring and tests</u>
Daily tests are carried out at all the companies' stores, at every critical control point (CCPs / OPRPs) and at all stages, from receipt of the products to their disposal. The inspections are carried out by suitably trained personnel, during every shift, ensuring a high level of quality with the aim of protecting health and safety of the final consumer. All tests results are recorded, and the required food safety system forms are also kept.

4. <u>Latest technology equipment and modern facilities infrastructure</u>
The companies' production units have modern infrastructure and the most innovative equipment and are fully automated, ensuring to the highest degree the safety and quality of the products. Also, all of the companies' brand stores are designed following the new trends in architecture in order to ensure a pleasant and friendly environment for the consumer and to comply with hygiene and food safety regulations.

5. <u>Internal inspections conducted by qualified and scientific staff</u>
More than 1,000 internal inspections are carried out annually. Internal inspections are carried out at stores at a fixed frequency. A team of experienced and skilled performs tests at the selling points and in the production units. The objective is to verify compliance with procedures and provisions of Food Safety and Quality Management Systems and their effectiveness. Laboratory analyzes and sampling, in chemical and microbiological parameters, are carried out both at in-house fully equipped laboratories and at externally collaborating accredited laboratories.

6. <u>Assessment and careful selection of suppliers and raw materials</u>
GOODY'S | EVEREST collaborate with the largest and most reliable producers in Europe and Greece, maintaining long-lasting relationships of trust. The suppliers with whom the companies cooperate provide raw and auxiliary materials, packaging materials, merchandise, spare parts and various consumables.

The companies maintain a record of approved suppliers, which lists the supplier, the product or service offered the history of the cooperation, and the results of the supplier's assessment.

7. Strict laboratory tests at each stage of the production process

Every year over 55,000 laboratory tests are carried out on food, for the verification of hygiene rules and for cleanliness issues.

8. Continuous staff training

On annual basis, a team of experienced, skilled scientists trains employees occupied in the domain of food hygiene and safety in work instructions and HACCP. After the training, tests are carried out applying the success criteria.

9. Effective management of communication with consumers and customers

The opinion of our consumers and our customers is very important for the companies. In this context, an open communication line is maintained, so that any complaints can be handled promptly through interventions and corrective actions in all areas of operations.

10. Continuous improvement of systems through annual reviews

The Quality Management Systems applied by the companies provide the framework within which know-how is exchanged and transferred, measurable performance indicators are used and at the same time disseminated to all the companies' customer-centric perception and culture.

A review of all quality indicators is carried out annually and new data and improvement steps are defined in cooperation with all relevant departments.

Responsibility to employees

For GOODY'S | EVEREST, employees are a valuable partner in their development and achievement of competitive advantage. In this context, the companies take care of a work environment characterized by equal opportunities, continuous education and training, meritocratic assessment and additional benefits. Also, recognition of people's dedication and offering, gives then the ability to constantly evolve through their skills.

Composition of Human Resources:

Human resources GOODY'S | EVEREST		
	2017	**2018**
Men	1,209	1,307
Women	1,242	1,408
Total	**2,451**	**2,715**

Human resources age allocation 2018			
	<30	**30-50**	**51+**
Men	424	761	122
Women	351	901	156
Total	**775**	**1,662**	**278**

Code of Ethics

The companies GOODY'S | EVEREST, as subsidiaries of VIVARTIA group, implement the "VIVARTIA Code of Business Ethics". Under the Code's provisions, transactions in respect of all the group companies should be conducted in a legal and ethical way, according to the applicable national and international legislation. With regard to transparency and corruption, specific rules and principles have been put in place in respect of accepting business gifts and avoiding bribery regarding the all the employees. The Code refers to the basic principles and regulations governing all GOODY'S | EVEREST companies operations. It is based on best practices in line with the effective legal and regulatory obligations. **The Values and Principles of "VIVARTIA Code of Business Ethics" are the basis of the group's Policies and Procedures.**

Employee training and development

The training process caters to meet the training needs of GOODY'S | EVEREST and franchisees on an annual basis. Structured training programs are about enriching knowledge and developing skills and competencies of employees. Employees of GOODY'S | EVEREST are also trained through the VIVARTIA Academy, which aims to educate employees of VIVARTIA Group companies as well as their selected partners. The range of topics is related to various specialties or soft skills. Below are the data on the training of workers in the years 2017 and 2018:

Number of employees receiving training	2017			2018		
	Men	*Women*	*Total*	*Men*	*Women*	*Total*
Directors	135	101	236	138	117	255
Supervisors	213	142	355	240	146	386
Employees	603	892	1,495	721	893	1,614
Foremen and workmen	54	95	149	93	85	178
Total	**1,005**	**1,230**	**2,235**	**1,192**	**1,241**	**2,433**

	TRAINING MAN-HOURS					
	Total Training Hours	**Total Number of Participants**	**External Training Hours**	**Number of External Participants**	**Internal Training Hours**	**Number of Internal Participants**
2017	30,248	4,772	6,828	925	23,600	3,847
2018	24,173	8,350	4,412	686	19,761	7,664

	TRAINING MAN-HOURS / SUBJECTS							
	Managerial & Self Development		**Finance / QA / Operations**		**Production / Procurement / Technical Maintenance**		**Marketing / Sales / Customer Service**	
	Hours	*Participants*	*Hours*	*Participants*	*Hours*	*Participants*	*Hours*	*Participants*
2017	1,543	214	21,765	3,540	1,002	201	6,118	817
2018	1,507	167	16,096	5,587	1,293	692	5,277	1,904

Employee development and performance rating system

Investment in the development of its people is one of GOODY'S | EVEREST top priorities. Through clear targeting, continuous upgrading of skills through education and alignment towards personal and corporate goals. In this context, the company implements an Employee Performance and Development System, which is mainly aimed at the following:

- Establishing individual targets, prioritizing and aligning them with the overall objectives of each group company
- Assessing achievement of the targets and skills development of every employee, in an objective and meritorious manner
- Growth and reward based on the results of these assessments
- On-going improvement of skills through professional training

In addition to annual assessment, a two-year 360° assessment is also carried out in cooperation with an external partner. GOODY'S | EVEREST objective, through the rating system, is - in addition to remuneration - to identify the strengths and weaknesses of each employee and to make decisions about their development and employment in the appropriate department and location.

Human Rights and Equal Opportunities

GOODY'S | EVEREST adopt and apply VIVARTIA group Code of Conduct, whose latest revision took place in 2015.
Some basic principles and values of the Code of Conduct are as follows:

- We respect the dignity and honor of all people, following a meritocratic approach to choosing and developing staff and associates.
- We encourage initiatives and innovations in an environment of flexibility, cooperation and trust.
- We create and maintain a healthy and safe working environment.

Based on the Code of Conduct, the companies have developed a strong working culture, the core of which is respect for human and labor rights. In this context, the GOODY'S | EVEREST encourage diversity, recognizing that human capital includes different people with distinct personality and goals.

Health and safety

GOODY'S | EVEREST, have given high priority to safeguarding health and safety of their employees at all the stages of its operations. In this context, it applies Health and Safety Management System certified by the international OHSAS 18001 standard. Through constantly monitoring and improving this System, they identify, evaluate and control all related health and safety issues at work, and issue related to occupational hazards in all its productive and commercial operations, including replacement of production, inspection, support and transport equipment, as well as construction or repair works.

Extract from Health and Safety Policies

The companies have as permanent objectives and are committed:
- on the one hand, to continuously improve health and safety at work in a systematic manner, and
- on the other hand, to prevent and minimize accidents and occupational diseases, achieving it through:

- installation of appropriate protective devices,
- use of appropriate Personal Protective Equipment by staff,
- organization of work and provision of appropriate infrastructure and working environment,
- on-going training and provision of information at all administrative levels,
- analytical recording of accidents & near accidents and their identification, and
- assessing relevant parameters and taking the necessary corrective/preventive measures.

Note. Health and Safety Ratios are analytically presented in the Annul CSR Report.

I. Human Resources actions and benefits:

✓ **Children's Celebration 24/12/2018 for children of employees.**
The Christmas celebration event included mascots, construction workshops, face painting, animator, jugglers, stilt walker, games and gifts for children. The event was held at the headquarters and attended by over 70 children of employees.

✓ **Women's Day 08/03/2018**
Granting a symbolic gift to all women in the central administration.

✓ **Free of charge** tickets for staff for theatrical performances in Athens central theaters**.**

- ✓ **Issue of a privilege card** for the employees of the Catering group with privileged discounts on all brands of the group.

II. Voluntary work

- ✓ **Blood donation**

In **2018** three (3) blood donations sessions were carried out in cooperation with Nikaia Hospital, where the total number of people **reached 110** and we helped more than **30** people in need of blood. Blood donations were carried out in the central building of the Administration in EL.VENIZELOS AIRPORT, with the participation of the employees of the central management of the companies.

Responsibility to the Community

I. Supporting the children in need

- ❖ **GOODY'S Burger House/ArGOODaki**

At Goody's Burger House, corporate responsibility is an integral part of their philosophy and culture. The actions implemented by the company are distinguished for their timelessness, sensitivity and innovation. The company remains committed to supporting our troubled fellow citizens by creating alliances with organizations and activating the entire chain of affiliates, its branch network and its customers.

In 2018, ArGOODaki, the most recognized institution of social offering and love, completed its work for the 17th year, covering educational needs of 800 children with autistic spectrum disorders in collaboration with the association "Together for the Child". In this context, the group delivered educational equipment to 4 Institutions, members of the associations, in Athens, Agrinio, Chios and Volos.

- ❖ **LA PASTERIA/Make a wish**

LA PASTERIA has been participating - for the 10th consecutive year- in Make A Wish Hellas program, making children's wishes come true and inviting them together with their families to LA PASTERIA restaurants. Make A Wish is an NGO that receives no government grants, exclusively relying on sponsorships and donations from individuals and companies. In 2018, 18 wishes came true at LA PASTERIA restaurants.

II. The companies' stores host and support social actions

In addition to programs supported centrally by our companies brands, our stores host and participate in actions organized locally:

- Support of cleaning the beach in the SEF area, as well as landscaping activities in Athens and Thessaloniki, in cooperation with NGO Ethelon
- Supporting NGO Ethelon activities on the International Volunteer Day
- Supporting tree planting and "Arsis" social structures restoration activities in "Faros tou Kosmou" in Thessaloniki in collaboration with NGO Ethelon.

III. Sponsoring events devoted to education and youth entrepreneurship

The companies collaborate with organizations and other companies to support events and workshops aimed at assisting young people. Indicatively, in 2018 the companies supported the following events:

- TEDxPiraeus
- TEDxPanteion,

- EESTEC International in cooperation with the Department of Electrical Engineering of the Polytechnics
- Coding School, **training** and **specialization** of young people in new technologies and networking in the **labor market organized by kariera.gr, Athens Tech College & Microsoft Hellas**
- Events organized by Kariera.gr such as «Developers Day» (career day for IT developers), "Career Days", "Angular Seminar" and "Voxxedays".

IV. Assisting socially vulnerable groups

- Responding to the particularly difficult situation following the fire spread in the area of Mati, the companies immediately started a food delivery program, in cooperation with the competent authorities, making an attempt to meet the needs of the residents hit by fire. In particular, the following aid was delivered:
  - 3,700 food servings
  - 3 water pallets
  - 1,000 breadsticks
  - 2,300 sandwiches
  - 10kg coffee

  Moreover, the companies undertook the supply of products to the urgently organized central blood donation point through offering breadsticks, water and juices.

  As an expression of solidarity and sensitivity, franchisees of the companies' brands, located in the area, offered free food and water to the fire victims during the first difficult hours after the fire.
- Discount to unemployed: The companies actively support the unemployed for the 7th consecutive year by offering them a 10% discount on every visit to all stores. This special financial offer is part of OAED's initiative to provide special rates to unemployment card holders.
- Mentoring regarding organization and operation issues by employees of the companies of employees of Myrtillo Social Cafe, which almost exclusively employs people from vulnerable groups.
- The companies are a member of "We Can" association in the "Rescue & Supply" network and support the message "Not a single food serving wasted". In 2018, the companies contributed **1,570** servings to "We Can".
- Offering **1,175**kg of food to the Food Bank in order to cover its needs in food for vulnerable groups.

Responsibility for Environment

Protection of environment constitutes priority to GOODY'S | EVEREST, since their Management's commitment. The companies undertake actions to reduce the environmental footprint in all their domains of operations, taking into consideration the environmental concerns of their stakeholders.

Extract from Environmental Policies

Based on the principles of "sustainable development", GOODY'S | EVEREST companies implement and continuously improve its Environmental Management System through which it sets specific goals in order to achieve:

- reducing the consumption of natural resources and energy,

- prevention of environmental pollution by designing its operations applying the criteria pertaining to minimization, reuse and recycling of production and consumables,
- recycling, reuse and safe storage, transport and disposal of solid waste / by-products,
- controlled management of gaseous emissions and wastewater generated.

GOODY'S | EVEREST have established specific monitoring and control procedures across their entire range of operations regarding:

- solid waste produced;
- the quality of waste water;
- gaseous emissions;
- the noise caused by the operation of the production units;
- energy, fuel and water consumption.

The data arising from the measurements of the above procedures are evaluated by the Environmental Management Officer in cooperation with the relevant executives and, depending on the conclusions, the necessary preventive or corrective actions are carried out.

As climate change is a global phenomenon with significant consequences, the companies are making every effort to reduce their environmental footprint. In this context, specific environmental indicators are monitored, aiming at the effective recording of the environmental performance of both production units (OLYMPIC CATERING and HELLENIC CATERING), as well as the retail outlets.

Electric energy consumption

Electricity consumption	2017				2018			
	OLYMPIC CATERING	HELLENIC CATERING	CATERING STORES	TOTAL	OLYMPIC CATERING	HELLENIC CATERING	CATERING STORES	TOTAL
Electric energy consumption (in MWh)	2,795.81	12,598.84	33,424.46	48,819.11	2,399.19	12,403.00	32,761.00	47,563.19

Air pollution

GOODY'S | EVEREST implement a specific gas emissions monitoring procedure, regarding the air pollution generated through the operation of:

- Petrol boilers.
- Chillers.

Water consumption

Monitoring water consumption is carried out in a specific way and through the assessment of all relevant data on a monthly basis.

Water consumptions in m^3	2017				2018			
	OLYMPIC CATERING	HELLENIC CATERING	CATERING STORES	TOTAL	OLYMPIC CATERING	HELLENIC CATERING	CATERING STORES	TOTAL
Water supply network	12,596	93,608	186,170	292,374	7,535	93,120	193,931	294,586

At the production facilities of HELLENIC CATERING in Sindos and Pallini, the percentage of water discharged for biological treatment was about 49% in 2017 and about 54% in 2018 of the total amount of water used in the production process.

Waste management

The companies' key objective is to ensure rational management of waste resulting from the production process. To this end, every effort is made to recycle the largest proportion of waste. All waste, depending on its type, is collected in appropriate bins or in specific locations from where it is received by licensed waste management subcontractors. Solid waste is collected in suitable containers, per solid waste category in a controlled manner depending on the individual predefined alternatives, which are categorized as follows:

- Return to supplier
- Re-use (by the companies)
- Disposal for recycling
- Disposal (as waste)

In particular, with regard to OLYMPIC CATERING waste, 46% of the waste generated in 2017 and 48% of the waste generated in 2018 was allocated to the appropriate structures of Athens International Airport (AIA) for recycling. The waste in question pertained to categories of plastic, paper, metal, wood and glass.

Waste management methods Quantities (%)	2017		2017	
	OLYMPIC CATERING	HELLENIC CATERING	OLYMPIC CATERING	HELLENIC CATERING
Recycling	46%	19%	48%	25%
Landfills	54%	81%	52%	75%

HELLENIC CATERING production facilities also cooperate with licensed companies in waste recycling.

In the companies' stores, recycling takes place in connection with the infrastructure of the municipality, within the administrative boundaries of which the shop operates. Employees and mainly customers are encouraged to place the waste in the special recycling bins, which are then transferred to the respective bins of the municipality. It is also noted that all the quantities of cooking oils are recycled in stores. More specifically, in 2017, 161 tones were recycled, while in 2018 - 179 tones of cooking oil.

Internal control and risk management

The Internal Control Department controls operation of the safeguards established in response to the relevant business risks. In this context, the Department annually carries out numerous control procedures, while the results are compiled and presented quarterly to the VIVARTIA Audit Committee.

Furthermore, based on the precautionary principle, at the management level, the companies maintain effective risk management system. Therefore, they recognize, evaluate, prioritize potential business risks and use various instruments or implement specialized strategies in order to limit their exposure to the aforementioned risks.

Further information regarding business risk management is presented in the Financial Report 2018 of GOODY'S as well as the Financial Report 2018 of EVEREST.

Finally, in the context of the new General Data Protection Regulation (25/05/2018), companies have taken all the necessary measures and adopted appropriate practices, policies and guidelines in order to comply with all the provisions of the Regulation regarding the total of the companies' operations.

Based on this, the specific Compliance Committee was established for the purposes of coordinating and supervising all actions taken by companies in order to achieve compliance with the provisions of the new Regulation.

The Compliance Committee includes specialized executives of the companies, has certain Operating Regulations and is organizationally accountable to the companies' Boards of Directors.

Managing issues of transparency and corruption

GOODY'S | EVEREST companies implement the "VIVARTIA Code of Business Ethics". Under the Code's provisions, transactions in respect of the companies should be conducted in a legal and ethical way, according to the applicable national and international legislation. With regard to transparency and corruption, specific rules and principles have been put in place in respect of accepting business gifts and avoiding bribery regarding the all the employees. Moreover, the companies have established the Code of Conduct dealing with procurement of goods and services, under which the companies have established specific standards and principles defining the relationship between employees and suppliers with regard to offering or receiving gifts. In addition, suppliers shall also respect and comply with the relevant "Suppliers/Partners Code of Conduct" that has been developed and transact with the company within that framework.

The companies' objective is to transact with all stakeholders in an honest and correct manner, generating added value.

Avoiding conflict of interest

In accordance with the precautionary principle, the companies respect the "VIVARTIA Code of Business Conduct", which establishes specific measures and practices applied in order to avoid conflicts of interest. The company's key principle is that its employees should be free from conflicts of interest, which may affect their judgment, objectivity or loyalty. Such principles include issues of parallel occupation, rules and impediments to recruitment and employment of relatives, the Information Security Policy, and the Confidential Information Management Framework.

Analytical information regarding GOODY'S | EVEREST actions framework is presented in the Annual CSR Report 2018 prepared under international GRI-Standards

10.2 ATTICA group

Policies applied by ATTICA group and their results

Corporate Responsibility and Management

ATTICA group places great emphasis on corporate responsibility issues. In particular:

- We adopt responsible policies and practices throughout our business operations.
- Combine our business success with our country's and partners' development, as well as support local;
- We cultivate a workplace focused on respect, equality, safety and merit as well as offer training opportunities to our employers, in order to facilitate their personal and professional development;
- We protect the safety and health of our passengers and offer the best possible travel experience.

- Integrate sustainable development in our operations and apply environmentally friendlier business practices.

ATTICA group is the first company in the passenger shipping sector worldwide issued Corporate Responsibility Report based on GRI Standards guidelines of Global Reporting Initiative. Management works daily to the consolidation of ATTICA group Responsibility performing a series of actions, of which indicatively mention:

- We hold our Annual Corporate Responsibility Meeting for the 4th consecutive year with increasing employee involvement.
- An e learning course giving the opportunity to all our ashore employees to get acquainted with the principles and practices of Corporate Responsibility;
- Development and implementation of the Corporate Responsibility Strategy & Action Plan for the three-year period 2018 - 2020, arising from a study of the existing situation in 7 Areas (Management, Shareholders, Employees, Suppliers, Customers, Society and Environment) with the help of an external Consultant and the creation of working groups of our employees, in which they defined specific actions for each Area and assigned nominally responsible for each action.

Our Employees

Our business success is directly associated to our employees therefore our policy is to cultivate a workplace focused on respect, equality, safety and merit.

ATTICA group on 31/12/2018 was employing 1,586 people.

100% of our employees work with full time employment contracts and 86.7% of our ashore employees have permanent contracts. The average stay of employees in our group exceeds 14 and 9 years respectively.

Our main commitment is equal treatment of our employees and dependence of their professional development solely on their performance and abilities. In this context, we assessed 100% of our employees in vessels, while we are reviewing the assessment system for our ashore employees.

Particular focus is given on the equal treatment of women as the overall percentage of women in office and vessels is 54.2% and 8.3% respectively. Furthermore, there has been no complaints or grievances regarding human rights violations.

Our main commitment is to create a safe work environment for our marine and ashore employees. For this reason we train our employees on Health and Safety issues. There are no employees with high incidence or risk of disease associated with their work, while there were no occupational diseases among our employees. No employee fatal accidents occurred within 2018 while there were 32 minor injuries to our crew members.

At the same time, we invest in our people, providing real education and development opportunities to provide the best possible working and evolving conditions. In 2018, we conducted a total of 55 training programs, exceeding a total of 7,700 training hours with an average of training hours per office and marine employee 23.62 and 0.10 respectively.

In the context of cultivating volunteering among our employees,we

- have implemented for the 10th consecutive year a voluntary blood donation program called “Blood Ties” at our offices and vessels and gathered in total 113 blood units,
- charity race covering a total of 1,306 km and winning the 4th place in our category in our category of the 13 teams and the 15th in the overall ranking of the 83 teams that participated.

For Society

We pursue our business development bearing in mind the development of the society and the support of local communities affected by our operations, in order to contribute to improving the quality of life and prosperity of society.

Based on the above principles during 2018:

- We supported social actions on 100% of the islands where we operate.
- We provided discounted tickets for environmental, social, athletic and medical purposes;
- We made grants and donations to social partners and charities.
- We supported equal access of people living on the islands to education and cultural activities through relevant actions such as the "Agoni Grammi Gonimi" program, Science on Board in cooperation with NCSR "Demokritos" and the 5th & 6th Class pupils of Amorgos Primary Schools.
- We first launched the action "Greek Communities of Italy", an initiative for dissemination of Greek language and Greek culture. A trip to the language, culture, traditions, dances and the soul of our country, starting with the Greek Communities of Italy, where the heart of another Greece is still alive.
- We provided special discounted tickets for a third consecutive year to visitors of the islands which are heavily impacted by the refugee crisis, as a mean to boost their tourism season and consequently their economic activity;
- We continued the support of Amorgos Voluntary Rescue Group (AVRG) programs, which came in the 1st Aid Program implemented by BLUE STAR FERRIES in 2015 and since then has provided significant rescue work, especially during the refugee crisis. Following this program, we conducted a two-day seminar on the same subject in December 2018, this time on the island of Naxos, attended by Security Corps 114 people.

In the context of contribution to society we pay special attention to our collaboration with our suppliers. The group chooses its suppliers responsibly by giving priority to local suppliers and values greatly long established relationship with them.

We acknowledge we have the moral obligation to affect in a positive way our supply chain and promote our Corporate Responsibility principles towards our Suppliers, due to the fact that they heavily impact our operations.

For our Passengers

We are committed to providing them with the best travel experience and responding to their needs and expectations during their travel.

Based on the above during 2018 we:

- We contributed to our passengers' awareness of environmental, volunteering and health issues by displaying relevant messages through the digital monitors available through our entire fleet.
- We have developed a Marketing and Communication Responsibility Code for our commercial operations that will be incorporated into our future contracts and have continued to promote our products and services responsibly, resulting in no event of non-compliance with regulations and optional marketing codes, advertising, promotion, information and labelling of products and services.
- We have carried out a qualitative market research on satisfaction of our customers in order to listen to their needs and to further improve their service levels.

- There has been no event of non-compliance with regulations regarding the use of our products and services or their health and safety effects.
- We have received 33 inspections on our vessels from local authorities for food hygiene and safety without any event of non-compliance.
- In December 2018, our group was certified according to PCI-DSS SAQ D v3.2.1. The International Payment System (Payment Card Industry - Data Security Standard) has been created by the International Payments Organization (Visa, MasterCard, Amex, etc.) and sets specific and high security standards that must be complied with by commercial companies that receive, process, store or transmit payment card data. The certification gives additional levels of assurance and trust to our customers, shareholders and associates.
- Transition/certification of our group was completed in accordance with the revised ISO 9001: 2015 (Quality Management System) standards and ISO 14001: 2015 (Environmental Management System).
- We addressed over 824,500 calls in all corporate customer service telephone lines (including unanswered calls), corresponding to 89.3% of incoming calls.

For the Environment

Our key commitment is to operate responsibly in the environment and conduct our activities in a way that limits our *environmental footprint*, which inevitably results from our operation.

1. Air Quality and Energy

ATTICA group operates and carries out its activities in a responsible manner. In this context:

- record our environmental performance;
- have Energy Efficiency certificates issued for all our vessels;
- have appointed officers with responsibilities on environmental practices on all our vessels;
- discuss environmental protection issues during respective meetings of each vessel's Safety Committee.

Furthermore, the group manage its environmental footprint, attempts to reduce the impact on the ozone layer and the atmosphere as well as to monitor noise levels. Particularly:

- In order to identify the sources from which we can reduce our environmental impact, we calculate greenhouse gas emissions per energy source used, which include oil (both for shipping fuels and on-board electricity generation) and electricity (for office operations);
- We require our suppliers not to use refrigerant materials which significantly affect the ozone layer during maintenance activities in offices and vessels;
- Take actions that reduce the impact in air pollutants which mainly emanate from vessel engines during their operation;
- Strive to reduce noise pollution.

2. Raw Materials and Solid Waste

Our group:

- recognize that raw materials are not inexhaustible, but finite, and implements material management programs;
- implement initiatives to reduce use of materials, within the context of our efforts for efficient use of natural resources;
- reuse consumables, where possible;
- recycle materials (paper, batteries, toners, cooking oils, lubricants etc. where possible;
- properly manage solid waste.

3. Water and Liquid Waste

- We monitor water consumption: we use, among others, extensively seawater on board vessels after appropriate treatment, perform only absolutely necessary external cleaning, in case of rain or bad weather and we put special labels to remind our passengers and employees about the responsible use of water in the accommodation, hygiene and catering of our ships;
- We manage liquid waste: we regularly monitor operation of wastewater treatment Systems, deliver all liquid waste from our vessels to licensed contractors within ports, comply with relevant regulations regarding bilge and ballast water management;
- We recognize the importance of marine biodiversity and our obligation to reduce the risk of disrupting it and we are taking action to protect it, such as the construction and free distribution of ashtrays to passengers and citizens.

In 2018 we carried out a series of environmental footprint actions as illustratively mentioned below:

- We trained 100% of our employees in vessels on environmental issues such as waste management and responsible water use.
- We started to measure our environmental footprint from the corporate cars we use for our business more broadly.
- We continued to supply office equipment (such as computers and monitors) under energy-saving specifications, as well as refurbished electronic equipment for our offices and vessels.
- We continued operating photovoltaic unit installed in one of our vessels, thus reducing the use of fossil fuels for electricity production and gaseous pollutants emission.
- We used only refrigerants without adverse effect on the ozone layer.
- We continued the actions aimed at reducing the consumption of plastic bags in our office waste bins.

Human rights / Combating Corruption / Ethics

We respect the International Principles of Human Rights included, inter alia, in the International Declaration of Human Rights and the ten principles of the UN Global Compact, which we have co-signed, and the Maritime Labor Convention (MLC), according to which we are certified and tested for human rights.

Note that in 2018 there was no complaint or report for violation of human rights.

We have co-signed the European Business Manifesto 2020 (European Enterprise Manifesto 2020), part of the joint initiative “Enterprise 2020” of the Network CSR Hellas, the European Network of CSR Europe and 42 more CSR networks across Europe, which promotes cooperation and initiatives in three strategic areas:

- Fostering employability and social inclusion.
- Promotion of new sustainable forms of production and consumption of living.
- Enhancing transparency and respect for human rights.
-

We contribute to the fight against corruption:

In an effort to combat and eradicate corruption:

- We have accepted and signed the initiative “Call for Action” of Global Compact of the United Nations, to implement policies and practices to deal effectively with corruption.
- For a transparent version of our positions regarding public dialogues, we put forward our proposals on a national and international level either individually or through INTERFERRY

organizations (International Association of Ferry Companies) and S.E.E.N. (Association of Passenger Shipping Companies).

- We have drafted a Corruption Response Regulation with core practices of professional integrity and business ethics.

We apply Principles & Code of Ethics:

In order to safeguard our business ethics and culture we have communicated the Business Conduct and Ethics Code (CECL) to all employees ashore and is included in the introductory package that we give to newcomers employees.

The CECL contains the guiding principles and regulations governing our business operations and binding for all our employees. Failure to comply with the aforementioned may lead to termination of employment relationship or even to criminal penalties.

Moreover, we have disclosed the Personnel Manual to all our employees in vessels. The Manual includes the basic rules of professional behaviour towards colleagues and customers, aiming at maintaining a high level of quality and professionalism.

10.3 SINGULARLOGIC

SINGULARLOGIC is a company with long history in the Greek IT market and many years of presence in selected international markets. During its many years of operation, it has achieved considerable distinction and has gained an expanded customer base, achieving stable and loyal partnerships. Its products and solutions have been trusted by distinguished businesses in the Greek market in various sectors of the economy.

Our Vision

People to People business value.

Our Mission

Help people and enterprises unleash their potential by simplifying complexity through digital innovation and best business practices

Our Values

√ *Humility*
√ *Dedication to results*
√ *Passion for improvement*
√ *Enthusiasm*
√ *Smart Collaboration*

The company’s strategic priorities include as follows:

- Implementation of policies and processes that contribute to sound corporate governance
- Implementation of ISO 20001 certified quality management system
- (Information Technology Management System)
- Implementation of ISO 27001 certified Information Security Management system
- Initiatives and activities aimed at supporting employees as well as society and, in particular, vulnerable social groups

The constantly changing business and technological environment requires flexibility, and business implementations should meet today's requirements. SINGULARLOGIC has a broad portfolio of products and innovative IT services.

The company's human resources, totaling 489 people, include experienced and highly specialized executives with customer-centric philosophy.

SINGULARLOGIC provides products :	Integrated services:	Solutions:
• Galaxy Enterprise Suite • Galaxy Commercial • Galaxy CRM • Galaxy Retail • Galaxy Hospitality • Galaxy Payroll • Station Manager • Accountant • moRE • OTA Solutions	• Enterprise Applications • Systems Integration • Project Management • Software Development • IT Support • Business Process Outsourcing • Business Service Provisioning • SingularLogic Data Center	• Enterprise Resource Planning (ERP) • Customer Relation Management (CRM) • Business Intelligence (BI) Systems • Human Resources Management (HRM) Systems • Portals / Content Management • Credit Facilities Management Systems (CFMS)

SINGULARLOGIC Business Model

Summary and comprehensive recording of SINGULARLOGIC business model includes the following:

Major collaborations	Key operations	Value/ Usefulness	Market segment of the company
Collaboration with established international IT firms (ERP, CRM and Retail).	I. Design, planning and implementation of integrated IT solutions II. Development and distribution of business software products. III. Development and distribution of applications for operation and use via mobile phone devices as well as software solutions as a subscription service. IV. Distribution and support of products of internationally established IT firms. V. Value Added Services, Telecommunication Organizations, Health Organizations, Food and Beverage Companies and Public Sector Organizations.	Development and distribution of innovative business software products, design, development and implementation of integrated IT projects for private and public sector, as well as provision and support of products of well-established international IT firms.	The company offers integrated solutions in private and public sector, both in Greece and abroad. **CHANNELS** The main channels through which SINGULARLOGIC comes into contact with prospective customers are: -Tenders for public sector projects - Exhibitions in Greece and abroad

Cost allocation	Revenue allocation	Basic needs of the clients addressed by SINGULARLOGIC are as follows:	
➢ Employees fees and benefits ➢ Special contracts with foreign companies on acquisition of copyrights for resale / distribution of licenses for software products ➢ Acquisition of HW and software support equipment ➢ Fees of external partners. ➢ Acquisition of software.	SINGULARLOGIC 's revenues come from providing the above services and selling HW equipment.	SINGULARLOGIC through its high quality services, is in position to meet every need that may arise for business software products.	- Recommendations from existing clientele - Through its participation in major European projects. - Through its associates - Through its corporate website.

(based on Yves Pigneur and Alexander Osterwalder Model)

Awards

The awards to SINGULARLOGIC during 2018 signal its contribution in the development of innovative products and services and the provision of high quality services to its customers. The main awards during 2018 are the following:

- **Two Gold Award** at the **Impact BITE Awards 2018** in the "**Business Applications"** category in partnership with **HELEXPO S.A**. for the implementation of the integrated Galaxy ERP and CRM solution in the "Retail" category in collaboration with OXFORD COMPANY for the implementation of Galaxy Platform**.**
- **Silver Award** at the Impact **BITE Awards 2018** for eLocalgovernments.gr platform, in the "**Applications and Solutions for Central and Decentralized Public Administration**" category.
- **Bronze Award** at the Impact **BITE Awards 2018** for the Galaxy-based application, AGRIPHARM, in the "**Vertical Applications in Business Sectors**" category.
- SINGULARLOGIC was awarded by the **Alliance For Digital Employability** (AFDEmp) for combating unemployment and fostering employability of young people in the IT industry through Coding Bootcamps.
- SINGULARLOGIC was honored by Oracle with the "**Customer Advocacy Award**" at the "Oracle Partner Day CEE" event, held on 21/03/2018 in Bucharest. SINGULARLOGIC was recognized for implementing high quality Oracle's Cloud solutions in Forthnet / Nova, which offered the company immediate benefits, expanding the use of Oracle Cloud Solutions (Marketing, Sales, CPQ) in a very short time.
- **SENSE ONE SA**, subsidiary, was awarded by the World Association of Information Technology & Services Technology **WITSA** as one of the leading international companies in **Internet of Things**.

SINGULARLOGIC generates value for the economy and society through its operations. The added value generated by its operations returns to a great extent back to its employees, partners and the society. In this context, the company takes care to develop two-way communication with employees, customers, shareholders and all stakeholder groups in order to continually record and respond to their needs.

Communicating with stakeholders and significant matters

SINGULARLOGIC has identified as stakeholders/interested parties the persons or organizations/companies that may affect and/or be affected by, and/or believe that they are affected by the company's activities, such as:

- shareholders
- employees
- clients
- suppliers
- partners
- state and regulatory authorities
- financial institutions
- scientific community
- sales network (resellers)
- wider public sector
- society
- mass media

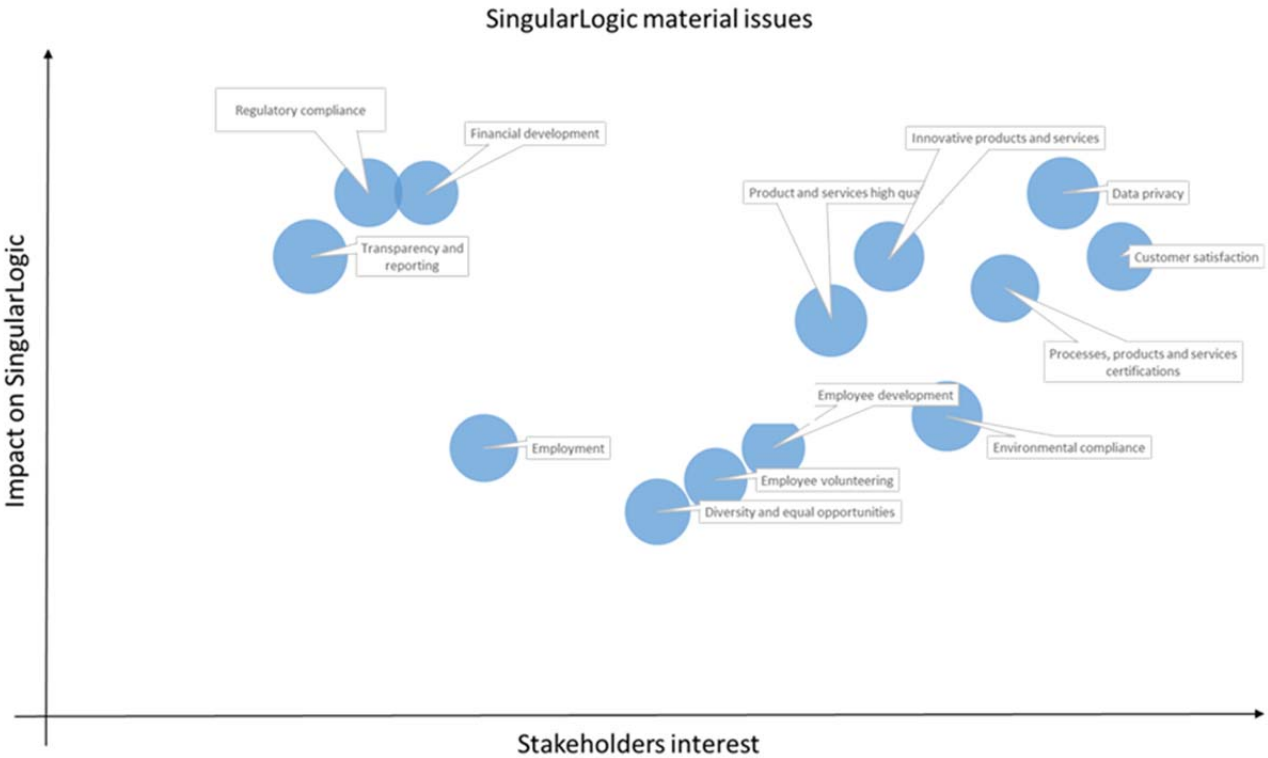
Responsible, honest and transparent communication with all stakeholders and full compliance with applicable legislation and institutional framework for fair competition is a commitment to SINGULARLOGIC and its employees in order to create and maintain relationships of trust with society and the broader business environment.

extract from the Professional Conduct Policies

The issues, causing the concern of Stakeholders, namely their considerations and expectations arising from the company's operations, also constitute the issues of concern to the Management, since both are seeking a two-way communication and dialogue in order to improve the difficult matters.

The company's management team conducted a fundamental analysis of SINGULARLOGIC material topics for the development of the current Non-Financial Information Report.

The results are recorded below as follows:

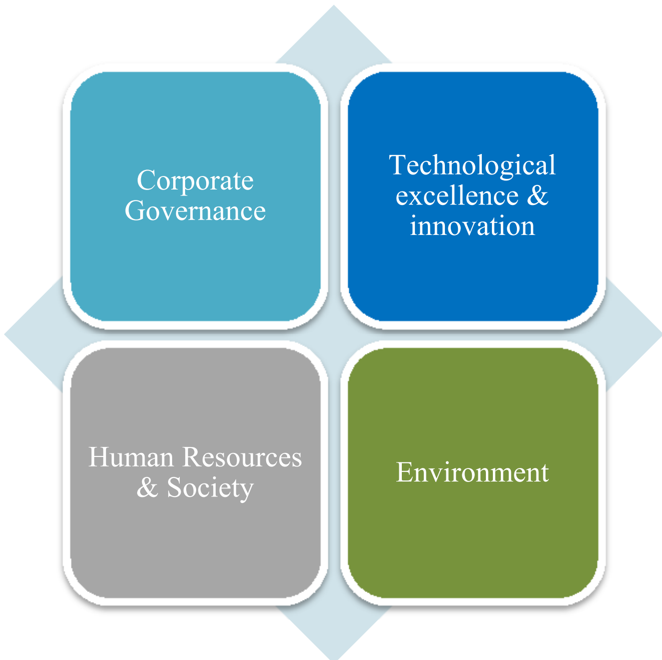


Material topics

Financial development	Personnel employment	Product and Services Quality
Compliance with legislation	Dialogue between Management and employees	Development of innovative products and services
Transparency and accountability	Equality and diversity	Clients service and satisfaction
Personal Data Security	Employee development	Procedures, products and services certifications
	Compliance with environmental legislation	

In order to fulfill its mission, the company develops and renders reliable and socially responsible services and provides products through applying best practices while managing Quality, Environment, Information Security and IT Services, as verified by the relevant ISO 9001, ISO14001, ISO 27001 and ISO 20000 certifications.

SINGULARLOGIC implements responsible entrepreneurship, which constitutes a strategic choice for the purposes of achieving its business objectives. The actions SINGULARLOGIC undertakes involve four core axes:



Corporate Governance

SINGULARLOGIC aims to maximize its value for the benefit of its shareholders, those contributing to its development and society in general. Thus, the company has developed a corporate governance framework that includes as follows:

- management bodies with clear roles, responsibilities and obligations,,
- appropriate organizational structure and corporate procedures,
- effective internal control system and
- organized communication system in internal and external business environment.

The Audit Committee is the core structure of the Corporate Governance framework, applied by the company. The Committee supports the Board of Directors in exercising its supervisory functions, ensuring transparency in corporate operations, and fulfilling its obligations and responsibilities towards shareholders.

Moreover, the Internal Audit Service evaluates and reviews the company's operations, aiming at improving the efficiency of risk management procedures, internal control systems and corporate governance.

Prevention and Risk Management

SINGULARLOGIC has clearly identified and described risk areas and implemented specific processes that have been developed on the basis of the **Prevention Principle**.

In order to reduce the probability and the significance of the risks, the company takes preventive actions and actions. In this context, the company:

- Systematically implements a specific financial risk management program.
- Applies operational and safety criteria to work that are in accordance with Greek and European legislation, as detailed in the Health and Safety at Work Policies.
- Has conducted Environmental Assessment in accordance with the procedures of its Environmental Management System.
- Systematically implements a resource and risk assessment for information security in the framework of its International Standard ISO27001.

Transparency and combating corruption

The company places particular emphasis on the implementation of preventive actions on transparency and corruption issues in order to respond to the needs of stakeholders. In this context, the company has developed and implements a Professional Behavior Policy that provides clear guidelines for compliance with ethical rules within and outside the company, including in relation to suppliers and other stakeholders.

The company's employment regulations clearly outline the risk areas and include specific transparency procedures developed in compliance with the **Prevention Principle**.

SINGULARLOGIC implements a Corporate Governance system that promotes transparency throughout the company's operations and aims at strengthening security safeguards against any kind of offending behavior.

Personal data protection

The personal data managed by the company is used exclusively for the purposes of rendering efficient services to its clients as well as for internal analysis and related reports, taking into account the provisions of the new European Union Regulation 2016/679 (GDPR). Personal data is processed through secure applications that are either owned by the company or developed by Singular Logic. In particular, in 2018, GDPR was incorporated into the Management Systems.

Moreover, the applications generated by SINGULARLOGIC contain built-in features that provide high levels of security, control features, and escalated access to data. Since IT systems constitute an important part of business adaptation to GDPR provisions, SINGULARLOGIC further enhances its applications pertaining to ERP, CRM, Retail, Hospitality, Commerce and Accounting applications and Human Resources applications through the Advanced Security subsystem. The subsystem helps thousands of its clients companies secure reliable data management and control, as well as streamline their procedures, in line with changes introduced by GDPR Regulation.

Responsible supply chain management

SINGULARLOGIC selects, manages and evaluates its suppliers responsibly. Suppliers are important partners in the entire range of the company's operations.

With regard to the supplier's quantitative data, there are five categories of suppliers. The total number of suppliers in 2018 was 600. Domestic suppliers are 90.2% and foreign suppliers are 9.8%.

Evaluation of suppliers and subcontractors

Evaluation of suppliers constitutes an integral part of the company's effort to continually improve its products and services. An annual assessment is made to suppliers taking into account specific criteria. In particular, suppliers with environmental impact are assessed annually following the corporate procedures.

In addition, for suppliers used in the ISO 27001 and 20001 management systems the Company has adopted specialized criteria for the evaluation of information systems and service suppliers.

Technological excellence & innovation

SINGULARLOGIC performs strategical investments in Quality in order to maintain its competitive advantage and market position through constantly improving its business operations and meeting the needs of its clients. In this context, it implements a Quality Management System (QMS) in accordance with the provisions of the International Standard on Quality ISO 9001: 2015 covering its core operations. The strategic axes of the SINGULARLOGIC Quality System are summarized below as follows:

- We work systematically and effectively,
- We aim to meet our clients' needs and expectations as well as the needs of the broader business environment in which we operate,
- We comply with applicable legislation, regulations and standards pertaining to our operations
- We constantly improve our quality system and business operations.

The company's well-documented and approved Quality Policy expresses the will and commitment of the company's Management to achieve best possible in Quality and Customer Service.

In addition, SINGULARLOGIC applies IT System Management System (STI) in line with the provisions of the International Standard ISO 20000: 2011 and covers the needs of its several core operations. Giving utmost priority to rendering high quality IT services, the company aims at facilitating the following:

- Complying with specifications, objectives regarding rendering services and contractual obligations to its clients,
- Providing high levels of availability and reliability of services,
- Ensuring rapid response to clients requests within projected time.

In November 2018, ITSMS (IT Service Management System) started operating for ISO 20001 purposes. Moreover, ISO 20001 documentation in compliance with ITSMS.

Information security

Information Security constitutes a matter of top priority of SINGULARLOGIC to ensure its continuous and effective operation, protecting information and information systems against any threat, whether internal or external, deliberate or accidental.

SINGULARLOGIC implements Information Security Management System (ISMS) in accordance with the provisions of International Standard ISO 27001:2013 and covers its key operations. Information Security is the responsibility of everyone at SINGULARLOGIC.

The strategic pillars of SINGULARLOGIC Information Security Policy can be summarized as follows:

- Confidentiality of information has been ensured by protecting it from unauthorized access
- Integrity of information is kept systemically and effectively,
- Operational requirements for the availability of information and systems as well as the recovery of critical information and systems have been recognized and met.

SINGULARLOGIC, through implementing the Information Security Management System, aims at the following:

- Protection of computing resources and traffic information in SINGULARLOGIC services from any threat, whether internal or external, deliberate or accidental,
- Systematic assessment and evaluation of information security risks, with a view to their proper and timely management,
- Data archiving, avoiding viruses and external intrusions, accessing systems, recording all security incidents and managing unexpected developments,
- Keeping the Management and staff constantly informed about information security and conducting training seminars for staff,
- Full commitment of the company's Management to the faithful implementation and continuous improvement of ISMS, which complies with the provisions of ISO 27001.

The closing year 2018 was a time for dynamic improvements in SINGULARLOGIC management systems as the integration of Management Systems continued throughout the year, mapping of all the company procedures was completed in line with constantly implemented updates, regular internal inspections and improving the procedures.

Moreover, a new intranet was created, hosting all the policies, procedures guidelines of the Integrated Management System, with graded access and Usability Based Structure and not applying separate management systems. As a result of the aforementioned, the Management System has become more friendly to every member of personnel.

Objectives for 2019-2020

Our objectives for the following years in the domain of business improvement are as follows:

- Continue to integrate Quality Management Systems
- Broaden the scope of ISO 27001 implementation
- Broaden the scope of ISO 2000 implementation
- Develop Business Continuity Management System and have it certified under ISO 22301 B.V

Human Resources & Society

SINGULARLOGIC employs skilled human resources to facilitate rendering high-quality services to its customers and partners. Maintenance and on-going development and training of its employees is a non-negotiable priority.

SINGULARLOGIC as an employer is committed to creating a safe work environment that provides a fair reward and guarantees equal opportunities for all workers, regardless of gender, ethnic origin, political beliefs, religion, sexual orientation, or other characteristic or property that is protected from national and international human rights and labor law.

The company shall not tolerate any harassment, coercion or extortion to and from its employees and is committed to respecting the fundamental principles and rights to freedom, security and employment, including the right to assemble and associate. In addition, SINGULARLOGIC will not tolerate any forced labor or illegal employment of children by any of its partners.

extract from the Professional Conduct Policies

The company has developed and implemented the Labor Code. The Labor Code is based on the following policies:

- Professional Conduct Policies
- Affiliate Employment Policies
- Health and Safety at Work Policies

The company has defined the framework for sound business conduct, under which all employees shall fully comply with the provisions of the Electronic Industry Coalition v4.0 (www.eicc.info) and the United Nations Global Compact businesses (http://www.unglobalcompact.org). SINGULARLOGIC human recourses within the last two years are analyzed as follows:

Human resources per gender	2017			2018		
	Men	Women	Total	Men	Women	Total
Total employees per gender	**353**	**166**	**519**	**329**	**160**	**489**
Full time	348	164	512	324	158	482
Seasonal	5	2	7	5	2	7

Human resources age allocation 2018			
	<30	30-50	51+
Men	33	215	81
Women	15	120	25
Subtotal	**48**	**335**	**106**

100% of employees are occupied by contracts of employment with 98.5% having a full-time contract and a 1.5% part-time contract.

Employment contract	2017			2018		
	Attica	Other areas	Total	Attica	Other areas	Total
Non-fixed term contract	464	48	**512**	441	41	**482**
Fixed term contract	6	1	**7**	6	1	**7**
Total	**470**	**49**	**519**	**447**	**42**	**489**

Total recruitment per age allocation & Geographical location 2018			
	<30	30-50	51+
Attica	19	46	9
Other areas	1	3	0
Subtotal	**20**	**49**	**9**

Recruitments /Departures	2017	2018
Recruitments	114	78
Departures (pension, end of employment contract)	157	108

Remuneration and benefits policy has been developed in SINGULARLOGIC to attract, employ and maintain a high level of technology expertise. The remuneration of each employee reflects the educational background, experience, responsibility, but also the value / weight of the position in the labor market. In addition, depending on the hierarchical rank, the employee's past experience and the objective difficulties he may encounter (such as the need for remote work), the company offers additional benefits such as: corporate car, mileage compensation, mobile phone, portable PCs on case basis and others.

Moreover, in the context of rewarding and maintaining a high level of satisfaction for its people, the company offers health care and education activities targeting not only its employees but their families as well, such as:

- A private insurance scheme covering medical and hospital treatment
- A gift/benefit for every newborn within the company
- Flexible start of working hours
- Postgraduate Program Grants
- Support for basketball corporate team
- Blood bank
- Discounts on selected services or products of MIG Group companies (eg discounts of VIVARTIA group companies LA PASTERIA and GOODY'S, preferential prices at HYGEIA group hospitals, etc.)
- Product subsidies from the EVEREST store, housed at the company's premises.

Finally, a shuttle bus is provided to and from the company's premises from selected metro and suburban stations.

Volunteering

In the framework of the Corporate Responsibility actions organized by the company, the participation of its employees is decisive for their success. In addition to the organization of voluntary blood donation on a yearly basis, various social actions are supported. In particular, during the year 2018, support actions were carried out by various NGOs such as:

- Buffet Breakfast: Awarded HR initiative, during which SINGULARLOGIC employees are preparing and have sweet and savory dishes they offer to colleagues at symbolic prices. Revenue from this action is given to NGOs that are proposed and chosen by the employees themselves.
- Bazaar: Hosting various NGOs in the framework of the established "Week of Love" annual celebration of Christmas and Easter, devoting a whole week to a bazaar with a significant social purpose.
- Collecting plastic bottle caps and delivering then to the Hellenic Association for Accident Prevention and Support for People with Disabilities LOVE FOR LIFE to finance acquisition of wheelchairs.

In 2018, two teams of the company's employees, SINGULARLOGIC Basketball Team and the Theater Group were activated. The company strongly supports these volunteer groups of its people and has undertaken all their operating expenses (training / rehearsal areas, uniforms / appearances).

Society

- Offer free, cutting-edge software to 17 educational institutions in order to improve the quality of education under real conditions.

Offering support and facilities to schools with special needs:

- Financial support for students of Paralimas Secondary School located in the remote village of Pogoni, in the Prefecture of Ioannina, for the purpose of organizing Educational Trips.
- Provision of PCs in order to cover the needs of the 9th Primary School of Korydallos, which operates 2 classes for integration of pupils with special educational needs, so that individual and group programs of special education of pupils could be implemented.

Moreover, as every year, the corporate Christmas greeting card corresponds to an amount made available to an NGO. In 2018, as in 2017, SINGULARLOGIC selected THE SMILE OF THE CHILD.

Objectives for 2019-2020

Our objectives in respect of Human Resources for the following years include as follows:

- Enhancing internal communication channels and improving the dialogue between the management and employees
- Support for the Theater Group
- Supporting and covering the cost of participation in Athens Marathon for all employees wishing to take part.
- Providing free of charge medical tests to all women of the company on the occasion of the Women's Day.

Environment

H SINGULARLOGIC, as a service rendering company, does not cause a particularly heavy environmental burden through its operations. However, recognizing the importance of environmental protection for all its stakeholders, it is stepping up its efforts to record and improve its environmental performance. In this context, it has identified and recorded the most significant environmental impacts and has implemented an Environmental Management System which has been certified according to the criteria of the international ISO 14001 standard.

The objective of the Environmental Management System is to effectively manage any significant environmental aspects and impacts arising from the operation of the company in order to minimize the likelihood of pollution. In addition, the Environmental Management System ensures timely harmonization of the company's operation with the relevant environmental legislation and the continuous improvement of its environmental performance.

“The management of SINGULARLOGIC recognizes that protecting the environment and saving natural resources is an integral part of any responsible and sustainable business development. In this context, the company commits itself to:

Continuously Improves the Environmental Management System in order to improve its Environmental performance by implementing appropriate procedures and programs, with specific objectives, which are reviewed and approved by the Management,

Follows, along with its main partners, good Environmental Practices to help protect the environment, including pollution prevention, *Monitors and complies with the provisions of National and European Environmental Legislation as well as the requirements and expectations of the broader operating environment in which it operates".*

extract from Environmental Policies

The main environmental schemes of the company in 2018 are as follows:

- Recycling Ups lead batteries (total weight 1,493kg).
- The company has been supplied with special bins for safe destruction/recycling of paper and safe destruction/recycling of electronic storage media.
- Checks have been intensified as part of buildings preventive maintenance.
- The company has taken actions in order to raise the employee's awareness regarding recycling and environment.
- 24-hour monitoring and support of the company's buildings facilities, drastically reducing the risk of leakages or damage, during non-operational hours and days.

SINGULARLOGIC Environmental Performance Indicators

I. Electricity consumption (total and specific - per day)

Electricity consumption (in KWh)	2017	2018	%	Specific electricity consumption (in KWh/day)	2017	2018	%
Building A	994.541	972.413	-2%	Building A	2.725	2.664	-2%
Building B	130.560	124.123	-5%	Building B	358	34	-5%
TOTAL	**1.125.101**	**1.096.536**	**-3%**	**TOTAL**	**3.125**	**3.004**	**-4%**

II. Water consumption (total and specific - per day) *

Water consumption in m3	2017	2018
Water consumption (in lt)	1,448	2,302
Specific water consumption (lt/day)	4	6

** the quantities for 2018 are increased since Building C stopped operating and the employees moved to Buildings A and B.*

III. Waste management

Waste in kg	2017	2018	Way of management
Paper/cardboard	185	890	Recycling
Toner/ink	-	204	Reuse
Batteries	75	113	Recycling (AFIS S.A.)
Electronic and electrical equipment	75	109	Recycling (through licensed partners)
Secure paper shredding	-	66	Recycling

The quantities of materials to be recycled are markedly increased in 2018 due to the actions, aimed at achieving increased awareness of the personnel.

Objectives for 2019-2020

The company's on-going objective is to facilitate improvements and, thus, it sets respective objectives regarding environmental protection. In particular, as far as the following years are concerned, the company will implement the following:

- Start recycling plastic on its premises.
- It is scheduled to start recycling aluminum.
- Implementation of improvements in building infrastructure to further reduce electricity consumption.
- Promoting environment awareness among the personnel.
- On-going improvement of environmental performance.

The company seeks to reduce its environmental footprint, responding to the needs and expectations of its stakeholders and the broader business environment in which it operates.

Kifissia, April 24, 2019

As and on behalf on the B.o.D.

Athanasios Papanikolaou

The Chief Executive Officer

D. ANNUAL SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED AS AT 31st OF DECEMBER 2018

ACCORDING TO THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS), AS ADOPTED BY THE EUROPEAN UNION

The attached financial statements were approved by the Board of Directors of MARFIN INVESTMENT GROUP HOLDINGS S.A. as of 24/04/2019 and have been published on the Company's website www.marfininvestmentgroup.com as well as on the Athens Stock Exchange's website.

The annual financial statements of the consolidated subsidiaries, as provided for by the Decision 8/754/14.4.2016 of the Board of Directors of the Hellenic Capital Market Commission, are posted on the Internet, at the address www.marfininvestmentgroup.com.

CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL YEAR 2018

		THE GROUP	
Amounts in € '000	Note	01/01-31/12/2018	01/01-31/12/2017
Sales	34	996,164	879,581
Cost of sales	35	(731,062)	(636,022)
Gross profit		**265,102**	**243,559**
Administrative expenses	35	(90,737)	(77,179)
Distribution expenses	35	(168,768)	(164,263)
Other operating income	36	39,842	32,499
Other operating expenses	37	(10,043)	(13,978)
Operating profit/(loss)		**35,396**	**20,638**
Other financial results	38	(7,739)	1,708
Financial expenses	39	(84,167)	(88,501)
Financial income	40	158	358
Income from dividends		7	-
Share in net gains/(losses) of companies accounted for by the equity method	41	1,001	(6,507)
Losses before tax from continuing operations		**(55,344)**	**(72,304)**
Income tax	42	2,940	(2,069)
Losses after tax for the year from continuing operations		**(52,404)**	**(74,373)**
Gains/(Losses) for the year from discontinued operations	7.6	105,718	(1,599)
Gains/(Losses) after tax for the year		**53,314**	**(75,972)**
Attributable to:			
Owners of the parent		**46,963**	**(74,817)**
- from continuing operations		(54,792)	(73,493)
- from discontinued operations		101,755	(1,324)
Non-controlling interests		**6,351**	**(1,155)**
- from continuing operations		2,388	(880)
- from discontinued operations		3,963	(275)
Gains/(Losses) per share (€ / share) :			
Basic gains/(losses) per share	43	**0.0500**	**(0.0796)**
- Basic gains/(losses) per share from continuing operations		(0.0583)	(0.0782)
- Basic gains/(losses) per share from discontinued operations		0.1083	(0.0014)
Diluted gains/(losses) per share	43	**0.0113**	**(0.0169)**
- Diluted gains/(losses) per share from continuing operations		(0.0071)	(0.0165)
- Diluted gains/(losses) per share from discontinued operations		0.0184	(0.0004)

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements

Notes:

- The items in the consolidated Income Statement for the comparative annual period ended as at 31/12/2017 have been readjusted in order to include only the continuing operations. The results of the discontinued operations are discreetly presented and analyzed in separate note (see Note 7), as in compliance with the requirements of IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”.

SEPARATE INCOME STATEMENT FOR THE FINANCIAL YEAR 2018

		THE COMPANY	
Amounts in € '000	**Note**	**01/01-31/12/2018**	**01/01-31/12/2017**
Income/(Expenses) from investments in subsidiaries & other financial assets	**38**	(118,801)	(43,456)
Income/(Expenses) from financial assets at fair value through profit or loss	**38**	(228)	218
Other income		65	93
Total Operating income/(expenses)		**(118,964)**	**(43,145)**
Fees and other expenses to third parties	**35**	(7,826)	(4,789)
Wages, salaries and social security costs	**35**	(5,363)	(4,803)
Depreciation and amortization		(372)	(380)
Other operating expenses	**35**	(2,363)	(2,892)
Total operating expenses		**(15,924)**	**(12,864)**
Financial income	**40**	257	148
Financial expenses	**39**	(28,993)	(36,149)
Losses before tax for the year		**(163,624)**	**(92,010)**
Income tax	**42**	-	-
Losses after tax for the year		**(163,624)**	**(92,010)**
Gains/(Losses) per share (€ / share) :			
- Basic	**43**	(0.1742)	(0.0979)
- Diluted	**43**	(0.0268)	(0.0223)

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements

CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR 2018

		THE GROUP		THE COMPANY	
Amounts in € '000	Note	01/01-31/12/2018	01/01-31/12/2017	01/01-31/12/2018	01/01-31/12/2017
Gains/(Losses) for the year (from continuing and discontinued operations)		**53,314**	**(75,972)**	**(163,624)**	**(92,010)**
Other comprehensive income:					
Amounts that will not be reclassified in the Income Statement in subsequent years					
Remeasurement of defined benefit pension plans		(1,097)	(1,029)	(10)	(23)
Deferred tax on revaluation of accrued pensions		336	255	-	-
Deferred taxes on revaluation of accrued pensions due to change in the tax rate		(20)	-	-	-
		(781)	**(774)**	**(10)**	**(23)**
Amounts that may be reclassified in the Income Statement in subsequent year					
Cash flow hedging :					
- current year gains/(losses)		(11,136)	1,156	-	-
- reclassification to profit or loss for the year		(4,871)	(952)	-	-
Available-for-sale financial assets :					
- current year gains/(losses)		-	7	-	-
Exchange differences on translating foreign operations		-	146	-	-
Exchange gain/(loss) on disposal of foreign operations reclassified in profit or loss for the year		-	2,368	-	-
		(16,007)	**2,725**	**-**	**-**
Other comprehensive income for the year after tax	44	**(16,788)**	**1,951**	**(10)**	**(23)**
Total comprehensive income for the year after tax		**36,526**	**(74,021)**	**(163,634)**	**(92,033)**
Attributable to:					
Owners of the parent		33,959	(73,567)		
Non-controlling interests		2,567	(454)		

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements

STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31st 2018

		THE GROUP			THE COMPANY	
Amounts in € '000	**Note**	**31/12/2018**	**31/12/2017 (Restated)**	**01/01/2017 (Restated)**	**31/12/2018**	**31/12/2017**
ASSETS						
Non-Current Assets						
Tangible assets	**9**	1,017,807	1,071,855	1,144,718	203	560
Goodwill	**10**	233,655	240,738	237,773	-	-
Intangible assets	**11**	235,146	425,231	434,206	9	2
Investments in subsidiaries	**12**	-	-	-	782,092	1,096,579
Investments in associates	**13**	22,552	17,119	59,342	-	-
Other financial assets	**14**	304	5,353	471	-	-
Property investments	**15**	259,786	265,878	275,225	-	-
Other non-current assets	**16**	5,975	14,365	15,318	174,572	181,301
Deferred tax asset	**17**	18,491	37,625	40,024	-	-
Total		**1,793,716**	**2,078,164**	**2,207,077**	**956,876**	**1,278,442**
Current Assets						
Inventories	**18**	70,474	75,882	67,572	-	-
Trade and other receivables	**19**	156,335	220,412	228,423	-	-
Other current assets	**20**	51,486	62,556	60,724	17,512	6,019
Other financial assets at fair value through P&L	**14**	177	437	2,867	150	367
Derivative financial instruments	**28**	2,738	4,433	5,877	-	-
Cash, cash equivalents & restricted cash	**21**	121,462	130,507	142,900	3,114	9,554
Total		**402,672**	**494,227**	**508,363**	**20,776**	**15,940**
Non-current assets classified as held for sale	**7**	61,709	27,359	-	-	-
Total Assets		**2,258,097**	**2,599,750**	**2,715,440**	**977,652**	**1,294,382**
EQUITY AND LIABILITIES						
Equity						
Share capital	**22**	281,853	281,853	281,853	281,853	281,853
Share premium	**22**	3,874,689	3,874,689	3,874,689	3,874,689	3,874,689
Fair value reserves	**23**	(10,034)	2,273	2,085	-	-
Other reserves	**23**	32,956	32,752	33,781	32,948	32,948
Retained earnings		(3,950,646)	(3,952,499)	(3,879,448)	(3,779,062)	(3,615,428)
Equity attributable to owners of the parent		**228,818**	**239,068**	**312,960**	**410,428**	**574,062**
Non-controlling interests		118,992	111,099	116,050	-	-
Total Equity		**347,810**	**350,167**	**429,010**	**410,428**	**574,062**
Non-current liabilities						
Deferred tax liability	**17**	96,644	189,182	195,810	-	-
Accrued pension and retirement obligations	**24**	21,269	35,765	34,635	230	209
Government grants	**25**	7,715	6,946	7,721	-	-
Long-term borrowings	**26**	964,823	980,893	855,987	297,205	623,950
Non-Current Provisions	**29**	3,255	13,361	16,520	-	-
Other long-term liabilities	**30**	4,610	6,445	11,759	3,638	4,955
Total		**1,098,316**	**1,232,592**	**1,122,432**	**301,073**	**629,114**
Current Liabilities						
Trade and other payables	**31**	132,083	170,148	180,608	-	-
Tax payable	**32**	892	1,479	2,331	-	-
Short-term borrowings	**26**	490,433	643,410	818,495	249,650	75,572
Derivative financial instruments	**28**	10,732	-	-	-	-
Current provisions	**29**	542	475	443	-	-
Other current liabilities	**33**	137,521	174,120	162,121	16,501	15,634
Total		**772,203**	**989,632**	**1,163,998**	**266,151**	**91,206**
Liabilities directly associated with non-current assets classified as held for sale	**7**	39,768	27,359	-	-	-
Total liabilities		**1,910,287**	**2,249,583**	**2,286,430**	**567,224**	**720,320**
Total Equity and Liabilities		**2,258,097**	**2,599,750**	**2,715,440**	**977,652**	**1,294,382**

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements

Note

The amounts of the previously presented periods have been readjusted in order to present the effect of changes in the Group's accounting policy as analytical presented in note 49.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR 2018

Amounts in € '000	Note	Number of Shares	Share Capital	Share Premium	Fair Value Reserve	Other Reserves	Retained earnings	Total Equity attribut. to Owners of the Parent	Non-controlling Interests	Total Equity
Balance as of 01/01/2018		**939,510,748**	**281,853**	**3,874,689**	**2,273**	**32,752**	**(3,952,499)**	**239,068**	**111,099**	**350,167**
Adjustments due to the implementation of IFRS 9 and IFRS 15	**3.5.3**	-	-	-	12	-	(3,479)	(3,467)	(737)	(4,204)
Adjusted balance as of 01/01/2018		**939,510,748**	**281,853**	**3,874,689**	**2,285**	**32,752**	**(3,955,978)**	**235,601**	**110,362**	**345,963**
Issue of share capital		-	-	-	-	-	-	-	71	71
Increase/(decrease) of non-controlling interests in subsidiaries		-	-	-	-	-	(40,946)	(40,946)	48,386	7,440
Dividends to non-controlling interests of subsidiaries		-	-	-	-	-	-	-	(1,923)	(1,923)
Decrease in non-controlling interests due to sale of interest in subsidiaries		-	-	-	-	204	-	204	(39,953)	(39,749)
Share capital decrease by share capital return to non-controlling interests		-	-	-	-	-	-	-	(518)	(518)
Transactions with owners		**-**	**-**	**-**	**-**	**204**	**(40,946)**	**(40,742)**	**6,063**	**(34,679)**
Profit/(Loss) for the year		**-**	**-**	**-**	**-**	**-**	**46,963**	**46,963**	**6,351**	**53,314**
Other comprehensive income:										
Cash flow hedges										
- current year gains/(losses)		-	-	-	(9,151)	-	-	(9,151)	(1,985)	(11,136)
- reclassification to profit or loss for the year		-	-	-	(3,168)	-	-	(3,168)	(1,703)	(4,871)
Remeasurements of defined benefit pension plans		-	-	-	-	-	(960)	(960)	(137)	(1,097)
Deferred tax on revaluation of accrued pensions	**44**	-	-	-	-	-	297	297	39	336
Deferred taxes on revaluation of accrued pensions due to change in the tax rate	**44**	-	-	-	-	-	(22)	(22)	2	(20)
Other comprehensive income for the year after tax	**44**	**-**	**-**	**-**	**(12,319)**	**-**	**(685)**	**(13,004)**	**(3,784)**	**(16,788)**
Total comprehensive income for the year after tax		**-**	**-**	**-**	**(12,319)**	**-**	**46,278**	**33,959**	**2,567**	**36,526**
Balance as of 31/12/2018		**939,510,748**	**281,853**	**3,874,689**	**(10,034)**	**32,956**	**(3,950,646)**	**228,818**	**118,992**	**347,810**

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR 2017

Amounts in € '000	Note	Number of Shares	Share Capital	Share Premium	Fair Value Reserve	Other Reserves	Retained earnings	Total Equity attribut. to Owners of the Parent	Non-controlling Interests	Total Equity
Balance as of 01/01/2017		**939,510,748**	**281,853**	**3,874,689**	**2,085**	**33,781**	**(3,879,448)**	**312,960**	**116,050**	**429,010**
Issue of share capital		-	-	-	-	-	-	-	160	160
Convertible bond loan reserve		-	-	-	-	(2,783)	2,783	-	-	-
Non-controlling interests due to purchase of subsidiaries		-	-	-	-	-	-	-	(2)	(2)
Increase/(decrease) of non-controlling interests in subsidiaries		-	-	-	-	-	(325)	(325)	(2,208)	(2,533)
Dividends to owners of non-controlling interests of subsidiaries		-	-	-	-	-	-	-	(2,447)	(2,447)
Transactions with owners		**-**	**-**	**-**	**-**	**(2,783)**	**2,458**	**(325)**	**(4,497)**	**(4,822)**
Profit/(Loss) for the year		**-**	**-**	**-**	**-**	**-**	**(74,817)**	**(74,817)**	**(1,155)**	**(75,972)**
Other comprehensive income:										
Cash flow hedges										
- current year gains/(losses)		-	-	-	1,033	-	-	1,033	123	1,156
- reclassification to profit or loss for the year		-	-	-	(851)	-	-	(851)	(101)	(952)
Available-for-sale financial assets										
- current year gains/(losses)		-	-	-	6	-	-	6	1	7
Exchange differences on translation of foreign operations		-	-	-	-	102	-	102	44	146
Exchange gain/(loss) on disposal of foreign operations recognised in profit or loss		-	-	-	-	1,652	-	1,652	716	2,368
Remeasurements of defined benefit pension plans		-	-	-	-	-	(920)	(920)	(109)	(1,029)
Deferred tax on revaluation of accrued pensions	**44**	-	-	-	-	-	228	228	27	255
Other comprehensive income for the year after tax	**44**	**-**	**-**	**-**	**188**	**1,754**	**(692)**	**1,250**	**701**	**1,951**
Total comprehensive income for the year after tax		**-**	**-**	**-**	**188**	**1,754**	**(75,509)**	**(73,567)**	**(454)**	**(74,021)**
Balance as of 31/12/2017		**939,510,748**	**281,853**	**3,874,689**	**2,273**	**32,752**	**(3,952,499)**	**239,068**	**111,099**	**350,167**

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements

SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR 2018

Amounts in € '000	Note	Number of Shares	Share Capital	Share Premium	Other Reserves	Retained earnings	Total Equity
Balance as of 01/01/2018		**939,510,748**	**281,853**	**3,874,689**	**32,948**	**(3,615,428)**	**574,062**
Transactions with owners		**-**	**-**	**-**	**-**	**-**	**-**
Profit/(Loss) for the year		**-**	**-**	**-**	**-**	**(163,624)**	**(163,624)**
Other comprehensive income:							
Remeasurements of defined benefit pension plans		-	-	-	-	(10)	(10)
Other comprehensive income for the period after tax	**44**	**-**	**-**	**-**	**-**	**(10)**	**(10)**
Total comprehensive income for the period after tax		**-**	**-**	**-**	**-**	**(163,634)**	**(163,634)**
Balance as of 31/12/2018		**939,510,748**	**281,853**	**3,874,689**	**32,948**	**(3,779,062)**	**410,428**

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements

SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR 2017

Amounts in € '000	Note	Number of Shares	Share Capital	Share Premium	Other Reserves	Retained earnings	Total Equity
Balance as of 01/01/2017		**939,510,748**	**281,853**	**3,874,689**	**35,731**	**(3,526,178)**	**666,095**
Convertible bond loan reserve		-	-	-	(2,783)	2,783	-
Transactions with owners		**-**	**-**	**-**	**(2,783)**	**2,783**	**-**
Profit/(Loss) for the year		**-**	**-**	**-**	**-**	**(92,010)**	**(92,010)**
Other comprehensive income:							
Remeasurements of defined benefit pension plans		-	-	-	-	(23)	(23)
Other comprehensive income for the year after tax	**44**	**-**	**-**	**-**	**-**	**(23)**	**(23)**
Total comprehensive income for the period after tax		**-**	**-**	**-**	**-**	**(92,033)**	**(92,033)**
Balance as of 31/12/2017		**939,510,748**	**281,853**	**3,874,689**	**32,948**	**(3,615,428)**	**574,062**

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR 2018 (CONSOLIDATED AND SEPARATE)

	THE GROUP		THE COMPANY	
Amounts in € '000	**01/01-31/12/2018**	**01/01-31/12/2017 (Restated)**	**01/01-31/12/2018**	**01/01-31/12/2017**
Losses for the year before tax from continuing operations	**(55,344)**	**(72,304)**	**(163,624)**	**(92,010)**
Adjustments	159,429	169,398	147,863	79,807
Cash flows from operating activities before working capital changes	**104,085**	**97,094**	**(15,761)**	**(12,203)**
Changes in working capital				
(Increase) / Decrease in inventories	1,475	(8,871)	-	-
(Increase)/Decrease in trade receivables	27,296	(3,061)	(596)	(515)
Increase / (Decrease) in liabilities	171	(7,204)	526	(2,513)
(Increase)/Decrease of financial assets at fair value through profit and loss	-	-	217	446
	28,942	***(19,136)***	***147***	***(2,582)***
Cash flows from operating activities	**133,027**	**77,958**	**(15,614)**	**(14,785)**
Interest paid	(110,924)	(61,622)	(22,644)	(33,572)
Income tax paid	(4,620)	(7,276)	-	-
Net cash flows from operating activities from continuing operations	**17,483**	**9,060**	**(38,258)**	**(48,357)**
Net cash flows from operating activities of discontinued operations	**22,923**	**11,765**	**-**	**-**
Net cash flows from operating activities	**40,406**	**20,825**	**(38,258)**	**(48,357)**
Cash flows from investing activities				
Purchase of property, plant and equipment	(33,336)	(28,852)	(13)	(7)
Purchase of intangible assets	(5,460)	(3,774)	(9)	-
Purchase of investment property	(1,535)	(1,696)	-	-
Disposal of property, plant and equipment, intangible assets and investment property	99,802	2,513	-	51
Investments in financial assets at fair value through profit and loss	-	2,659	-	-
Investments in subsidiaries and associates	76,310	54,432	203,768	56,920
Investments in other financial assets	(16)	(3,872)	-	-
Interest received	418	382	116	125
Loans to related parties	-	-	(10,750)	(1,500)
Grants received	2,012	68	-	-
Net cash flow from investing activities from continuing operations	**138,195**	**21,860**	**193,112**	**55,589**
Net cash flow from investing activities of discontinued operations	**(9,055)**	**(6,880)**	**-**	**-**
Net cash flow from investing activities	**129,140**	**14,980**	**193,112**	**55,589**
Cash flow from financing activities				
Proceeds from issuance of ordinary shares of subsidiary	71	160	-	-
Proceeds from borrowings	266,039	476,758	40,000	469,900
Payments for borrowings	(433,521)	(512,999)	(207,289)	(477,770)
Changes in ownership interests in existing subsidiaries	(558)	(2,024)	-	-
Payments for share capital decrease to non-controlling interests of subsidiaries	(518)	-	-	-
Dividends paid to non-controlling interests	(3,409)	(1,616)	-	-
Loans from related parties	-	-	6,000	-
Payment of finance lease liabilities	(1,168)	(1,080)	-	-
Net cash flow from financing activities from continuing operations	**(173,064)**	**(40,801)**	**(161,289)**	**(7,870)**
Net cash flow from financing activities of discontinued operations	**(3,175)**	**(7,217)**	**-**	**-**
Net cash flow from financing activities	**(176,239)**	**(48,018)**	**(161,289)**	**(7,870)**
Net (decrease) / increase in cash, cash equivalents and restricted cash	**(6,693)**	**(12,213)**	**(6,435)**	**(638)**
Cash, cash equivalents and restricted cash at the beginning of the year	130,576	142,900	9,554	10,197
Exchange differences in cash, cash equivalents and restricted cash from continuing operations	(140)	(31)	(5)	(5)
Exchange differences in cash, cash equivalents and restricted cash from discontinued operations	(154)	(80)	-	-
Net cash, cash equivalents and restricted cash at the end of the year	**123,589**	**130,576**	**3,114**	**9,554**

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements

Profit adjustments are analyzed as follows:

Amounts in € '000	THE GROUP 01/01-31/12/2018	THE GROUP 01/01-31/12/2017 (Restated)	THE COMPANY 01/01-31/12/2018	THE COMPANY 01/01-31/12/2017
Adjustments for:				
Depreciation and amortization expense	74,177	69,469	372	379
Changes in pension obligations	1,138	1,161	23	26
Provisions	2,845	3,077	-	-
Impairment of assets	17,724	4,041	109,491	43,146
Profits from reversal of impairment of assets	-	(5,326)	-	-
(Profit) / loss from investment property at fair value	7,460	10,942	-	-
Unrealized exchange (gains)/losses	144	147	11	8
(Profit) loss on sale of property, plant and equipment, intangible assets and investment property	(11,629)	26	-	(42)
(Profit) / loss from fair value valuation of financial assets at fair value through profit and loss	370	(1,509)	-	-
Share in net (profit) / loss of companies accounted for by the equity method	(1,001)	6,507	-	-
(Profit) / loss from sale of financial assets at fair value through profit and loss	(11,136)	931	-	-
(Profit) / loss from disposal of a shareholding in subsidiaries/associates	-	8	9,310	310
Interest and similar income	(158)	(358)	(257)	(148)
Interest and similar expenses	83,793	88,152	28,989	36,146
Income from dividends	(7)	-	-	-
Grants amortization	(1,138)	(808)	-	-
Income from reversal of prior year's provisions	(3,182)	(5,154)	(65)	-
Non-cash (income)/expenses	29	(1,908)	(11)	(18)
Total	**159,429**	**169,398**	**147,863**	**79,807**

The accompanying notes form an integral part of these Annual Separate and Consolidated Financial Statements

Note:

- The amounts of the comparative year ended on 31/12/2017 have been readjusted in order to include only the continuing operations. Net cash flows from operating, investing and financing activities of discontinued operations are distinctly presented and analyzed in a separate note (see Note 7), in compliance with the requirements of IFRS 5.
- The items of the consolidated Statement of cash Flows for the comparative period ended as at 31/12/2017 have been in order to present the effect of changes in the Group's accounting policy as analytical presented in note 49.

Reconciliation of cash and cash equivalent in the Statement of Cash Flows with the corresponding items in the Statement of Financial Position is as follows:

	01/01-31/12/2018				01/01-31/12/2017			
Amounts in € '000	Healthcare	Transportation	Private Equity	Total	Healthcare	Transportation	Private Equity	Total
Net cash flows operating activities	22,489	(24)	458	**22,923**	9,276	(16)	2,505	**11,765**
Net cash flows from investing activities	(8,533)	3	(525)	**(9,055)**	(6,472)	3	(411)	**(6,880)**
Net cash flow from financing activities	(2,470)	-	(705)	**(3,175)**	(6,401)	-	(816)	**(7,217)**
Exchange differences in cash, cash equivalents and restricted cash	(154)	-	-	**(154)**	(80)	-	-	**(80)**
Total net cash flow from discontinued operations	**11,332**	**(21)**	**(772)**	**10,539**	**(3,677)**	**(13)**	**1,278**	**(2,412)**

1 GENERAL INFORMATION ON THE GROUP

The Group Financial Statements have been prepared in compliance with the International Financial Reporting Standards as issued by the International Accounting Standards Board and adopted by the European Union.

The Company "MARFIN INVESTMENT GROUP HOLDINGS S.A." under the discreet title "MARFIN INVESTMENT GROUP" ("MIG") is domiciled in Greece in the Municipality of Kifissia of Attica. The Company's term of duration is 100 years starting from its establishment and can be extended following a resolution of the General Shareholders Meeting.

MIG operates as a holding societe anonyme according to Greek legislation and specifically according to the provisions of C.L. 2190/1920 on societe anonymes, as it stands. The Financial Statements are posted on the Company's website at www.marfininvestmentgroup.com. The Company's shares are listed in the Athens Stock Exchange. The Company's stock is included in the ASE General Index (Bloomberg Ticker: MIG GA, Reuters ticker: MIGr.AT, OASIS: MIG).

The main activity of the Group is focused on buyouts and equity investments in Greece, Cyprus and the wider South-Eastern Europe area. Following its disinvestment from the banking sector in 2007 and several mergers and acquisitions, the Group's activities focus on 5 operating sectors:

- Food and Dairy,
- Transportation,
- IT and Telecommunications,
- Financial Services, and
- Private Equity.

On December 31, 2018 the Group's headcount amounted to 11,157 (3,415 pertaining to discontinued operations), while on December 31, 2017 the Group's headcount amounted to 10,308 (3,440 pertaining to discontinued operations). On December 31, 2018 and 2017 the Company's headcount amounted to 34 and 38 respectively.

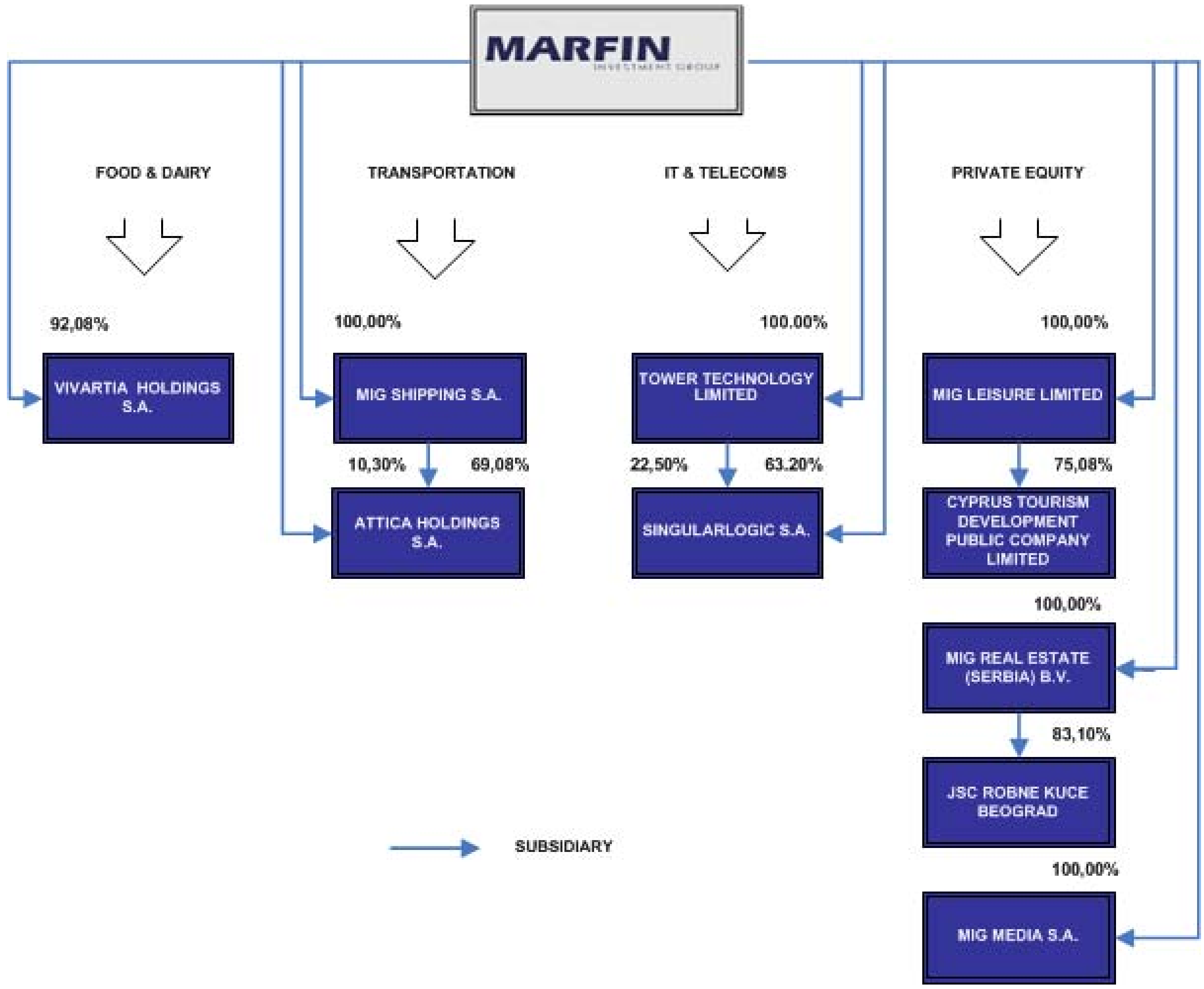
MIG's companies, included in the consolidated Financial Statements, as well as their non-tax audited years are analysed in Note 2 of the Financial Statements.

The attached Financial Statements for the financial year ending 31/12/2018 were approved by the Company's Board of Directors on April 24, 2019 and are subject to the final approval of the Annual Ordinary General Shareholder Meeting. The financial statements are available to the investing public at the Company's head office (67 Thisseos Ave., 146 71 Kifissia, Greece) and on the Company's website.

Consolidated Financial Statements of MIG Group are consolidated under the equity method, in the Financial Statements of PIRAEUS BANK S.A., which is domiciled in Greece and whose holding in the Company amounts to 31.19% as of 31/12/2018.

2 GROUP STRUCTURE AND ACTIVITIES

The Group's structure on 31/12/2018 is as follows:



2.1 Consolidated entities table on 31/12/2018

The following table presents MIG's consolidated entities on 31/12/2018, their domiciles, their principal activity, the Company's direct and indirect shareholdings, the consolidation method as well as the non-tax audited financial years.

Company Name	Domicile	Principal activity	Direct %	Indirect %	Total %	Consolidation Method	Non-tax Audited Years (4)
MARFIN INVESTMENT GROUP HOLDINGS S.A.	**Greece**	**Holding company**			**Parent Company**		**2012-2018**
MIG Subsidiaries							
MARFIN CAPITAL S.A.	BVI (3)	Holding company	100.00%	-	**100.00%**	Purchase Method	- (1)
VIVARTIA HOLDINGS S.A.	Greece	Holding company	92.08%	-	**92.08%**	Purchase Method	2009-2018
MIG LEISURE LTD	Cyprus	Management of investments	100.00%	-	**100.00%**	Purchase Method	-
MIG SHIPPING S.A.	BVI (3)	Holding company	100.00%	-	**100.00%**	Purchase Method	- (1)
MIG REAL ESTATE (SERBIA) B.V.	Holland	Management of investments	100.00%	-	**100.00%**	Purchase Method	-
SINGULARLOGIC S.A.	Greece	IT systems and software applications	63.20%	22.50%	**85.70%**	Purchase Method	2008-2018
ATHENIAN ENGINEERING S.A.	Greece	Aircraft maintenance and repairs	100.00%	-	**100.00%**	Purchase Method	2009-2018
MIG AVIATION HOLDINGS LTD	Cyprus	Holding company	100.00%	-	**100.00%**	Purchase Method	-
TOWER TECHNOLOGY LTD	Cyprus	Holding company	100.00%	-	**100.00%**	Purchase Method	-
MIG ENVIRONMENT HOLDINGS & INVESTMENTS S.A. (Under Liquidation)	Greece	Holding company	100.00%	-	**100.00%**	Purchase Method	2011-2018
MIG MEDIA S.A.	Greece	Advertising services	100.00%	-	**100.00%**	Purchase Method	2012-2018
MIG LEISURE LTD Subsidiary							
CYPRUS TOURISM DEVELOPMENT PUBLIC COMPANY LTD	Cyprus	Hotel management	-	75.08%	**75.08%**	Purchase Method	-
MIG SHIPPING S.A. Subsidiary							
ATTICA HOLDINGS S.A.	Greece	Holding company	10.30%	69.08%	**79.38%**	Purchase Method	2009-2018
MIG REAL ESTATE (SERBIA) B.V. Subsidiary							
JSC ROBNE KUCE BEOGRAD (RKB)	Serbia	Real estate management	-	83.10%	**83.10%**	Purchase Method	-
MIG AVIATION HOLDINGS LTD Subsidiaries							
MIG AVIATION 1 LTD	Cyprus	Helicopter management	-	100.00%	**100.00%**	Purchase Method	-
MIG AVIATION 2 LTD	Cyprus	Dormant	-	100.00%	**100.00%**	Purchase Method	-
VIVARTIA GROUP							
VIVARTIA HOLDINGS S.A. Subsidiaries							
DELTA FOODS S.A. (former DESMOS DEVELOPMENT S.A)	Greece	Production & distribution of dairy products	-	92.08%	**92.08%**	Purchase Method	2010-2018
GOODY'S S.A. (former INVESTAL RESTAURANTS S.A.)	Greece	Holding company	-	91.56%	**91.56%**	Purchase Method	2010-2018
BARBA STATHIS S.A. (former CAFE ALKYONI S.A)	Greece	Production & distribution of frozen foods	-	92.08%	**92.08%**	Purchase Method	2010-2018
EVEREST S.A. HOLDING & INVESTMENTS	Greece	Holding company	-	92.08%	**92.08%**	Purchase Method	2010-2018
DELTA S.A. Subsidiaries							
EUROFEED HELLAS S.A	Greece	Production & distribution of animal feed	-	92.08%	**92.08%**	Purchase Method	2010-2018
UNITED MILK HOLDINGS LTD	Cyprus	Production & distribution of dairy products	-	92.08%	**92.08%**	Purchase Method	-
UNITED MILK COMPANY AD	Bulgaria	Holding company	-	92.08%	**92.08%**	Purchase Method	-
GOODY'S S.A. (former INVESTAL	Greece	Holding	-	0.45%	**0.45%**	Purchase	2010-2018

Company Name	Domicile	Principal activity	Direct %	Indirect %	Total %	Consolidation Method	Non-tax Audited Years (4)
RESTAURANTS S.A.)		company				Method	
GOODY'S S.A. Subsidiaries							
BALKAN RESTAURANTS S.A.	Bulgaria	Café-patisserie	-	92.08%	**92.08%**	Purchase Method	-
HELLENIC CATERING S.A.	Greece	Food industry	-	90.26%	**90.26%**	Purchase Method	2010-2018
HELLENIC FOOD INVESTMENTS S.A.	Greece	Holding company	-	56.46%	**56.46%**	Purchase Method	2010-2018
ATHENAIKA CAFE-PATISSERIES S.A.	Greece	Café-patisserie	-	92.08%	**92.08%**	Purchase Method	2010-2018
EFKARPIA RESTAURANTS S.A.	Greece	Restaurants - Café-patisseries	-	46.96%	**46.96%**	Purchase Method	2010-2018
EASTERN CRETE RESTAURANTS-PATISSERIES S.A.	Greece	Restaurants - Café-patisseries	-	55.25%	**55.25%**	Purchase Method	2010-2018
TEMBI CAFE-PATISSERIES S.A.	Greece	Restaurants - Café-patisseries	-	56.40%	**56.40%**	Purchase Method	2010-2018
KAVALA RESTAURANTS S.A.	Greece	Restaurants - Café-patisseries	-	46.96%	**46.96%**	Purchase Method	2008-2018
MALIAKOS RESTAURANTS S.A.	Greece	Restaurants - Café-patisseries	-	46.96%	**46.96%**	Purchase Method	2010-2018
HARILAOU RESTAURANTS S.A.	Greece	Restaurants - Café-patisseries	-	46.96%	**46.96%**	Purchase Method	2010-2018
VERIA CAFÉ - PATISSERIES S.A.	Greece	Café-patisserie	-	89.61%	**89.61%**	Purchase Method	2010-2018
WHITE MOUNTAIN S.A. (former NAFPLIOS S.A.)	Greece	Café-patisserie	-	41.59%	**41.59%**	Purchase Method	2010-2018
ARMA INVESTMENTS S.A.	Greece	Restaurants - Café-patisseries	-	47.42%	**47.42%**	Purchase Method	2010-2018
W FOOD SERVICES S.A.	Greece	Café-patisserie	-	92.08%	**92.08%**	Purchase Method	2010-2018
PALLINI RESTAURANTS S.A.	Greece	Restaurants - Café-patisseries	-	91.29%	**91.29%**	Purchase Method	2009-2018
ALMIROU VOLOS RESTAURANTS PATISSERIES TRADING COMPANIES S.A.	Greece	Restaurants - Café-patisseries	-	52.57%	**52.57%**	Purchase Method	2011-2018
GEFSIPLOIA S.A. (former GLYFADA RESTAURANTS - PATISSERIES S.A.)	Greece	Restaurants - Café-patisseries	-	91.76%	**91.76%**	Purchase Method	2010-2018
PELASGIANS SINGLE MEMBER P.C.	Greece	Restaurants - Café-patisseries	-	92.08%	**92.08%**	Purchase Method	2016-2018
HELLENIC FOOD INVESTMENTS S.A. Subsidiaries							
HOLLYWOOD RESTAURANTS - PATISSERIES S.A.	Greece	Restaurants - Café-patisseries	-	56.33%	**56.33%**	Purchase Method	2010-2018
ZEFXI RESTAURANTS - PATISSERIES S.A.	Greece	Restaurants - Café-patisseries	-	54.84%	**54.84%**	Purchase Method	2010-2018
CORINTHOS RESTAURANTS PATISSERIES TRADING COMPANIES S.A.	Greece	Restaurants - Café-patisseries	-	39.52%	**39.52%**	Purchase Method	2010-2018
METRO VOULIAGMENIS S.A.	Greece	Café-patisserie	-	56.46%	**56.46%**	Purchase Method	2010-2018
BARBA STATHIS S.A. Subsidiaries							
UNCLE STATHIS EOD	Bulgaria	Production and distribution of frozen vegetables & food	-	92.08%	**92.08%**	Purchase Method	-
ALESIS S.A.	Greece	Wholesale standardized confectionery	-	46.96%	**46.96%**	Purchase Method	2010-2018
M. ARABATZIS S.A.	Greece	Bakery & Confectionery products	-	45.12%	**45.12%**	Purchase Method	2008-2018
GOODY'S S.A. (former INVESTAL RESTAURANTS S.A.)	Greece	Holding company	-	0.07%	**0.07%**	Purchase Method	2010-2018
EVEREST HOLDINGS & INVESTMENTS S.A. Subsidiaries							
OLYMPIC CATERING S.A.	Greece	Catering services	-	91.12%	**91.12%**	Purchase Method	2010-2018
PASTERIA S.A. CATERING INVESTMENTS & PARTICIPATIONS	Greece	Holding company	-	91.57%	**91.57%**	Purchase Method	2010-2018
TROFI S.A.	Greece	Beverage & Fast food services	-	73.66%	**73.66%**	Purchase Method	2010-2018
PERISTERI S.A.	Greece	Beverage & Fast food services	-	46.96%	**46.96%**	Purchase Method	2012-2018
KORIFI S.A.	Greece	Beverage & Fast food services	-	46.96%	**46.96%**	Purchase Method	2008-2018
DEKAEKSI S.A.	Greece	Beverage & Fast food services	-	56.17%	**56.17%**	Purchase Method	2010-2018
IMITTOU S.A.	Greece	Beverage & Fast food services	-	46.96%	**46.96%**	Purchase Method	2010-2018
KALLITHEA S.A.	Greece	Beverage & Fast	-	46.96%	**46.96%**	Purchase	2010-2018

Company Name	Domicile	Principal activity	Direct %	Indirect %	Total %	Consolidation Method	Non-tax Audited Years (4)
		food services				Method	
PATISSIA S.A.	Greece	Beverage & Fast food services	-	64.46%	**64.46%**	Purchase Method	2008-2018
PLATEIA S.A.	Greece	Beverage & Fast food services	-	60.77%	**60.77%**	Purchase Method	2010-2018
EVERCAT S.A.	Greece	Knowhow and education services	-	92.08%	**92.08%**	Purchase Method	2010-2018
VARELAS S.A.	Greece	Beverage & Fast food services	-	92.08%	**92.08%**	Purchase Method	2007-2018
EVERFOOD S.A.	Greece	Beverage & Fast food services	-	92.08%	**92.08%**	Purchase Method	2007-2018
EVERHOLD LTD	Cyprus	Holding company	-	92.08%	**92.08%**	Purchase Method	-
MAKRYGIANNI S.A.	Greece	Beverage & Fast food services	-	46.96%	**46.96%**	Purchase Method	2010-2018
MAROUSSI S.A.	Greece	Beverage & Fast food services	-	46.96%	**46.96%**	Purchase Method	2012-2018
OLYMPUS PLAZA CATERING S.A.	Greece	Beverage & Fast food services	-	46.96%	**46.96%**	Purchase Method	2010-2018
MAGIC FOOD S.A.	Greece	Beverage & Fast food services	-	92.08%	**92.08%**	Purchase Method	2008-2018
FOOD CENTER S.A.	Greece	Beverage & Fast food services	-	62.78%	**62.78%**	Purchase Method	2008-2018
ACHARNON S.A.	Greece	Beverage & Fast food services	-	36.83%	**36.83%**	Purchase Method	2010-2018
OLYMPUS PLAZA S.A.	Greece	Restaurant-Café & Mini market	-	78.34%	**78.34%**	Purchase Method	2010-2018
CHOLARGOS S.A.	Greece	Beverage & Fast food services	-	61.69%	**61.69%**	Purchase Method	2010-2018
P. FORTOTIRAS - E. KLAGOS & CO PL	Greece	Beverage & Fast food services	-	23.02%	**23.02%**	Purchase Method	2010-2018
VOULIPA S.A.	Greece	Beverage & Fast food services	-	46.96%	**46.96%**	Purchase Method	2010-2018
SYNERGASIA S.A.	Greece	Beverage & Fast food services	-	92.08%	**92.08%**	Purchase Method	2008-2018
GALATSI S.A.	Greece	Beverage & Fast food services	-	46.96%	**46.96%**	Purchase Method	2008-2018
EVERSTORY S.A.	Greece	Beverage & Fast food services	-	46.96%	**46.96%**	Purchase Method	2010-2018
KOMVOS GEFSEON S.A.	Greece	Beverage & Fast food services	-	46.96%	**46.96%**	Purchase Method	2011-2018
PHILADELFIOTIKI GONIA S.A.	Greece	Beverage & Fast food services	-	46.96%	**46.96%**	Purchase Method	2011-2018
PLAZA S.A.	Greece	Restaurant-Café & Mini market	-	88.96%	**88.96%**	Purchase Method	2008-2018
PASTERIA S.A. Subsidiaries							
KOLONAKI S.A.	Greece	Restaurant	-	91.50%	**91.50%**	Purchase Method	2010-2018
DELI GLYFADA S.A.	Greece	Restaurant	-	90.66%	**90.66%**	Purchase Method	2010-2018
ALYSIS LTD	Greece	Restaurant	-	50.37%	**50.37%**	Purchase Method	2010-2018
PANACOTTA S.A.	Greece	Restaurant	-	21.98%	**21.98%**	Purchase Method	2012-2018
POULIOU S.A.	Greece	Restaurant	-	46.70%	**46.70%**	Purchase Method	2008-2018
CAPRESE S.A.	Greece	Restaurant	-	91.57%	**91.57%**	Purchase Method	2010-2018
FOOD CENTER S.A.	Greece	Beverage & Fast food services	-	29.14%	**29.14%**	Purchase Method	2008-2018
HELLENIC CATERING S.A. Subsidiary							
GEFSIPLOIA S.A. (former GLYFADA RESTAURANTS - PATISSERIES S.A.)	Greece	Café-patisserie	-	0.23%	**0.23%**	Purchase Method	2010-2018
HELLENIC FOOD SERVICE PATRON S.A.	Greece	Wholesale trade	-	90.26%	**90.26%**	Purchase Method	2008-2018
WHITE MOUNTAIN S.A. (former NAFPLIOS S.A.)	Greece	Café-patisserie	-	5.26%	**5.26%**	Purchase Method	2010-2018
PALLINI RESTAURANTS S.A.	Greece	Restaurants - Café-patisseries	-	0.78%	**0.78%**	Purchase Method	2009-2018
MALIAKOS RESTAURANTS S.A. Subsidiary							
ALMIROU VOLOS RESTAURANTS PATISSERIES TRADING COMPANIES S.A.	Greece	Restaurants - Café-patisseries	-	8.74%	**8.74%**	Purchase Method	2011-2018
FOOD CENTER S.A. Subsidiary							
PANACOTTA S.A.	Greece	Restaurant	-	46.88%	**46.88%**	Purchase Method	2012-2018

Company Name	Domicile	Principal activity	Direct %	Indirect %	Total %	Consolidation Method	Non-tax Audited Years (4)
ALESIS S.A. Subsidiary							
BULZYMCO LTD	Cyprus	Holding company	-	46.96%	**46.96%**	Purchase Method	-
BULZYMCO LTD Subsidiary							
ALESIS BULGARIA EOOD	Bulgaria	Frozen dough & pastry products	-	46.96%	**46.96%**	Purchase Method	-
HARILAOU RESTAURANTS S.A. Subsidiary							
ZEFXI RESTAURANTS - PATISSERIES S.A.	Greece	Restaurants - Café-patisseries	-	1.35%	**1.35%**	Purchase Method	2010-2018
UNITED MILK COMPANY AD Subsidiary							
DELTA GREEK FOODS USA INC (former VIVARTIA USA INC)	U.S.A.	Trading company	-	92.08%	**92.08%**	Purchase Method	-
MAGIC FOOD S.A. Subsidiaries							
E.K.T.E.K. S.A.	Greece	Real estate management	-	20.72%	**20.72%**	Purchase Method	2010-2018
GS COFFEE N ICE L.P.	Greece	Beverage & Fast food services	-	73.66%	**73.66%**	Purchase Method	2013-2018
PALLINI RESTAURANTS S.A. Subsidiary							
GEFSIPLOIA S.A. (former GLYFADA RESTAURANTS - PATISSERIES S.A.)	Greece	Restaurants - Café-patisseries	-	0.08%	**0.08%**	Purchase Method	2010-2018
TEMBI CAFE-PATISSERIES S.A.	Greece	Restaurants - Café-patisseries	-	35.67%	**35.67%**	Purchase Method	2010-2018
PATRA RESTAURANTS S.A.	Greece	Café-patisserie	-	92.06%	**92.06%**	Purchase Method	2010-2018
M. ARABATZIS S.A. Associate consolidated under the equity consolidation method							
IONIKI SFOLIATA S.A.	Greece	Frozen dough & pastry products	-	15.34%	**15.34%**	Equity Method	2010-2018
EVEREST HOLDINGS & INVESTMENTS S.A. Associates consolidated under the equity consolidation method							
OLYMPUS PLAZA LTD	Greece	Restaurant-Café & Mini market	-	40.52%	**40.52%**	Equity Method	2008-2018
DELTA FOODS S.A. Associates consolidated under the equity consolidation method							
EXEED VIVARTIA INVESTMENT (EVI)	UAE (5)	Holding company	-	45.12%	**45.12%**	Equity Method	-
MEVGAL S.A.	Greece	Production & distribution of dairy products	-	39.78%	**39.78%**	Equity Method	2011-2018
EXEED VIVARTIA INVESTMENT (EVI) Subsidiaries							
EXEED VIVARTIA GENERAL TRADING (EVGT)	UAE (5)	Trading company	-	44.67%	**44.67%**	Equity Method	-
EXEED VIVARTIA COMMERCIAL BROKERAGE (EVGB)	UAE (5)	Trading company	-	44.67%	**44.67%**	Equity Method	-
MEVGAL S.A. Subsidiaries							
DIATROFI SINGLE MEMBER LTD	Greece	Dormant	-	39.78%	**39.78%**	Equity Method	2011-2018
EVROGAL S.A.	Greece	Dormant	-	39.78%	**39.78%**	Equity Method	2011-2018
MEVGAL USA INC	U.S.A.	Dormant	-	39.78%	**39.78%**	Equity Method	-
MEVGAL ENTERPRISES LIMITED	Cyprus	Dormant	-	39.78%	**39.78%**	Equity Method	-
MEVGAL BULGARIA EOOD	Bulgaria	Under liquidation	-	39.78%	**39.78%**	Equity Method	-
MEVGAL UK LIMITED	United Kingdom	Trademarks management	-	39.78%	**39.78%**	Equity Method	-
MEVGAL S.A. Associate consolidated under the equity consolidation method							
MAKEDONIKI FARM S.A.	Greece	Dormant	-	7.96%	**7.96%**	Equity Method	2011-2018
ATTICA GROUP							
ATTICA S.A. Subsidiaries							
SUPERFAST EPTA M.C.	Greece	Dormant	-	79.38%	**79.38%**	Purchase Method	2010-2018
SUPERFAST OKTO M.C.	Greece	Dormant	-	79.38%	**79.38%**	Purchase Method	2010-2018
SUPERFAST ENNEA M.C.	Greece	Dormant	-	79.38%	**79.38%**	Purchase Method	2010-2018
SUPERFAST DEKA M.C.	Greece	Dormant	-	79.38%	**79.38%**	Purchase Method	2010-2018
NORDIA M.C.	Greece	Overseas transport	-	79.38%	**79.38%**	Purchase Method	2010-2018
MARIN M.C.	Greece	Dormant	-	79.38%	**79.38%**	Purchase Method	2010-2018
ATTICA CHALLENGE LTD	Malta	Dormant	-	79.38%	**79.38%**	Purchase Method	-
ATTICA SHIELD LTD	Malta	Dormant	-	79.38%	**79.38%**	Purchase	-

Company Name	Domicile	Principal activity	Direct %	Indirect %	Total %	Consolidation Method	Non-tax Audited Years (4)
						Method	
SUPERFAST DODEKA (HELLAS) INC & CO JOINT VENTURE	Greece	Dormant	-	79.38%	**79.38%**	Common mgt(2)	2009-2018
SUPERFAST FERRIES S.A.	Liberia	Ships management	-	79.38%	**79.38%**	Purchase Method	2010-2018
SUPERFAST PENTE INC	Liberia	Dormant	-	79.38%	**79.38%**	Purchase Method	2010-2018
SUPERFAST EXI INC	Liberia	Dormant	-	79.38%	**79.38%**	Purchase Method	2010-2018
SUPERFAST ENDEKA INC	Liberia	Overseas and coastal transport	-	79.38%	**79.38%**	Purchase Method	2010-2018
SUPERFAST DODEKA INC	Liberia	Dormant	-	79.38%	**79.38%**	Purchase Method	2010-2018
BLUESTAR FERRIES MARITIME S.A.	Greece	Overseas and coastal transport	-	79.38%	**79.38%**	Purchase Method	2010-2018
BLUE STAR FERRIES JOINT VENTURE	Greece	Dormant	-	79.38%	**79.38%**	Common mgt(2)	2009-2018
BLUE STAR FERRIES S.A.	Liberia	Dormant	-	79.38%	**79.38%**	Purchase Method	2010-2014
WATERFRONT NAVIGATION COMPANY	Liberia	Dormant	-	79.38%	**79.38%**	Purchase Method	-
THELMO MARINE S.A.	Liberia	Dormant	-	79.38%	**79.38%**	Purchase Method	-
BLUE ISLAND SHIPPING INC	Panama	Dormant	-	79.38%	**79.38%**	Purchase Method	-
STRINTZIS LINES SHIPPING LTD	Cyprus	Dormant	-	79.38%	**79.38%**	Purchase Method	-
SUPERFAST ONE INC	Liberia	Overseas and coastal transport	-	79.38%	**79.38%**	Purchase Method	2010-2018
SUPERFAST TWO INC	Liberia	Overseas and coastal transport	-	79.38%	**79.38%**	Purchase Method	2010-2018
ATTICA FERRIS M.C.	Greece	Overseas and coastal transport	-	79.38%	**79.38%**	Purchase Method	2010-2018
BLUE STAR FERRIS M.C. & CO JOINT VENTURE	Greece	Overseas and coastal transport	-	79.38%	**79.38%**	Common mgt(2)	2009-2018
BLUE STAR M.C.	Greece	Overseas and coastal transport	-	79.38%	**79.38%**	Purchase Method	2010-2018
BLUE STAR FERRIES M.C.	Greece	Dormant	-	79.38%	**79.38%**	Purchase Method	2010-2018
ATTICA FERRIS MARITIME S.A.	Greece	Overseas and coastal transport	-	79.38%	**79.38%**	Purchase Method	2011-2018
HELLENIC SEAWAYS MARITIME S.A.	Greece	Overseas and coastal transport	-	78.45%	**78.45%**	Purchase Method	2012-2018
HELLENIC SEAWAYS CARGO M.C.	Greece	Dormant	-	78.45%	**78.45%**	Purchase Method	2013-2018
HELLENIC SEAWAYS MANAGEMENT S.A.	Liberia	Dormant	-	78.45%	**78.45%**	Purchase Method	2010-2018
WORLD CRUISES HOLDINGS LTD	Liberia	Dormant	-	78.45%	**78.45%**	Purchase Method	-
HELCAT LINES S.A.	Marshall island	Dormant	-	78.45%	**78.45%**	Purchase Method	-
ATTICA S.A. Associate							
AFRICA MOROCCO LINKS	Morocco	Overseas transport	-	38.90%	**38.90%**	Equity Method	-
SINGULARLOGIC GROUP							
SINGULARLOGIC S.A. subsidiaries							
PROFESSIONAL COMPUTER SERVICES S.A.	Greece	Integrated software solutions	-	43.28%	**43.28%**	Purchase Method	2010-2018
SINGULAR BULGARIA EOOD	Bulgaria	IT support and trade	-	85.70%	**85.70%**	Purchase Method	-
SINGULAR ROMANIA SRL	Romania	IT support and trade	-	85.70%	**85.70%**	Purchase Method	-
METASOFT S.A.	Greece	Trade computers & software	-	85.70%	**85.70%**	Purchase Method	2010-2018
SYSTEM SOFT S.A.	Greece	Software systems consultants	-	85.70%	**85.70%**	Purchase Method	2010-2018
SINGULARLOGIC CYPRUS LTD	Cyprus	IT support and trade	-	84.67%	**84.67%**	Purchase Method	-
G.I.T. HOLDINGS S.A.	Greece	Holding company	-	85.70%	**85.70%**	Purchase Method	2010-2018
G.I.T. CYPRUS	Cyprus	Investing company	-	85.70%	**85.70%**	Purchase Method	-
SENSE ONE TECHNOLOGIES S.A.	Greece	IT support and trade	-	43.70%	**43.70%**	Purchase Method	2011-2018
SINGULARLOGIC MARITIME SERVICES LTD	Cyprus	IT support	-	85.70%	**85.70%**	Purchase Method	-

Company Name	Domicile	Principal activity	Direct %	Indirect %	Total %	Consolidation Method	Non-tax Audited Years (4)
SINGULARLOGIC B.V.	The Netherlands	IT support	-	85.70%	**85.70%**	Purchase Method	-
SINGULARLOGIC S.A. Associates consolidated under the equity consolidation method							
INFOSUPPORT S.A.	Greece	IT support and trade	-	29.14%	**29.14%**	Equity Method	2010-2018
INFO S.A.	Greece	Trade computers & software	-	30.00%	**30.00%**	Equity Method	2010-2018
LOGODATA S.A.	Greece	Computer applications	-	20.47%	**20.47%**	Equity Method	2005-2018

Notes

(1) The companies MARFIN CAPITAL S.A. and MIG SHIPPING S.A. are offshore companies and are not subject to corporate income tax. For the companies outside European Union, which do not have any branches in Greece, there is no obligation for a tax audit.

(2) Common mgt = Under common management

(3) BVI = British Virgin Islands

(4) In respect to the Group companies established in Greece, which meet the relevant criteria for falling under the tax audit of Certified Auditors, the tax audit of fiscal years 2011-2013 has been completed according to Law 2238/1994, article 82, par.5, and for the financial years 2014-2017 under the provisions of Law 4174/2013, article 65A, par.1. It is to be noted that the tax audit of fiscal year 2018 is in progress. Further information is presented in note 46.6.

(5) UAE = United Arab Emirates

2.2 Changes in the Group's structure

The consolidated Financial Statements for the annual period which ended on December 31, 2018 compared to the corresponding annual period of 2017 include under the purchase method of consolidation, the companies: i) HSW which is a new acquisition of ATTICA group and has been consolidated under the purchase method since 01/06/2018, ii) PLAZA S.A. consolidated under the purchase method since 13/12/2017, as a result of a share capital increase without the participation of minority interest (till 13/12/2017, the company in question was consolidated under equity method), and iii) SINGULARLOGIC B.V., the newly established company of SINGULARLOGIC group which has been consolidated under the purchase method since its establishment date, i.e. 15/05/2018.

The companies, not consolidated in the Financial Statements for the annual period ended on December 31, 2018, whereas they were consolidated in the corresponding annual period of 2017, are as follows: (a) under the purchase method of consolidation, the companies: i) HYGEIA group and its subsidiaries due to disposal as of 09/11/2018, ii) GEFSI S.A. due to finalization of liquidation procedures regarding the idle company within the last quarter of 2017, iii) ATTICA PREMIUM S.A. due to the company's liquidation within the second half of 2017, iv) KAMARA S.A. due to finalization of liquidation within the first half of 2018, and v) MIG LRE CROATIA due to finalization of liquidation procedures regarding the company within the second half of 2018.

In the consolidated Financial Statements for the year ended December 31, 2018, the item "Non-current assets held for sale" includes the company CYPRUS TOURISM DEVELOPMENT PUBLIC COMPANY LTD and the company MIG LEISURE (see Note 7.2). The consolidated Financial Statements for the comparative period ended December 31, 2017, the item "Non-current assets held for sale" included the company HYGEIA HOSPITAL-TIRANA ShA (see Note 7.3).

Finally, it is noted that the results of ATHENIAN ENGINEERING for the presented periods are presented under the results from discontinued operations of the Group (see Note 7.4).

3 BASIS OF FINANCIAL STATEMENTS PRESENTATION

3.1 Statement of Compliance

The Company's consolidated and separate Financial Statements as of 31/12/2018 covering the financial year from January 1st to December 31st 2018, have been prepared according to the International Financial Reporting Standards (IFRS), which were published by the International Accounting Standards Board (IASB) and according to their interpretations, which have been published by the International Financial Reporting Interpretations Committee (IFRIC) and have been adopted by the European Union until 31/12/2018. The Group applies all the International Accounting Standards, International Financial Reporting Standards and their Interpretations, which apply to the Group's activities. The relevant accounting policies, a summary of which is presented below in Note 4, have been applied consistently in all periods presented.

The aforementioned Financial Statements were prepared based on the going concern principle, which implies that the Company and its subsidiaries will be in position to continue operating as entities in the foreseeable future, taking into account the following conditions and actions, designed and implemented by the Management.

As at 31/12/2018, the Group and the Company present negative working capital, since the current liabilities exceed the current assets by € 369,531k and € 245,375k respectively, while the main part of the current liabilities is related to short-term borrowing. Regarding the restructuring procedure in respect of the Group's subsidiaries, as at the annual statements approval date, the Management is in the process of negotiating restructuring of other bank liabilities standing at € 153,202k.

Moreover, regarding the loan liabilities of the Company standing at € 248,750k and payable within 2019, the Management plans to restructure these liabilities and/or repay them through disposal of assets.

It is to be noted that within the current period, the Group has successfully completed restructuring capital and interest on syndicated bond loans of VIVARTIA group totaling € 365,208k. Moreover, in 2018, the creditor bank approved settlement of other loan liabilities plus interest of the catering group standing at € 12,391k, which is in the process of implementation and is expected to be completed in the first half of 2019.

The Management estimates that the issues mentioned above will be resolved following the successful implementation of the following actions.

(a) Implementation of MARFIN INVESTMENT GROUP Restructuring Agreement regarding its loan liabilities standing at € 403.5 m as at the reporting date

On 27/04/2017, the Management signed a Restructuring Agreement for the restructuring of the Company's loan liabilities totaling € 554.1 m. On 25/04/2018, the aforementioned Restructuring Agreement that includes loan liabilities totaling € 403.5 m as at the reporting date was modified.

The following actions have been performed in the context of implementing the terms of the above Restructuring Agreement within 2018 and as until the accompanying annual Financial Statements approval date.

(i) Finalization of disposal of HYGEIA

On 05/07/2018, MIG announced the signing of an agreement for the sale of HYGEIA shares to the company HELLENIC HEALTHCARE S.A.R.L. (which is controlled by the investment funds of CVC CAPITAL PARTNERS). The sale in question was approved by the General

Meeting of MIG shareholders as of 25/08/2018 and on 27/09/2018 the transaction was approved by the Hellenic Competition Commission (see Note 7.1). The offered consideration amounted to € 0.95 per share and consequently the total consideration of the transaction amounted to € 204 m, out of which an amount of € 201.9 m was used in order to repay the Company's loan liabilities.

(ii) Finalization of disposal of CTDC

On 27/02/2019, MIG announced the signing of an agreement for the sale of the total stake held by its subsidiary MIG LEISURE in CTDC, owner of Hilton Cyprus hotel, to VIBRANA HOLDINGS LTD interest of NATIONAL PANGAIA REIC and INVEL group. The sale price amounted to € 38.64 m and is part of a wider transaction for the sale to the purchaser of a total of 96.82% in CTDC owned by the Company and LOUIS PLC for the amount of € 54.89 m. On 27/03/2019, the transaction was approved by the competent Cypriot Commission for the Protection of Competition, while on 18/04/2019 the transfer of the aforementioned shares was finalized. The disposal consideration was used to repay bank loans of MIG LEISURE, amounting to € 27.5 m, while a part of the remaining consideration was used for the purposes of repaying loan liabilities of the Company.

The Management is also in the process of implementing the other terms and conditions of the Restructuring Agreement, relating to compliance with the commitments in respect to financial ratios, as well as the disposal of assets of the Group, upon receipt of the required consent, on case basis, of other stakeholders, aiming at substantial reduction of the Company's total borrowing.

Any failure to fulfill a term or completion of the required steps, which are interrelated, may result in failure to complete the implementation of the terms of the Restructuring Agreement. In such a case, the Management will seek to renegotiate the key terms of the Restructuring Agreement with the co-operating bank including time shifting of its contractual debts from the existing borrowings.

(b) Discussions with creditor banks on restructuring the Group's subsidiaries other loan liabilities

The Group's short-term liabilities as at 31/12/2018 (as detailed in Note 26) include capital and interest liabilities of subsidiaries SINGULARLOGIC € (51.3) m, RKB € (101.9 m) totaling € 153,202k, regarding which the Management is in discussions with creditor banks.

In particular, the aforementioned Group's companies, at the date of approval of the accompanying Financial Statements, are in the process of discussions with the banks, in order to restructure the terms of the loan obligations of the subsidiaries (see Note 26), by examining plans that will potentially become mutually acceptable. The objective of the discussions is to extend the repayment period of loans and create more realistic financial ratios in line with the current economic conditions. Despite the fact that the current problems of the Greek economy and the Greek banking sector have led to imposition of more strict lending criteria, the Group Management is optimistic and believes that the entire process of the negotiations regarding the restructuring will be successfully completed over the next few months.

If the above intended actions of the Management regarding the Company and its subsidiaries do not succeed or prove inadequate due to prevailing instability and uncertainty as well as the uncertainty concerning the implementation of the actions that are not entirely dependent on the Management, then the results, the operation and the prospects of the Group may be adversely affected; that is to say the combination of the described conditions indicates the existence of uncertainty regarding the Group's and Company's ability to continue as a going concern.

However, subject to the successful completion of the above actions, the Management reasonably expects that Group and Company will not face financing and liquidity issues within the next 12 months.

3.2 Basis of Measurement

The Group's financial Statements have been prepared according to the principle of historical cost, as modified for the fair value adjustment of the items to follow:

- Financial assets and liabilities at fair value through Profit & Loss (derivatives included);
- Financial assets available for sale; and
- Investment property.

3.3 Presentation Currency

The presentation currency is Euro (the currency of the Group's parent domicile) and all the amounts are presented in thousand Euro unless otherwise mentioned.

3.4 Use of Estimates

The preparation of the financial statements according to IFRS requires the use of estimates and judgments on the application of the Company's accounting policies. Opinions, assumptions and Management estimates affect the valuation of several asset and liability items, the amounts recognized during the financial year regarding specific income and expenses as well as the presented estimates on contingent liabilities.

The assumptions and estimates are assessed on a continuous basis according to historic experience and other factors, including expectations on future event outcomes that are considered as reasonable given the current conditions. The estimates and assumptions relate to the future and, consequently, the actual results may deviate from the accounting calculations.

The aspects requiring the highest degree of judgment as well as the aspects mostly affecting the consolidated Financial Statements are presented in Note 8 to the Financial Statements.

3.5 Changes in Accounting Policies

The accounting policies based on which the Financial Statements were drafted, are in accordance with those used in the preparation of the Annual Financial Statements for the FY 2017, adjusted to the new Standards and revisions imposed by IFRS (see par. 3.5.1, 3.5.2 and 3.5.3. and to the change in the accounting policy of the Group regarding recognition of replacements, essential damage repairs and equipment upgrades of the "Transportation" operating sector as separate item in valuation of vessels (see Note 49).

3.5.1 New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The following amendments and interpretations of the IFRS have been issued by IASB, adopted by the European Union and their application is mandatory from or after 01/01/2018.

- **IFRS 9 "Financial Instruments" (effective for annual periods starting on or after 01/01/2018)**

In July 2014, the IASB issued the final version of IFRS 9. The package of improvements introduced by the final version of the Standard, includes a logical model for classification and measurement, a single, forward-looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting. The impact of the above on the Group's Financial Statements is presented in Note 3.5.3.

- **IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods starting on or after 01/01/2018)**

In May 2014, the IASB issued a new Standard, IFRS 15. The Standard fully converges with the requirements for the recognition of revenue in both IFRS and US GAAP. The key principles on which the Standard is based are consistent with much of current practice. The new Standard is expected to improve financial reporting by providing a more robust framework for addressing issues as they arise, increasing comparability across industries and capital markets, providing enhanced disclosures and clarifying accounting for contract costs. The new Standard will supersede IAS 11 "Construction Contracts", IAS 18 "Revenue" and several revenue related Interpretations. The impact of the above on the Group's Financial Statements is presented in Note 3.5.3.

- **Clarification to IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods starting on or after 01/01/2018)**

In April 2016, the IASB published clarifications to IFRS 15. The amendments to IFRS 15 do not change the underlying principles of the Standard, but clarify how those principles should be applied. The amendments clarify how to identify a performance obligation in a contract, how to determine whether a company is a principal or an agent and how to determine whether the revenue from granting a license should be recognized at a point in time or over time.

- **Amendment to IFRS 2: "Classification and Measurement of Share-based Payment Transactions" (effective for annual periods starting on or after 01/01/2018)**

In June 2016, the IASB published narrow scope amendment to IFRS 2. The objective of this amendment is to clarify how to account for certain types of share-based payment transactions. More specifically, the amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, for share-based payment transactions with a net settlement feature for withholding tax obligation, as well as, a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The amendments do not affect the consolidated Financial Statements.

- **Amendments to IFRS 4: "Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts" (effective for annual periods starting on or after 01/01/2018)**

In September 2016, the IASB published amendments to IFRS 4. The objective of the amendments is to address the temporary accounting consequences of the different effective dates of IFRS 9 Financial Instruments and the forthcoming insurance contracts Standard. The amendments to existing requirements of IFRS 4 permit entities whose predominant activities are connected with insurance to defer the application of IFRS 9 until 2021 (the "temporary exemption") and also permit all issuers of insurance contracts to recognize in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts Standard is issued (the "overlay approach"). The amendments do not affect the consolidated Financial Statements.

- **Annual Improvements to IFRSs – 2014-2016 Cycle (effective for annual periods starting on or after 01/01/2018)**

In December 2016, the IASB issued Annual Improvements to IFRSs – 2014-2016 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2014-2016 cycle. The issues included in this cycle and are effective for annual periods starting on or after 01/01/2018 are the following: **IFRS 1:** Deletion of short-term exemptions for first-time adopters, **IAS 28:** Measuring an associate or joint venture at fair value. The amendments do not affect the consolidated Financial Statements.

- **Amendments to IAS 40: "Transfers of Investment Property" (effective for annual periods starting on or after 01/01/2018)**

In December 2016, the IASB published narrow-scope amendments to IAS 40. The objective of the amendments is to reinforce the principle for transfers into, or out of, investment property in IAS 40, to specify that (a) a transfer into, or out of investment property should be made only when there has been a change in use of the property, and (b) such a change in use would involve the assessment of whether the property qualifies as an investment property. That change in use should be supported by evidence. The amendments do not affect the consolidated Financial Statements.

- **IFRIC 22 "Foreign Currency Transactions and Advance Consideration" (effective for annual periods starting on or after 01/01/2018)**

In December 2016, the IASB issued a new Interpretation, IFRIC 22. IFRIC 22 provides requirements about which exchange rate to use in reporting foreign currency transactions (such as revenue transactions) when payment is made or received in advance. The new interpretation does not have material impact on the consolidated Financial Statements.

3.5.2 New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

- **IFRS 16 "Leases" (effective for annual periods starting on or after 01/01/2019)**

In January 2016, the IASB issued a new Standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognize assets and liabilities arising from a lease. The above have been adopted by the European Union with effective date of 01/01/2019.

The Group intends to apply IFRS 16 for the first time on 1 January 2019, applying the modified retrospective approach. Based on this approach, the cumulative effect of the initial application of the Standard will be recognized as an adjustment to equity as at the initial application date without restating the comparative information. At the initial application date, the Group will recognize (a) a lease liability measured at the present value arising from discounting residual lease payments using the marginal lending rate effective as at the initial application date, and (b) a right to use an asset measured at an amount equal to the corresponding lease liability, adjusted by the amount of potentially effective prepaid or accrued rentals. Regarding short-term leases and leases in which the underlying asset is of low value, the Group will recognize the lease as an expense in the Income Statement using the straight-line method, in accordance with the relevant exceptions provided by IFRS 16. At the same time, the Group will apply the practical implementation guidance of the Standard and will not unbundle non-lease from lease items, applying the accounting treatment of a single lease to non-lease and lease items.

On 1 January 2019, the Group analyzed the expected effect of IFRS 16. In summary, based on the Management's current estimate, the effect from the adoption of IFRS 16 will be as follows: the

Group estimates that it will recognize in the consolidated Statement of Financial Position rights to use assets amounting to approximately from € 63.1 m to € 64.4 m and equal lease liabilities amounting to approximately from € 63.1 m to € 64.4 m (the Company: approximately from € 0.2 m to € 0.2 m). In the consolidated income statement, the depreciations are expected to increase in the range from € 9.8 m to € 10.1 m and financial expenses are expected to increase in the range from € 2.9 m to € 3.0 m. The decrease in rental costs is expected to lead to an improvement in EBITDA, ranging from € 11.0 m to € 11.4 m. The estimated effect is related to the contracts effective as at January 1, 2019.
The actual impact of the IFRS 16 application will depend on the Group's discount rate as at 1 January 2019, determination of the lease agreements that fall within the scope of the new Standard at that date and the final assessment of the Group for lease maturity, in particular, regarding exercising lease renewal and termination rights.
The new Standard on leases does not significantly affect the Group as a lessor.

- **Amendments to IFRS 9: "Prepayment Features with Negative Compensation" (effective for annual periods starting on or after 01/01/2019)**

In October 2017, the IASB published narrow-scope amendments to IFRS 9. Under the existing requirements of IFRS 9, an entity would have measured a financial asset with negative compensation at fair value through profit or loss as the "negative compensation" feature would have been viewed as introducing potential cash flows that were not solely payments of principal and interest. Under the amendments, companies are allowed to measure particular prepayable financial assets with so-called negative compensation at amortized cost or at fair value through other comprehensive income if a specified condition is met. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any The above have been adopted by the European Union with effective date of 01/01/2019.

- **IFRIC 23 "Uncertainty over Income Tax Treatments" (effective for annual periods starting on or after 01/01/2019)**

In June 2017, the IASB issued a new Interpretation, IFRIC 23. IAS 12 "Income Taxes" specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty. IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting for income taxes. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2019.

- **Amendments to IAS 28: "Long-term Interests in Associates and Joint Ventures" (effective for annual periods starting on or after 01/01/2019)**

In October 2017, the IASB published narrow-scope amendments to IAS 28. The objective of the amendments is to clarify that companies account for long-term interests in an associate or joint venture – to which the equity method is not applied – using IFRS 9. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2019.

- **Annual Improvements to IFRSs – 2015-2017 Cycle (effective for annual periods starting on or after 01/01/2019)**

In December 2017, the IASB issued Annual Improvements to IFRSs – 2015-2017 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2015-2017 cycle. The issues included in this cycle are the following: IFRS 3 - IFRS 11: Previously held interest in a joint operation, IAS 12: Income tax consequences of payments on financial instruments classified as equity, IAS 23: Borrowing costs eligible for capitalization. The amendments are effective for annual periods beginning on or after 1 January 2019. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2019.

- **Amendments to IAS 19: "Plan Amendment, Curtailment or Settlement" (effective for annual periods starting on or after 01/01/2019)**

In February 2018, the IASB published narrow-scope amendments to IAS 19, under which an entity is required to use updated assumptions to determine current service cost and net interest for the remainder of the reporting period after an amendment, curtailment or settlement to a plan. The objective of the amendments is to enhance the understanding of the financial statements and provide useful information to the users. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2019.

- **Revision of the Conceptual Framework for Financial Reporting (effective for annual periods starting on or after 01/01/2020)**

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), the objective of which was to incorporate some important issues that were not covered, as well as update and clarify some guidance that was unclear or out of date. The revised Conceptual Framework includes a new chapter on measurement, which analyzes the concept on measurement, including factors to be considered when selecting a measurement basis, concepts on presentation and disclosure, and guidance on derecognition of assets and liabilities from financial statements. In addition, the revised Conceptual Framework includes improved definitions of an asset and a liability, guidance supporting these definitions, update of recognition criteria for assets and liabilities, as well as clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to References to the Conceptual Framework in IFRS Standards (effective for annual periods starting on or after 01/01/2020)**

In March 2018, the IASB issued Amendments to References to the Conceptual Framework, following its revision. Some Standards include explicit references to previous versions of the Conceptual Framework. The objective of these amendments is to update those references so that they refer to the revised Conceptual Framework and to support transition to the revised Conceptual Framework. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to IFRS 3: "Definition of a Business" (effective for annual periods starting on or after 01/01/2020)**

In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to improve the definition of a business. The amendments will help companies determine whether an acquisition made is of a business or a group of assets. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to IAS 1 and IAS 8: "Definition of Material" (effective for annual periods starting on or after 01/01/2020)**

In October 2018, the IASB issued amendments to its definition of material to make it easier for companies to make materiality judgements. The definition of material helps companies decide whether information should be included in their financial statements. The updated definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS Standards. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **IFRS 17 "Insurance Contracts" (effective for annual periods starting on or after 01/01/2021)**

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

3.5.3 Effect on the Financial Statements from the initial application of IFRS 9 and IFRS 15

- **IFRS 9 "Financial Instruments"**

The Group has applied the new Standard IFRS 9 "Financial Instruments" from 01/01/2018 without reviewing comparative information from previous years, recognizing the cumulative effect of initial application in Equity 's opening balance at the date of initial application. Therefore, the adjustments resulting from the application of the new Standard do not appears in the Statement of Financial Position as at December 31, 2017, but were recognized in the Statement of Financial Position as at January 1, 2018.

IFRS 9 largely maintains the effective provisions of IAS 39 for the Classification and Measurement of Financial Liabilities. However, it eliminates the previous categories under IAS 39 for financial assets: held-to-maturity, loans and receivables and available-for-sale. The adoption of IFRS 9 had no effect on the Group's accounting policies regarding financial liabilities, while the effect of IFRS 9 on the classification and measurement of financial assets is presented in the table below at the end of this section.

Regarding the impairment of financial assets, the effect of IFRS 9 adoption on the Group's equity as at 01/01/2018 stands at € 4,020k. As a result, as at 01/01/2018, the Group's equity decreased by € 4,020k, while provisions for doubtful debts increased by an equal amount.

At the date of the original application of the Standard, all existing hedging relationships of the Group can be classified as continuing and hence the application of the new standard has no impact on the financial statements. The Group's risk management policies are in line with the requirements of the new standard and hedge accounting continues to apply.

The Group's accounting policies for financial instruments and financial assets, in accordance with the provisions of IFRS 9, are described in Notes 4.2 and 4.3.2 to the accompanying Financial Statements.

- **IFRS 15 "Revenues from contracts with customers"**

The Group applied the new Standard IFRS 15 "Revenues from contracts with customers" from January 1, 2018 without restating comparative information, but recognizing the cumulative effect of initial application in the opening balance of Equity at the date of initial application. Consequently, the adjustments occurred from the application of the new Standard are not appeared in the financial position as of December 31, 2017 but recognized in the financial position as of January 1, 2018.

The total effect from the application of this new Standard on Group 's Equity at 01/01/2018 amounted to € 184k. The adoption of the new Standard as of 31/12/2018 resulted in an increase in revenue by € 15,643k and an equal increase in distribution expenses. This change relates to VIVARTIA Group and has no impact on the net result of the Group. The corresponding effect in the comparative period amounted to € 17,601k and was restated in the Income Statement for the period 31/12/2017 for comparability purposes.

The accounting policy in respect of recognizing revenue in accordance with the requirements of IFRS 15 is described in Note 4.17 to the accompanying Financial Statements.

Briefly, the effect of adjustments and reclassifications in the Group's and the Company's financial figures from the application of new Standards IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from contract with customers" is analysed in the following table. Line items not affected by the changes in the new Standards are not included in the table.

Amounts in € '000

	THE GROUP			
Extract of the statement of financial posision	**31/12/2017**	**IFRS 9 adjustments**	**IFRS 15 adjustments**	**01/01/2018 adjusted**
ASSETS				
Investment portfolio	5,353	(5,353)		-
Other financial assets	-	5,353		5,353
Deferred tax asset	37,625	-	80	37,705
Trade and other receivables	220,412	(2,730)		217,682
Other current assets	62,556	(1,290)	16	61,282
Trading portfolio and other financial assets at fair value through P&L	45	(45)		-
Financial assets measured at fair value through P&L	-	45		45
EQUITY AND LIABILITIES				
Fair value reserves	2,273	12		2,285
Retained earnings	(3,952,499)	(3,321)	(158)	(3,955,978)
Non-controlling interests	111,099	(711)	(26)	110,362
Deferred tax liability	189,182	-	4	189,186
Other current liabilities	174,120	-	276	174,396

	THE COMPANY		
	31/12/2017	**IFRS 9 adjustments**	**01/01/2018 adjusted**
Trading portfolio and other financial assets at fair value through P&L	367	(367)	-
Financial assets measured at fair value through P&L	-	367	367

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Consolidation

4.1.1 Subsidiaries

Subsidiaries are all the companies, which the Parent has the power to control directly or indirectly through other subsidiaries. The Company has and exercises control through its ownership of the majority of the subsidiaries' voting rights. The companies also considered subsidiaries are those in which the Company, being their single major shareholder, has the ability to appoint the majority of the members of their Board of Directors. The existence of potentially dilutive minority interests which are exercisable during the financial statements preparation is taken into consideration in order to assess whether the Company controls the subsidiaries.

Subsidiaries are consolidated (full consolidation) under the purchase method from the date of acquisition, which is the date on which control is transferred to the Group and cease to be consolidated from the date on which control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries. As of the acquisition date, the acquirer shall recognize goodwill arising from the acquisition that is measured as the excess of:

- the aggregate of: (i) the consideration transferred measured at fair value (ii) the amount of any non-controlling interest in the acquired company valued either at their fair value or the proportionate shareholding of the non-controlling interests, times the net recognizable assets of the acquired company; and (iii) in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquired company, less
- the net value of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill is annually tested for impairment, and the difference between its book and its recoverable value is recognized as an impairment loss in the period's results.

Acquisition-related costs are costs (i.e. advisory, legal, accounting, valuation and other professional or consulting fees) are recognized as expenses, burdening profit and loss for the period when incurred.

The opposite case, which is a business combination in which the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed, exceeds the consideration-transferred amount then the transaction is characterized as a bargain purchase. Following all the necessary reexaminations, the excess amount of the aforementioned difference is recognized as profit in profit or loss for the period.

Intracompany transactions, balances, and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction offers impairment indications of the asset transferred.

Where necessary, the subsidiaries' accounting policies have been modified to ensure consistency with those adopted by the Group. Note 2, provides a full list of the consolidated subsidiaries alongside the Group's shareholdings.

Subsidiaries' financial statements preparation date coincides with the relevant date of the Parent Company.

4.1.2 Investments in Subsidiaries (Separate Financial Statements)

The investments of the Parent Company in its subsidiaries are measured at cost less impairment losses. Impairment test is performed based on the requirements of IAS 36.

4.1.3 Changes in a parent's ownership interest in subsidiaries

In case of changes in a parent's ownership interest in a subsidiary, it is examined whether the changes result in a loss of control or not.

- Changes in a parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). In such circumstances, the carrying amounts of the controlling and non-controlling interests shall be adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received shall be recognized directly in equity and attributed to the owners of the parent.
- In case the parents' ownership interest changes in such a way that there is loss of control, then the parent shall record the necessary accounting entries and recognize the result from the sale (derecognition of the assets, goodwill and liabilities of the subsidiary as of the date of loss of control, derecognition of the book value of non-controlling interests, determination of the result from the sale). Following the loss of control of a subsidiary, any investment in the former subsidiary is recognized according to the requirements of IFRS 9.

4.1.4 Non-controlling Interest

Non-controlling interests are the part of the subsidiary that is not attributed, directly or indirectly, to the parent company. The losses that relate to the non-controlling interests of a subsidiary might exceed the rights of the non-controlling interests in the parent company's equity. The profit and loss and the total comprehensive income must be attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

4.1.5 Associates

Associates are the companies on which the Group has significant influence but not control. The assumptions used by the Group are that a shareholding between 20% and 50% of the voting rights of a company indicates significant influence on that company except where it can clearly be proved otherwise. Investments in associates are recognized at cost and are consolidated using the equity method.

At the end of every financial year, the cost increases or decreases with the Group's proportion in the changes in equity of the investee company. The Group's share in the associates' profits or losses following their acquisition is recognized in the Income Statement whereas the change in the associates' reserves is recognized in equity reserves. When the Group's shareholding in the losses of an associate is equal or exceeds the cost of its investment in the associate including any other doubtful debts, the Group does not recognize further losses except if it has covered liabilities or made payments on behalf of the associate and those deriving from its shareholder capacity. If in the future the associate presents profits, the investor will begin to re-recognize its share in the profit, only when its share in the profits becomes equal with its share in the losses not recognized.

Non-realized profits from transactions between the Group and its associates are eliminated by the Group's shareholding in the associates. Non-realized losses are eliminated except if the transaction indicates evidence of impairment of the transferable assets.

The associates' accounting principles are consistent with the accounting principles adopted and applied by the Group. The preparation date of the associates' financial statements coincides with that of the Parent.

4.1.6 Investments in Associates (Separate Financial Statements)

Investments in associates in the separate Financial Statements are measured at fair values according to IFRS 9 provisions for the assets available for sale. The investments are initially recognized at fair value and any change in their fair value is recognized directly in equity to the extent that the change does not pertain to any loss from permanent impairment in the investment's value. As of 31/12/2018, the Company did not have any investments in associates.

4.1.7 Investment in joint arrangements

"Joint Arrangements" are classified as either a joint venture or a joint operation depending upon the rights and obligations of the parties to the arrangement.

Interests in joint ventures- under the equity method – are initially recognized at acquisition cost and then adjusted to the Group's percentage on the profit or loss and other comprehensive income of joint ventures. When the extent of the Group participation in joint venture losses equals or exceeds its interest in this joint venture, the Group does not recognize further losses, unless it has incurred obligations or advanced payments on behalf of the joint venture.

Unrealized gains on transactions between the Group and joint ventures are eliminated to the extent of the interest in joint ventures. Moreover, unrealized losses are also eliminated, unless there is evidence for the impairment of the transferred asset.

Moreover, regarding its interests in Joint Arrangements, the Group recognizes the following in its consolidated financial statements:

a) its assets (including its share in any assets under joint arrangement),

b) its liabilities (including its share in any liabilities burdening it under joint arrangement),

c) its share in revenue from disposal of production under joint arrangement, and

d) its expenses (including its share in any expenses burdening it under joint arrangement).

4.2 Financial Instruments

A financial instrument is defined as an agreement creating either a financial asset in a company and a financial liability, or, a shareholding in another company.

4.2.1 Initial Recognition and Derecognition

Financial asset or financial liability are recognized in the Statement of Financial Position, when and only when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability (or part of it) is derecognized from the Statement of Financial Position, when and only when the contractual liability is extinguished, discharged, cancelled or expires.

4.2.2 Classification and measurement of financial assets

Except for those trade receivables that do not contain a significant financial component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initial measured at fair value adjusting for transaction costs except for financial assets measured at fair value through profit and loss.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories :

a. Amortized cost

b. Fair value through profit and loss, and

c. Fair value through other comprehensive income

The classification is determined by both the entity ‘s business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognized in profit or loss are presented within the items “Other financial results”, “Financial expenses” and “Financial income”, except for impairment of trade receivables which is presented within operating expenses.

4.2.3 Subsequent measurement of financial assets

Financial asset is subsequently measured at fair value through profit and loss, amortized cost or fair value through other comprehensive income. The classification is based on both criteria:

i. the entity ‘s business model for managing the financial asset, meaning, whether the objective is to hold for the purpose of collecting contractual cash flows or collecting contractual cash flows as well as the sale of financial assets, and,

ii. whether the contractual cash flows of the financial asset consist exclusively of capital repayments and interest on the outstanding balance (“SPPI” criterion).

The measurement category at amortized cost includes non-derivative financial assets like loans and receivables with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortized cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

For financial assets measured at fair value through other comprehensive income, changes of fair value are recognized in the Statement of Comprehensive Income and reclassified in Income Statement upon derecognition of the financial instruments.

For financial assets measured at fair value through profit and loss are measured at their fair value and changes of fair value recognized in gains or losses of Income Statement. The fair value of these instruments is determined by reference to active market transactions or using a valuation technique where no active market exists.

4.2.4 Classification and measurement of financial liabilities

The Group’s financial liabilities include mainly bank loans and Bond Loans. Borrowings are initially measured at cost, i.e. at the amount of the cash received minus the cost of issuance. They are then measured at amortized cost under the effective rate method. Loans are classified as short term liabilities unless the Group maintains the absolute right to transfer the settlement of liabilities for at least 12 months after the Financial Statements reporting date.

Financial liabilities may be classified upon initial recognition at FVTPL, if the following criteria are met.

(a) The Classification reverses or reduces significantly the accounting mismatch effects that would emerge if the liability had been measured at amortized cost.

(b) These liabilities belong to a group of liabilities, being managed or evaluated with respect to their performance, based on fair value, according to the Group’s financial risks management strategies.

(c) A financial liability contains an embedded derivative, classified and measured separately.

Convertible Bond Loans

The Group classifies a financial instrument it issued under equity or liabilities depending on the instrument's contractual terms. Convertible bond loans are divided in two parts: on the one hand, the financial liability, and on the other, the equity component regarding the option the holder is granted to convert the bond into common shares of the Company.

The financial liability is initially measured at present value of any future payments the Group has assumed regardless of bond holders' exercising any option. The discount rate used is the market rate in effect on the issuing date for a similar loan, excluding the embedded conversion option. Subsequently, the liability is measured either at amortized cost by the effective rate method or at the fair value according to the specific characteristics of each CBL. The interest derived from bond loans is included in the 'Financial expenses' account.

The residual value between the net product of issue and the present value of the financial liability, after subtracting the corresponding income tax is directly credited to equity.

In case that the rule "fixed for fixed" of IAS 32 is not qualified, the convertible bond loan constitutes as a whole a compound financial instrument and as a whole (both the element of the loan and the incorporated derivative in the form of conversion option) is classified as a financial liability.

Disposal of convertible bonds of the Company after their issue by companies of the Group is accounted for in the consolidated financial statements in a wat related to the initial issue of bonds.

4.2.5 Derivative Financial Instruments and Hedging

The Group uses derivative financial instruments such as Forward Rate Agreements, Interest Rate and Currency Swaps and other derivatives in order to hedge against interest rate and exchange rate fluctuations.

The Group classifies its derivatives as held for hedging purposes. The Group uses derivatives for hedging risks deriving from changes in interest rates, changes in share prices and exchange rates and fuel. The Group applies fair value hedging or cash flow hedging which meet the relevant criteria. For derivatives that do not meet the criteria for hedge accounting, profits or losses deriving from changes in fair value are recognized in profits or losses for the period.

Hedging relationship for which hedge accounting is required exists in the following cases:

a. there is an economic relationship between the hedged item and the hedging instrument,

b. the impact of credit risk does not dominate the price changes arising from this economic relationship, and

c. the offset ratio of the hedging relationship is the same as that arising from the amount of the hedged item that the entity actually offsets and the amount of hedging instrument that the entity actually uses for that hedging relationship. However, this relationship shall not reflect an imbalance between the weighted hedged item and the hedging instrument that could generate hedging ineffectiveness (whether it will be recognized or not), which would lead to recording an accounting result incompatible with the hedge accounting purposes.

The derivatives that are held for hedging are measured on each reporting date at fair value. The accounting treatment of changes in fair value depends on the type of hedge. For hedge accounting purposes, financial hedge is classified as either a fair value hedge, when the risk of a change in the fair value of a listed asset or liability is hedged, or as a cash flow hedge, when cash flow fluctuation is hedged, which night arise from a specific risk directly related to the asset or liability.

For fair value hedges that meet the criteria for hedge accounting, any profit or loss from the revaluation of the derivative at fair value is recognized in profit or loss in the Income Statement. Any profit or loss of the hedged instrument due to the hedged risk readjusts the book value of the hedged instrument and is recognized in the Income Statement.

In cash flow hedging transactions, gains or losses relating to the effective portion of the hedge and the portion, arising from changes in the fair value of the derivative financial instrument are recognized in other comprehensive income in a cash flow hedging reserves, while the ineffective portion of the hedge is recorded directly in the Income Statement.

Any gain or loss previously recognized in other comprehensive income is reclassified from equity to the Income Statement and is presented as an adjustment in other comprehensive income in the period in which a hedged item affects the results of the financial year. However, when a non-financial asset or liability is recognized as a result of a hedging transaction, the gain or loss previously recognized in other comprehensive income is included in the original measurement of the hedged item.

When a projected transaction is no longer expected to take place, any relevant gain or loss recognized in other comprehensive income is transferred directly to profit or loss. If the hedge relationship ceases to meet the provisions for effectiveness, the hedge accounting is discontinued and the related gains or losses are retained in the cash flow hedging reserves until the projected transaction is performed.

4.2.6 Fair Value Measurement Methods

The fair values of financial assets and liabilities that are traded in active markets are determined by the current bid prices without subtracting the transaction costs. As for non-traded financial assets and liabilities, the fair values are determined by the application of valuation techniques such as an analysis of recent transactions, comparable assets that are traded, derivative valuation models and discounted cash flows.

The Group uses generally accepted valuation methods for the measurement of fair values of ordinary instruments such as interest rate swaps and FX swaps. The data used is based upon relevant market measurements (interest rates, share prices, etc.) on the reporting date of the Statement of Financial Position. Valuation techniques are also used for the valuation of non-traded securities as well as for derivatives on nontrade securities. In this case, the techniques used are more complex and apart from market data, they include assumptions and estimates for the future cash flows of the security. The estimated future cash flows are based upon Management's best estimates and the discount rate used is the market rate for an instrument having the same attributes and risks.

In some cases, the valuations derived from the generally accepted methods for valuation of securities are adjusted to reflect factors which are taken into consideration by the market in order to value a security, such as business risk and marketability risk.

The method used to determine fair value for financial instruments that are valued using valuation models is described below. These models include the Group's assessment of the assumptions an investor would use in performing a fair value valuation and are selected based on the specific characteristics of each investment.

The Company, in accordance with the requirements of IFRS 9 at the end of each reporting period of the financial statements performs the calculations required in relation to the determination of the fair value of its financial instruments. Investments in listed shares in domestic and foreign stock exchanges are valued based on the quoted market prices for these shares. Investments in non-listed shares are valued based on generally accepted valuation models which sometimes incorporate data based on observable market inputs and sometimes are based on unobservable data.

4.2.7 Offsetting

Financial assets and liabilities are offset and the net amount is presented in the statement of Financial Position when the Group has a legally enforceable right and intends to realize the asset and settle the liability simultaneously on a net amount basis.

Income and expenses are offset only if such an act is permitted by the standards or when they refer to gains or losses that arose from a group of similar transactions such as trading portfolio transactions.

4.3 Impairment of Assets

The Group as part of the impairment tests at the end of each financial year:

i) Identifies and assesses the condition of the Greek economy, but also the performance of a sample of companies in the relevant segment of each company,
ii) Collects, analyzes and monitors the information on previous performance, compared with the financial development of the companies at the end of each reporting period. The analysis of this data provides information in respect to achieving or not achieving the business objectives and indicates the trend regarding the results and the financial performance of the companies at the end of the annual reporting period.
iii) Examines the business conditions and the available information and estimates regarding future developments in the economy and financial trends.

Following standard practice, the Group retests the assumptions of the business plans on each interim reporting date of the financial statements, using as base the business plan drawn up at the end of the previous annual reporting period and which relates to subsequent financial periods with a five-year horizon.

4.3.1 Non-financial assets (goodwill, other intangible assets and tangible fixed assets)

For impairment measurement purposes, assets are classified into smaller groups of assets that can generate cash flows independently from other assets or Cash Generating Units of the Group (CGU). As result, certain assets are tested for impairment on their own while others at Cash Generating Unit level. Goodwill is allocated to such Cash Generating Units, from which it is expected that benefits will arise from synergies relating to business combinations, and which represent the smaller level within the Group, where the Management monitors goodwill.

Cash Generating Units, to which goodwill has been allocated, are subjected to impairment testing, at least on an annual basis. All other separate assets or Cash Generating Units are subject to impairment testing when events or changes in conditions indicate that their book value may not be recoverable.

An impairment loss is recognized for the amount where the book value of an asset or a Cash Generating Unit exceeds its recoverable amount, which is the highest between fair value less sale costs and value in use. In order to define value in use, the Management defines the estimated cash flows for every Cash Generating Unit, defining a suitable discount rate in order to calculate the current value of these cash flows. The data used for the impairment test arise directly from recent calculations, approved by the Management, suitably adjusted in order not to include future reorganizations and improvements of assets. Discount factors are defined separately for every Cash Generating Unit and reflect the corresponding risk elements, defined by the Management on an individual basis.

The Cash Generating Units' impairment loss firstly decrease the book value of goodwill, allocated to them. The remaining impairment loss is charged pro rata to the other assets of each Cash

Generating Unit. With the exception of goodwill, all assets are subsequently reassessed for indications that the previously recognized impairment loss no longer exists. An impairment loss is reversed if the recoverable amount of a Cash Generating Unit exceeds its carrying value.

4.3.2 Financial Assets

The Group and the Company recognize impairment provisions for expected credit losses of all financial assets except for those measured at fair value through profit and loss.

The purpose of IFRS 9 's impairment requirements is to recognize expected credit losses over the financial asset 's lifetime, whose credit risk has raised after initial recognition, regardless if the assessment is at a collective or standalone level, using all information which can be collected, based on both historical and current data as well, but also data in respect of reasonable and supportable forecasts.

In applying the above mentioned approach a distinction is made between:

o financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1')
o financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2'), and
o financial instruments that have objective evidence of impairment at the reporting date. (Stage 3).

For financial instruments of Stage 1 12-month expected credit losses' are recognized while for financial assets of Stage 2 or Stage 3 expected credit losses' are recognized over their lifetime.

Credit losses are defined as the difference between all the contractual cash flows that are due to and the cash flows that actually expect to be received by the Group or the Company. This difference is discounted at the original effective interest rate of financial asset.

The Group and the Company apply the simplified approach of this Standard for assets instruments from contracts, trade receivables and leases receivables by calculating the expected credit losses over the lifetime of abovementioned instruments. In this case, the expected credit losses reflect the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating the expected credit losses, the Group uses a provision matrix in which the above mentioned financial instruments have been grouped in regard of balances' nature and ageing and by taking into account available historical data in respect of the debtors, adjusted with future factors related to debtors and financial environment.

4.4 Conversion into Foreign Currency

The consolidated financial statements are presented in Euro, which is the functional currency and the Group's reporting currency.

(a) Foreign Operations

The assets and liabilities in the financial statements, including goodwill and fair value adjustments due to business combinations, of the foreign subsidiaries, are converted into Euro by using the exchange rates applicable on the Statement of Financial Position reporting date. Revenues and expenses have been converted into the Group's reporting currency by using the average exchange rates prevailing during the financial year. Any differences arising from the said procedure have been debited / (credited) to the "FX translation reserve" account of the subsidiaries' while it's recognized in other income in the Statement of Comprehensive Income. Upon selling, elimination or derecognition of a foreign subsidiary the above FX translation reserve is transferred to the Income Statement of the period.

(b) Transactions in Foreign Currency

Foreign currency transactions are converted into the functional currency by using the exchange rates applicable on the date when the said transactions were performed. The monetary assets and liabilities which are denominated in foreign currency are converted into the Group's functional currency on the Statement of Financial Position reporting date using the prevailing exchange rate on that day. Any gains or losses due to translation differences that result from the settlement of such transactions during the period, as well as from the conversion of monetary assets denominated in foreign currency based on the prevailing exchange rates on the Statement of Financial Position reporting date, are recognized in the Income Statement.

The non-monetary assets which are denominated in foreign currency and which are measured at fair value are converted into the Group's functional currency using the prevailing exchange rate on the date of their fair value measurement. The FX translation differences from non-monetary items measured at fair value are considered as part of the fair value and thus are recorded in the same account as the fair value differences. In the case where currency risk is effectively hedged for nonmonetary assets that are valued as available for sale, the part of the change in their fair value which is attributed to currency fluctuations is recognized in the Income Statement for the reporting period.

Gains or losses deriving from transactions in foreign currency as well as from the end of period valuation of monetary assets, denominated in foreign currency, which meet the criteria for cash flow hedges are recognized in other comprehensive income and cumulatively in equity.

4.5 Tangible Fixed Assets

Tangible fixed assets are recognized in the financial statements at cost, less accumulated depreciation and any potential impairment losses. The acquisition cost includes all direct costs stemming from the acquisition of the assets.

Subsequent expenses are recorded as an increase in the book value of tangible assets or as a separate asset only to the degree that the said expenses increase the future financial gains anticipated from the use of the fixed asset and their cost can be measured reliably.

The cost of repair and maintenance works is recognized in the Income Statement when the said works are realized.

The depreciation of tangible fixed assets (excluding land, which is not depreciated) is calculated based on the straight-line method over their estimated useful life as follows:

Tangible assets	Useful life (in years)
Buildings	50-60
Building facilities	11
Machinery and other equipment	10-20
Vehicles	5-16
Passenger vessels	35
High speed vessels - catamaran	25
Hydrofoil-flying dolphins	15
Vessels additions and improvements	5
Port facilities	10
Other equipment	3-10

The residual value and the useful life of each asset are re-assessed at the end of every financial year.

In the context of acquisition of HSW as at 31/05/2018 and the harmonization of the accounting estimates of the Group, the Management reassessed the useful lives of all vessels taking into account paragraphs 56-57 of IAS 16 "Property, plant and Equipment" as well as the current reality regarding the useful life of a vessel, in particular its technical characteristics, level of maintenance, maintenance practice traditionally applied by ATTICA group, and the vessel's activity plan. The useful life of conventional vessels was set at 35 years versus 30 years, while regarding speedboats and dolphins – at 25 and 15 years respectively. The Management estimates that the change in the accounting estimate is reasonable and is within the framework of the competition. The positive effect from the above change, recorded in the Income Statement of the Group for FY 2018, stood at to € 4,384k.

When the book values of the tangible fixed assets are higher than their recoverable value, then the difference (impairment) is recognized directly as an expense in the Income Statement. Upon sale of tangible assets, the differences between the sale price and their book value are recognized as profits or losses in the Income Statement.

4.6 Intangible Assets and Research & Development Activities

Intangible assets include mainly software licenses, rights, and trademarks. Furthermore, in the consolidated financial statements intangible assets are recognized at fair value which had not been previously recognized in the financial statements of the acquired companies.

An intangible asset is initially recognized at cost. The cost of an intangible asset which was acquired in a business combination is the fair value of the asset on the purchase date.

Following initial recognition, the intangible assets are measured at cost less accumulated amortization and any impairment loss. Amortization is recorded based on the straight-line method during the useful life of the said assets. With exception to some trademarks for which it was estimated that they have an indefinite useful life all other intangible assets have a finite useful life which is between 3 and 20 years. The period and method of amortization is redefined at least at the end of every reporting period.

(a) Software

The maintenance of software programs is recognized as an expense when the expense is realized. In the contrary, the costs incurred for improving or prolonging the return of software programs beyond their initial technical specifications, or respectively the costs incurred for the modification of the software, are incorporated in the acquisition cost of the intangible asset, only if they can be measured reliably.

(b) Trade Marks

Trademarks are measured at cost less their accumulated amortization and any impairment losses. Furthermore, trademarks are recognized at fair value based on the purchase price allocation (PPA) into the assets and liabilities of the acquired company.

The cost of trademarks includes initial set up expenses as well as expenses relating to their registration in Greece and abroad.

(c) Customer Relations

Customer relations are measured at fair value based on the Purchase Price Allocation of the assets and liabilities of the acquired company.

(d) Licenses

Licenses are recognized at fair value based on the allocation procedures regarding the consideration effective under acquisition of assets and liabilities of acquirers. Licenses recognized when allocating acquisition costs have indefinite useful life and are tested for impairment in every reporting period.

(e) Products Research and Development (R&D) cost

The research cost is recognized as an expense in the Statement of Comprehensive Income upon its realization. Development costs are incurred mainly for the development of new products and software development. The R&D costs are recognized as intangible assets only when the provisions of IAS 38 "Intangible assets" are met. Development costs which were recorded in previous periods as expenses are not recognized as intangible assets in a subsequent period, even if it arises that the particular software development will bring future economic benefits.

(f) Industrial property rights

Industrial property rights include acquisition of copyrights for software sale and are measured at acquisition cost less amortization and potential impairment losses. Amortization is calculated under the straight line method within the duration of the assets useful life.

Below is a summary of the policies adopted regarding the useful life of the Group's intangible assets:

Intangible assets	Duration	Useful life (in years)
Brand / Trade names	Defined	10-20
Software	Defined	3-8
Research & development cost	Defined	4-8
Industrial property rights	Defined	5
Lease rights	Defined	Leasing period
Trade names: SingularLogic	Indefinite	-
Trade names: Blue Star Ferries, Superfast, Hellenic Seaways	Indefinite	-
Trade names: Delta, Vlachas, Milko, Vitaline, Advance, Life, Barba Stathis, Vereia, Fibella, Everest, La Pasteria, Goody's, Flocafe	Indefinite	-

4.7 Goodwill

Goodwill arises upon the acquisition of subsidiaries and associates.

Goodwill is the difference between the acquisition cost and the fair value of the assets, liabilities and contingent liabilities assumed of the acquired entity on the date of the acquisition. In the case where a subsidiary is acquired, goodwill is presented as a separate asset, whereas in the case of an associate acquisition, goodwill is included in the Group's investment in associates account.

On the date of acquisition (or on the date of completion of the purchase price allocation), the goodwill is allocated to the Cash Generating Units or to the group of Cash Generating Units which are expected to benefit from this business combination. Following the initial recognition, the goodwill is measured at cost less accumulated losses due to its impairment. Goodwill is not amortized, but is tested on a yearly basis or more regularly if events or changes in conditions indicate that there might be a possible impairment loss (please refer to Note 4.3.1 in respect of the procedures followed for a goodwill impairment test).

If part of a Cash Generating Unit, to which goodwill has been allocated, is sold, then the amount of goodwill corresponding to the sold part is included in the book value of the asset in order to calculate the profit or loss. The amount of goodwill apportioned to the sold part is assessed based on the relevant values of the part sold as well as on the remaining part of the Cash Generating Unit.

4.8 Investment Property

Investment property relates to investments in properties which are held (either through acquisitions or through leasing) by the Group, either to generate rent from its lease or for the increase in its value (increased capital) or for both purposes and are not held: a) to be used for production or distribution of raw materials / services or for administrative purposes; and b) for the sale as part of the company's ordinary activities.

Investment property is initially valued at purchase cost including transaction expenses. Subsequently, it is measured at fair value. Independent appraisers with adequate experience in the location and in the nature of investment properties measure the fair value.

The book value recognized in the Group's Financial Statements reflects the market conditions on the date of the reporting date of the Statement Financial Position. Every profit or loss derived from the fair value revaluations of the investment is recognized in the Income Statement for the period in which it has been recognized (for the result recognized in the Statement of Comprehensive Income for the presented period please refer to note 15).

Properties which are under construction or utilized in order to be used as investment properties in the future are included in investment properties account. In the case where the company is not in a position to measure the fair value of the property which is under construction, but expects to be in a position to measure its fair value upon completion, the investment property under construction will be measured at cost up to the time when it will be feasible to measure the fair value or when the construction will be complete.

Property transfers from investment property to fixed assets take place only when there is a change in the use of the said property which is proven by the Group's own use of the property or by the Group's commencement to develop this property for sale.

An investment property is derecognized (eliminated from the Statement of Financial Position) when it is sold, it is permanently retired or when the investment is not expected to generate future economic benefits from its sale. The profits or losses from the retirement or sale of investment properties are derived from the difference of the net proceeds from the sale and the book value of the asset and are recognized in the Income Statement for the period in which the asset was sold or withdrawn.

4.9 Inventory

Inventory is valued at the lowest price between cost and net liquidation value. The cost of finished and semi-finished products includes all costs incurred to obtain and process up to their current state and it includes raw materials, labor costs, general industrial expenses (based on normal operating capacity but excluding cost of debt) and packaging costs. The cost of raw material and of finished products is defined according to the average cost.

The net realizable value of finished and semi-finished products is the estimated selling price during the ordinary operations of the Group minus the estimated costs for their completion and the estimated costs for their sale. The net liquidation value of raw material is the estimated replacement cost during the Company's ordinary operations. A provision for slow-moving or impaired inventories is formed when necessary.

4.10 Leases

Finance leases

Finance leases of fixed assets where all the risks and rewards related to the ownership of an asset have been transferred to the Company or the Group, are capitalized at the start of the lease at the asset's fair value or if it is lower, at the present value of the minimum lease payments. The finance lease payments are apportioned to the financial expenses and the decrease of financial liability in order to achieve a fixed interest rate in the remaining balance of the liability. The financial expenses are recognized in the Income Statement. The capitalized leased assets are depreciated based on the shortest period between the expected useful life of the asset and the duration of the lease.

Operating Leases

Leases where the lessee maintains all the risks and benefits of owning the asset are recognized as operating lease payments. The operating lease payments are recognized as an expense in the Income Statement on a constant basis during the lease term.

Sale and leaseback

For sale and leaseback transactions which constitute finance leases, any positive difference from the sale of the asset with respect to its book value is not recognized immediately as income from the Company but is rather recognized as deferred income in the financial statements which is amortized over the lease's duration.

If the fair value of the asset during its sale and leaseback is lower than its book value, then the loss derived from the difference between the book value and the fair value is not immediately recognized, except if the asset is impaired in which case the asset's book value is decreased to its recoverable value according to IAS 36.

4.11 Cash, Cash Equivalents and Restricted Deposits

Cash, cash equivalents and restricted deposits include cash in hand, sight deposits, term deposits, bank overdrafts and other highly liquid investments that are directly convertible into particular amounts of cash equivalents which are not subject to significant value change risk. They also include separately the Group's and the Company's blocked deposits.

For purposes of preparing the consolidated Statement of Cash Flows, cash and cash equivalents consist of cash in hand, bank deposits as well as cash equivalents as defined above.

4.12 Share Capital and Treasury Shares

The share capital is defined according to the nominal value of the shares issued by the Company. A share capital increase by cash payment includes every share premium at the initial share capital issuance.

(a) Share capital increase expenses

Expenses directly related to a share capital increase are shown subtracted from equity after deducting tax.

(b) Dividends

Shareholders dividends are recognized as a liability within the financial year approved by the General Meeting of the Company's Shareholders.

(c) Treasury shares

Parent company shares owned by the Parent or its subsidiaries are recognized at acquisition cost, are included in the 'Treasury Shares' account and are subtracted from the Parent Company's equity until they are cancelled, reissued or resold. Treasury share acquisition cost includes transaction expenditures, after excluding the corresponding income tax. The Parent Company's treasury shares do not reduce the number of outstanding shares; they do, nevertheless, affect the number of shares included in the earnings per share calculation. The Parent Company's treasury shares are not entitled to a dividend. The difference between the acquisition cost and the final price from reselling (or reissuing) the treasury shares is recognized in equity and is not included in the net result for the financial year. On 31/12/2018, the Group did not hold any treasury shares.

4.13 Income Tax and Deferred Tax

The income tax charge includes current taxes, deferred tax and the differences of preceding financial years' tax audits.

Current income tax
Current tax is calculated based on the tax statements of Financial Position from each one of the companies included in the consolidated Financial Statements, according to the tax laws applicable in Greece or other tax regulations applicable for foreign subsidiaries. The income tax expense includes income tax based on each company's profits as presented on their tax declarations and provisions for additional taxes and is calculated based on the dully or in principal constituted tax rates.

Deferred income tax
Deferred taxes are the taxes or the tax reliefs from the financial encumbrances or benefits of the financial year in question, which have been allocated or shall be allocated to different financial years by the tax authorities. Deferred income tax is determined under the liability method deriving from the temporary differences between the book value and tax base of assets and liabilities. There is no deferred income tax if it derives from the initial recognition of an asset or liability at a transaction, other than at a business combination, and the recognition did not affect either the accounting or the tax profit or loss.

Deferred tax assets and liabilities are measured in accordance with the tax rates in effect in the financial year during which an asset or a liability shall be settled, taking into account the tax rates (and tax regulations) which have been or are effectively in force until the Statement of Financial Position reporting date. In case where it is not possible to clearly determine the time needed to reverse the temporary differences, the tax rate applied is the one in force in the day after the Statement of Financial Position reporting date.

Deferred tax assets are recognized when there is taxable income and a temporary difference which creates a deferred tax asset. Deferred tax assets are re-examined on each reporting date and are decreased to the extent where there won't be sufficient taxable income to allow the utilization of the benefit as a whole or in part of the deferred tax asset.

Deferred income tax is recognized for the temporary differences derived from investments in subsidiaries and associates, except in the case whereby the temporary differences reversal is controlled by the Group and is probable that the temporary differences will not be reversed in the foreseeable future.

Most changes in the deferred tax assets and liabilities are recognized as part of the tax expenses in the Income Statement for the financial year. Only those changes in assets and liabilities which affect the temporary differences are recognized directly in the Group's equity resulting in the relative change in deferred tax assets or liabilities to be recognized in equity.

Profits from shipping activities
According to Law 27/1975, Article 6, shipping companies under a Greek flag pay tax for their vessels irrespective of whether they have profits or losses based on gross registered tonnage. In essence, this is income tax which is readjusted according to the aforementioned law provisions.

By the payment of the aforementioned tax, every liability relating to income tax from shipping activities is settled. In this case, a permanent difference is created between accounting and taxable income, as a result the difference is not taken into account in the calculation of deferred tax.

Profits from non-shipping activities
In this case we calculate the total income by adding the income from non-shipping activities. Non-vessel expenses are allocated based on the gross registered tonnage of each vessel.

The amount of profits that results from the above apportionment and relates to non-shipping activities is taxed according to the general tax regulations.

4.14 Government grants

Government grants related to grants for assets are recognized at fair value when there is reasonable assurance that the grant will be received and that all the relevant conditions attached will be met.

These grants are recognized as deferred income, which is recognized in the profits or loss of each reporting period in equal instalments based on the useful life of the asset after deducting all related depreciation expenses.

Grants relating to expenses are recognized after deducting all the relevant expenses during the period required for their systematic correlation with subsidized expenses.

4.15 Employee Benefits

Short-term Benefits: Short-term benefits to personnel (except for termination of employment benefits) in cash and in kind are recognized as an expense when considered accrued. Any unpaid amount is recognized as a liability, whereas in case the amount already paid exceeds the benefits' amount, the entity identifies the excess as an asset (prepaid expense) only to the extent that the prepayment shall lead to a future payments' reduction or refund.

Retirement Benefits: Benefits following termination of employment include lump-sum severance grants, pensions and other benefits paid to employees after termination of employment in exchange for their service. The Group's liabilities for retirement benefits cover both defined contribution plans and defined benefit plans.

The defined contribution plan's accrued cost is recognized as an expense in the financial year where it relates. Pension plans adopted by the Group are partly financed through payments to insurance companies or state social security funds.

(a) Defined Contribution Plan
Defined contribution plans pertain to contribution payment to Social Security Organizations and therefore, the Group does not have any legal obligation in case the Fund is incapable of paying a pension to the insured person. The employer's obligation is limited to paying the employer's contributions to the Funds. The payable contribution by the Group in a defined contribution plan is identified as a liability after the deduction of the paid contribution, while accrued contributions are recognized as an expense in the Income Statement.

(b) Defined Benefit Plan (non-funded)

Under Laws 2112/20 and 4093/2012, the Company must pay compensation upon retirement or termination to its employees. The amount of compensation paid depends on the years of service, the level of wages and the way of leaving service (dismissal or retirement). The entitlement to participate in these plans is usually based on years of service of the employee until retirement.

The liability recognized in the Statement of financial Position for defined benefit plans is the present value of the liability for the defined benefit less the plan assets' fair value (reserve from payments to an insurance company), the changes deriving from any actuarial profit or loss and the service cost. The defined benefit commitment is calculated on an annual basis by an independent actuary through the use of the projected unit credit method. Regarding FY 2018, the selected rate follows the tendency of iBoxx AA Corporate Overall 10+ EUR indices, which is regarded as consistent with the provisions of IAS 19, i.e. is based on bonds corresponding to the currency and the estimated term relative to employee benefits as well as appropriate for long-term provisions.

A defined benefit plan establishes, based on various parameters, such as age, years of service and salary, the specific obligations for payable benefits. Provisions for the period are included in the relative staff costs in the accompanying separate and consolidated Income Statements and comprise of the current and past service cost, the relative financial cost, the actuarial gains or losses and any possible additional charges. Regarding unrecognized actuarial gains or losses, the revised IAS 19 is applied, which includes a number of changes to accounting for defined benefit plans, including:

- recognition of actuarial gains/losses in other comprehensive income and their permanent exclusion from the Income Statement,
- non-recognition of the expected returns on the plan investment in the Income Statement but recognition of the relative interest on net liability/(asset) of the benefits calculated based on the discount rate used to measure the defined benefit obligation,
- recognition of past service cost in the Income Statement at the earliest between the plan modification date or when the relative restructuring or terminal provision are recognized,
- other changes include new disclosures, such as quantitative sensitivity analysis.

(c) Remuneration based on Equity Instruments

The Group grants remuneration to personnel through equity instruments. In particular, the Group grants to personnel, based on a stock option plan approved by the General Shareholders Meeting, stock options for the acquisition of Parent Company shares.
These benefits are settled through issuing new shares by the Parent Company, on condition that the employee fulfils certain vesting conditions linked to his/her performance and exercises his/her options.
Services rendered by employees are measured according to the fair value of the options granted on the grant date. The option's fair value is calculated by using a widely accepted option-pricing model and taking into account the share's closing price on grant date. The options' fair values, following their issue, are readjusted in case there is a modification in the plan in favor of the employees. The fair value of services rendered is recognized as an expense in the Income Statement by an equal credit in equity, in the share premium account. The relevant amount is proportioned throughout the vesting period and is calculated on the basis of the number of options set to be vest in each year.
During the exercise of the stock options, the net collected amount (after subtracting direct costs) is recognized in share capital (new shares nominal value) and in share premium (difference between the stock option exercise price and the share's nominal value).
As of 31/12/2018, there is no active stock option plan for the Group and the Company.

4.16 Provisions, Contingent Assets and Liabilities

Provisions are recognized when the Group has present legal or imputed liabilities as a result of past events; their settlement is possible through resources' outflow and the exact liability amount can be reliably estimated. The provisions are reviewed on the date of the Financial Statements and are adjusted accordingly to reflect the present value of the expense expected for the settlement of the liability. Restructuring provisions are identified only if there is a detailed restructuring plan and if Management has informed the affected parties on the plan's key points. When the effect of the time value of money is significant, the provision is calculated as the present value of the expenses expected to be incurred in order to settle this liability.

If it is no longer probable that an outflow will be required in order to settle a liability for which a provision has been formed, then it is reversed.

In cases where the outflow due to current commitments is considered improbable or the provision amount cannot be reliably estimated, no liability is recognized in the financial statements.

Contingent liabilities are not recognized in the financial statements but are disclosed except if the probability of an outflow, which encompasses economic benefits, is scarce. Possible inflows from economic benefits for the Group which do not meet the criteria of an asset are considered a contingent asset and are disclosed when the inflow of the economic benefits is probable.

4.17 Revenues-Expenses Recognition

Recognition and measurement of revenues from contracts with customers, the new Standard establishes a new model which includes a 5-step process.

1. Identifying the contract with a customer
2. Identifying the performance obligations.
3. Identifying the transaction price.
4. Allocating the transaction price to the performance obligations.
5. Recognizing revenue when/as performance obligation(s) are satisfied.

Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (value added tax, other taxes on sales). If the amount of consideration is variable, then the Group estimates the amount of consideration which will be entitled for transferring promised goods or services with the method of expected value or the method of most probable amount. Transaction price, usually, is allocated to the each performance obligations on the base of relevant stand-alone selling prices of promised contract, distinct good or service.

Revenues are recognized when the performance obligations are satisfied, either at a point in time (usually for obligations relevant to transfer of goods at a client) or over time (usually for obligations relevant to transfer of services to a client).

The Group recognizes a contractual obligation for amounts received from clients (prepayments) in respect of performance obligations which have not been fulfilled, as well when it retains right on an amount of consideration which is unreserved (deferred income) before the execution of contract ‘s performance obligations and the transfer of goods or services. The contractual obligation is derecognized when the performance obligations have been executed and the revenue has been recognized in Income Statement.

The Group recognizes trade receivable when exists an unconditional right to receive an amount of consideration for executed performance obligations of the contract to the client. Respectively the Group recognizes an asset from contracts when it has satisfied the performance obligations, before client ‘s payment or before become due the payment, for example when the goods or the services are transferred to the client before the Group ‘s right to issue the invoice.

Revenue recognition become as follows:

- **Sale of Goods:** The revenue from the sale of goods is recognized when the risks and benefits of owning the goods have been transferred to the buyer, usually after goods have been sent.
- **Income from franchising:** Fees from franchising relate to a subsidiary, which establishes and develops fast food stores and café bars through franchisees. These revenues were recognized in the period when they incur based on the duration of the contract.
- **Income from charters of vessels:** Income from charters of vessels is recognized when the passenger makes the voyage.

Revenues from governing grants from barren lines itineraries are recognized during the period they occur and included in Sales.

- **Revenue from chartering:** Revenues from chartering are recognized on an accrual basis, as stated in the charter agreement.
- **Income from sales of services on board of ships:** Group offer its services either directly to the customer or through contractors issuing upon completion the invoice or services rendered invoice. Revenue is recognized based on services rendered (accrual basis income).
- **Services provided under fixed price contracts / contracts with multiple performance obligations:** The Group makes contracts with customers for rendering of software maintenance services on a fixed price or other long-term construction contracts. These services are offered either combined with the sale of technological equipment (contracts with multiple performance obligations) or in different contracts.

  Customers have the obligation to pay in installments the price based on the contractual terms. In the occasion of multiple performance obligations contracts, the Group recognizes the deliverables according to the contract (services, equipment etc.) and allocates the price among them using the method of relevant fair value.

  During the adoption of IFRS 15, in the cases of multiple performance obligations contracts the individual performance obligations are defined from inception and in continuance the transaction price is allocated in accordance with the individual transaction prices of the performance obligations that have been recognized. Revenue from software maintenance services provided is recognized over time and the proportion of hours spent in current period to the total hours as prescribed to be spent in accordance with the contractual terms.

  Revenue recognition over time based on the measurement of progress to the full completion of a performance obligation it depends on estimates related with the total inflows required for the accomplishment of performance obligation (e.g. overall budgeted contractual cost). In occasions where the Group cannot fairly measure the outcome of a performance obligation (e.g. during the initial stages of a contract) it proceeds with an estimate of the outcome to the extent that the cost incurred is supposed to be recovered, while cost is recognized in the income statement of the period incurred.
- **Income from rentals:** Revenue from operating leases of the Group's investment properties is recognized gradually during the lease.
- **Interest and Dividend income**: Interest income is recognized using the effective rate method which is the rate which is accurately discounts estimated future cash flows to be collected or paid in cash during the estimated life cycle of the financial asset or liability, or when required for a shorter period of time, with its net book value.
  Dividends are recognized as income upon establishing their collection right.
- **Revenues from discontinued operations**
  - **Revenue from provision of health services:** The Group provides health services both to private patients - customers and to patients - customers covered by the collaborating pension funds and insurance organizations. In particular, the main insurance fund the Group collaborates with is E.O.P.Y.Y. It is worth noting that, the Group has entered into agreements through which patients are fully or partially covered with respect to their expenses (pre-agreed fee) regarding specific operations. The insurance funds the Group collaborates with are domestic and foreign insurance companies. The core services of the

Group included fees for medical services and hospitals, health and pharmaceutical equipment. Revenue was calculated according to the approved pricelists per contractor (E.O.P.Y.Y. individuals, insurance companies) and was recognized during the period when the services were rendered based on the amounts expected to be received by the counterparties.

- **Revenues from hotel management:** Income from hotel management is recognized after deducting value added tax, service rights, other taxes and discounts during the period when the services are rendered.

- **Expenses:** Expenses are recognized in profit or loss in the period on an accrual basis. Payments made under operating leases are transferred to the Income Statement as an expense at the time of use of the leased asset.

  The interest expense is recognized on an accrual basis.

4.18 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which will require considerable time until the asset is ready for the suggested use or disposal, form part of the acquisition cost of that asset until the asset it ready for the suggested use or disposal. In other cases, the borrowing costs burden profit or loss of the period when incurred.

4.19 Profit or loss from discontinued operations

A discontinued operation is a component of the Group that is either disposed of or classified as held for sale and

- represents a separate major line of business or geographical area of operations,
- is part of a unified, coordinated disposure plan for a large part of business or geographical area of operations or
- is a subsidiary acquired exclusively with a view to be resold.

Profit or loss from discontinued operations, including profit or loss of the comparative period are presented as a separate line in the Income Statement. This amount constitutes the after tax results of discontinued operations and after-tax profit or loss resulting from the valuation and disposal of the assets classified as held for sale (please refer to Note 7).

The disclosures of discontinued operations of the comparative period include disclosures for earlier periods presented in Financial Statements so that the disclosures relate to all the operations that have been discontinued until the last date of the latest period presented. In cases where operations, previously classified as discontinued operations, are now continuing operations, disclosures of the prior periods are adjusted accordingly.

4.20 Earnings per share

Basic earnings per share (Basic EPS) are calculated by dividing the profit after tax that is attributable to the shareholders of the parent company with the weighted average number of ordinary shares outstanding during the period, excluding the average number of ordinary shares acquired as treasury shares.

Diluted earnings per share are calculated by dividing the profit after tax that is attributable to the shareholders of the parent company (after adjusting for the post tax interest expense of the convertible securities) with the weighted average number of ordinary shares during the period (adjusted for diluted shares).

The weighted average number of ordinary shares outstanding during the accounting period as well as during all presented accounting periods is adjusted in relation to the events that have altered the number of outstanding ordinary shares without the corresponding alteration of the resources.

4.21 Operating segments

The Company's BoD is the main corporate body responsible for business decision-making. The BoD reviews all of the internal financial reports in order to assess the Company's and Group's performance and resolve upon the allocation of resources. The Management has set the operating segments based on the said internal reports. The BoD uses different criteria in order to assess the Group's activities which vary according to the nature of each segment, taking into consideration the risks involved and their cash requirements.

MIG's operating segments are defined as the segments in which the Group operates and on which the Group's management information systems are based.

It should be noted that due to the aggregation criteria and the nature of MIG's activities (buyouts and equity investments) some of the subsidiaries present or may present similar performance on a long-term basis as if they were operating in the same segment and hence are aggregated and considered as one operating segment. For the segmentation, the following have been taken into consideration:

- the nature of the products and services;
- the type of customer for the products and services;
- the methods used in distributing products and services;
- the regulatory framework; and
- the potential risks involved.

Following the application of IFRS 8 and based on the Management's approach have been identified five operating segments. The operating segments of the Group and the main consolidated companies (subsidiaries and associates) per presented operating segment are presented below:

- **Food and Dairy** (VIVARTIA)
- **Transportation** (MIG SHIPPING, ATTICA, MIG AVIATION 1, MIG AVIATION 2, ATHENIAN ENGINEERING)
- **IT and Telecommunications** (SINGULARLOGIC, TOWER TECHNOLOGY)
- **Financial Services** (MARFIN INVESTMENT GROUP, MIG AVIATION HOLDINGS, MARFIN CAPITAL) and
- **Private equity** (MIG LEISURE*, CTDC*, MIG REAL ESTATE SERBIA, RKB, MIG ENVIRONMENT, MIG MEDIA)

* The results of MIG LEISURE and CTDC are presented in discontinued operations.

4.22 Non-current assets classified as held for sale and Discontinued Operations

The Group classifies a long-term asset or a group of long-term assets and liabilities as those held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The basic requirements in order to classify a long-term asset or group of assets as held for sale is that the asset (or group of assets) must be available for sale in its present condition while the sale should be subject only to terms that are usual and customary for sales of such assets, and must also be highly probable.

For the sale to be highly probable, all of the following are to apply:

- management must be committed in relation to a plan to sell the asset or the group of assets,
- a process to identify a buyer and complete the transaction has to be initiated,
- the asset or group of assets under disposal must be offered for sale at a price that is reasonable compared to the concurrent market value of such assets,
- the sale must be expected to be completed within one year from the date of classification of the asset or group of assets as assets held for sale, except for specific exceptions, and
- the actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Immediately before the initial classification of the asset (or group of assets and liabilities) as held for sale, the carrying amount of the asset (or group of assets and liabilities) will be measured in accordance with applicable IFRS.

Long-term assets (or group of assets and liabilities) classified as held for sale are measured (after the initial classification as mentioned above) at the lower of their carrying amounts and fair values less costs to sell and the impairment losses are recorded in the Income Statement. Any increase in fair value under a subsequent valuation is recorded in the Income Statement but not for an amount exceeding the cumulative impairment loss that had been initially recognized.

Starting from the date a long-term asset (or group of assets) is classified as held for sale, depreciation is not recognized on such asset. As at 31/12/2018, the Group had not classified long-tern assets or disposal assets groups in this category (see Note 7).

5 SIGNIFICANT ACCOUNTING ESTIMATES AND MANAGEMENT ASSESSMENT

The composition of the Financial Statements in accordance with the International Financial Reporting Standards (IFRS) requires the Management to make judgments, estimates and assumptions which affect assets and liabilities, contingent receivables and liabilities disclosures as well as revenue and expenses during the periods presented.

In particular, amounts included in or affecting the financial statements, as well as the related disclosures, are estimated through making assumptions about values or conditions that cannot be known with certainty at the time of preparation of the financial statements and therefore actual results may differ from what has been estimated. An accounting estimate is considered significant when it is material to the financial position and income statement of the Group and requires the most difficult, subjective or complex judgements of the management.

Estimates and judgments of the Management are based on past experience and other factors, including expectations for future events that are deemed to be reasonable in the circumstances, and are constantly reassessed on the basis of all available information. The Group assesses such estimates on an ongoing basis, based on historical results and experience, holding meetings with experts, trends and other methods that are considered reasonable in the circumstances, as well as projections regarding their potential change in the future.

(1) Business Combinations

At initial recognition, the assets and liabilities of the acquired business are included in the consolidated Financial Statements at their fair value. Upon fair values measurements, the Management makes estimates on future cash flows; however, actual results may differ. Any change in the measurement after the initial recognition will affect the measurement of goodwill. Details on the acquired assets and liabilities are analyzed in Note 6.

(2) Estimates when calculating value under Cash Generating Units (CGU)

The Group conducts a related impairment test of investments in subsidiaries and associates whenever there is evidence of impairment in accordance with the provisions of IAS 36. If it is established that there are reasons for impairment, it is necessary to calculate value in use and fair value less costs to sell regarding every CGU. Recoverable amounts of CGUs are determined for impairment tests purposes, based on the value in use calculation, which requires making estimates.

For the purpose of calculating value in use, estimated cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money as well as the risks associated with particular CGU. Calculation uses cash projections based on business-approved business plans. These business plans and cash flow projections usually cover a five-year period. Cash flows beyond the period when projections are available are projected at the estimated growth rates. The key assumptions used to determine the recoverable amount of various CGUs and sensitivity analyzes are reported in Note 10 to the Financial Statements.

(3) Goodwill Impairment tests and Intangible Assets with Indefinite useful

The Group carries out the relevant impairment test on goodwill and intangible assets with indefinite useful life derived from subsidiaries and associates, at least on an annual basis or in case of an indication for impairment, according to IAS 36. In order to determine whether there is impairment evidence, the value in use as well as the fair value less the sale cost of the business unit must be calculated. Usually, methods such as present value of estimated cash flows are used along with valuations based on similar transactions or companies trading in active markets and the stock quotation. For the application of these methods, the Management is required to use information such as the subsidiary's forecasted future profitability, business plans as well as market data such as interest rates etc. (for further information please refer to notes 10 and 38 to Financial Statements).

(4) Impairment of Tangible Assets

Tangible assets are tested for impairment in case of events or changes in the circumstances suggesting that the accounting value may not be recoverable. In order to estimate the current value in use, the Management estimates future cash flows arising from the asset or cash generating unit and chooses the suitable discount rate in order to estimate the present value of the future cash flows (further information is provided in Note 9).

(5) Depreciated Assets Useful Life

The Management examines the useful life of depreciated assets every financial year. On 31/12/2018, the Management estimates that the useful lives represent the anticipated remaining useful life of the assets.

(6) Estimation of Fair Value of Financial Instruments

The calculation of the fair value of financial assets and liabilities for which there are no public market prices, requires the use of specific valuation techniques. The measurement of their fair value requires different types of estimates. The most important estimates include the assessment of different risks to which the instrument is exposed to such as business risk, liquidity risk etc., and the assessment of the future profitability prospects in the case of equity securities valuation.

(7) Measurement of expected credit losses

Impairment of financial assets is based on assumptions regarding default risk and percentages of expected credit losses. In particular, the Group's Management applies judgments under selecting such assumptions, as well as under selecting the inflows for the our poses of calculating

impairment, based on the historical data, the current market conditions and the projections for the future financial sizes at the end of the reporting period.
Regarding contractual assets, trade receivables and leases, the simplified approach of IFRS 9 is applied, calculating the expected credit losses over the life of those items using a table of projections. This table is based on historical data but is adjusted in such a way that it should reflect the projections for the future economic environment. The correlation between the historical data, the future financial conditions and the expected credit needs making significant estimates. The amount of expected credit losses depends to a large extent on changes in the circumstances and the projections of the future financial conditions. Moreover, historical data and projections for the future may not lead to conclusions indicative of the actual amount of default on customer liabilities in the future (further information is provided in Notes 4.3.2 and 19).

(8) Derivatives Fair Value assessment and Hedge Accounting

The Group uses derivatives to manage a series of risks including risks relevant to interest rates, foreign currency and prices of goods. In order to assess the effectiveness of a hedging procedure, the Group is required to firstly state its hedging strategy and then to assess that the hedge will be effective throughout the duration of the hedging instrument (derivative). See further information on derivatives in Note 28.

(9) Provision for Income Tax

The provision for income tax based on IAS 12 is calculated by estimating the taxes to be paid to tax authorities and includes the current income tax for every financial year and a provision for additional taxes that might emerge in tax audits.

The Group's companies are subject to various income taxation legislations. To determine the total provision for income tax, as presented in the Statement of Financial Position, significant estimates are required. For specific transactions and calculations, the final tax determination is uncertain. The Group recognizes liabilities for the forecasted tax issues based on calculations as to the extent to which additional tax will arise. In cases where the final tax amount differs from what had been initially recognized, the differences affect the provisions for income tax and deferred tax for the period when it had been determined (for further information please refer to Note 42).

(10) Deferred Tax Assets on Taxable losses

A deferred tax asset is recognized for all unused taxable losses to the extent that it will be possible to have sufficient tax gains to be offset with taxable losses. In order to determine the amount of a deferred tax asset for recognition, significant judgments and estimates are required from the Group's Management, based on future tax profits combined with future tax strategies to be pursued (for further information please refer to Note 17).

(11) Fair Value Measurement of investment property

Estimates relating to fair value measurement of investment property are determined based on appraisal reports carried out by independent real estate appraisal firm, which assess the fair value of investment property according to international accepted appraisal methods. The most appropriate indication of fair value is the existing current values in an active market for relevant rental and other agreements. In case that the abovementioned information is not available, the value is determined through a range of reasonable estimates of fair values. In most cases, Discounted Cash Flows was assessed as the most appropriate valuation method, since the real estate properties are held by the Group for investment purposes and they are already leased or planned to be leased. Discounted cash flows models are based on reliable estimates of future cash flows, which derive from the lease terms of existing rentals and (where possible) from external data, such as current rentals for similar properties in the same location and condition, using discount rates which depict the current market estimate regarding the uncertainty of the amount and timing of these cash flows.

The application of discounted cash flow models, involves the use of assumptions to estimate fair value, which are relate to: receipt of contractual rentals, expected future market rentals, vacancy periods, maintenance expenses and appropriate discount rates. Further information regarding the key assumptions are included in note 47.2.

(12) Provision for Personnel Compensation

The provision amount for personnel compensation is based on an actuarial study. The actuary's study includes specific assumptions on discount rate, employees' remuneration increase rate, consumer price index increase and the expected remaining working life. The assumptions used are imbedded with significant uncertainty and the Group's Management continuously reassesses these assumptions (for further information please refer to Note 24).

(13) Construction Contract Budgeting

The Group makes estimates regarding the outcome of construction contracts and the total estimated contract cost based on which the completion percentage is calculated. Where the outcome of a construction contract cannot be estimated reliably (e.g. the construction contracts are at an early stage), then the Group reviews the results to the extent that the incurred costs are likely to be recovered, while the costs are recognized in the Income Statement of the period they are incurred.

(14) Software Programs Development

The recognition of expenses attributable to the development of the Group software programs as intangible assets is made only when it is probable that the future economic benefits of the intangible assets will flow to the entity. Under the assessment of future economic benefits, the Group takes into account the technical ability to complete the intangible asset so that it is available for sale or use, the existence of a market for the product produced by the intangible asset or, if it is going to be used internally, the usefulness of the intangible asset as well as the possibility of a reliable cost measurement which will be attributed to the intangible asset during the period of its development.

(15) Contingent Assets and Liabilities

The Group is involved in court claims and compensations during its ordinary activities. The Management judges that any settlement would not significantly influence the Group's financial position on 31/12/2018. The Management assesses the outcome of pending legal cases, according to information received from the Legal Department and collaborating legal offices. Such information arises from the recent developments in the legal cases they handle. If it is probable that an outflow of resources will be required to settle the liability and the amount can be estimated reliably, the Management will make the necessary provisions. Defining the amount necessary to settle the liability is based on the Management's estimates and a number of factors that require judgment. Changes in judgments or estimates are likely to result in an increase or decrease in the Group's liabilities in the future. When additional information becomes available, the Group's Management reviews the events, based on which it might have to review its estimates (see Note 46.3).

(16) Classification of leases

In implementing the requirements of IAS 17 regarding the classification of leases, there are cases where a transaction is not always conclusive. In these cases, the Management uses estimates to determine whether a lease transfers substantially all risks and rewards of ownership from the lessee to the lessor.

6 BUSINESS COMBINATIONS AND ACQUISITIONS OF NON-CONTROLLING INTERESTS

6.1 Acquisition of control of HSW by ATTICA group

With the unanimous decision of the Plenary Session of the Competition Commission no 658/2018 (April 2018) it was decided to approve the notified concentration concerning the acquisition of sole control by ATTICA group of HSW.

The approval of the Competition Commission was made after commitments by ATTICA group, which, in the opinion of the Commission, are adequate, sufficient and proportionate to ensure a healthy competition on Greek Ferries. The commitments are described in detail in the Press Release issued by the Competition Commission.

Within May 2018, ATTICA group completed the acquisition of the majority of shares (50.3%) HSW in the framework of the agreement of 11/08/2017 with PIRAEUS BANK S.A. which is the other minority shareholder of HSW, as applicable, for the acquisition of a total of 39,039,833 shares of HSW for a total consideration of € 64.4m.

Part of the price, amounting to € 30.61m, was paid in cash by ATTICA group's own funds, while the remaining amount due to the sellers was agreed to be repaid with the delivery to them of a total of 24,145,523 new shares of ATTICA.

By the decision of the Annual General Meeting of Shareholders at 26/06/2018, it was decided to increase the share capital of ATTICA by an amount of € 7,243,656.90 through the issue of 24,145,523 common registered shares of a nominal value of € 0.30 and a disposal price 1.80 each, by capitalizing claims of PIRAEUS BANK S.A. and one other minority shareholder of HSW. It was also decided to abolish the pre-emption rights of the old shareholders to this increase in order for the new shares to be distributed to HSW's shareholders. Following the increase in the share capital of ATTICA and abolition of the relevant pre-emptive rights and capitalization of receivables, direct and indirect participating interest of MIG Group in ATTICA decreased from 89.38% to 79.38%.

Through the acquisition of control over HSW, ATTICA group will achieve the critical size needed to compete successfully with the major European companies in the industry. ATTICA group establishes the basis for its long-term viability and the attraction of capital needed for new investments, the development of activities and the strengthening of its capital structure.

The goodwill arising from the above acquisition included in the balance sheet item of the consolidated Statement of Financial Position was determined based on the book values of the acquired company as at 31/05/2018 and was temporary.

The procedures of determining the fair value of assets, liabilities and contingent liabilities of the acquiree, the Purchase Price Allocation in accordance with the provisions of IFRS 3 "Business Combinations" and the consequent definitive determination of the relevant goodwill were completed within the fourth quarter of 2018.

The final fair values in the Statement of Financial Position of the acquired company, the total acquisition consideration as well as the arising goodwill for the Group as at the acquisition date are analyzed as follows:

Amounts in € '000	Fair values as of the date of acquisition of cotrol	Book values as of the date of acquisition of cotrol
Purchase Consideration		
- Cash paid	30,607	30,607
- Fair value of equity instruments exchanged	33,804	33,804
Total purchase condideration	**64,411**	**64,411**
- Fair value of net assets acquired	(53,633)	(38,087)
Goodwill	**10,778**	**26,324**

Amounts in € '000	Fair values as of the date of acquisition of cotrol	Book values as of the date of acquisition of cotrol
ASSETS		
Tangible assets	262,648	226,983
Intangible assets	5,830	88
Other financial assets	1,155	1,155
Inventories	1,392	1,392
Trade and other receivables	10,188	10,227
Other current assets	12,386	20,871
Derivative financial instruments	1,030	1,030
Cash, cash equivalents & restricted cash	7,338	7,338
Total Assets	**301,967**	**269,084**
LIABILITIES		
Deferred tax liability	1,435	-
Accrued pension and retirement obligations	960	960
Long-term borrowings	131,601	131,601
Non-Current Provisions	652	117
Trade and other payables	25,217	25,217
Short-term borrowings	10,993	10,993
Other current liabilities	24,482	24,477
Total liabilities	**195,340**	**193,365**
Non-controlling interests	-	-
Equity attributable to owners of the parent	**106,627**	**75,719**
Acquisition percentageof the share capital	50.3%	50.3%
Net Assets acquired	**53,633**	**38,087**
Net Cash flow from the acquisition		
Cash paid	30,607	30,607
Cash and cash equivalences of acquiree	(7,338)	(7,338)
Net Cash outflow /inflow	**23,269**	**23,269**

The fair value of 24,145,523 shares to be issued and included in the calculation of the consideration was calculated based on the price prevailing on the Athens Stock Exchange as at the acquisition date.

Significant variations in the items of consolidated Statement of Financial Position of the acquired group, arising from finalization of the relevant fair values are as follows:

- Fair values of vessels were recognized as at the acquisition date, based on valuator reports. The total additional value amounted to € 29.2m.
- Intangible assets of total value € 5.7m were recognized. HSW trademark was valued applying the “relief-from-royalty” method. The useful life was determined as indefinite and will be reviewed annually for impairment. Moreover, a deferred tax liability of € 1.4m was recognized.

- Trade and other current assets totaling € 2m were derecognised.
- Additional provisions for litigations and other cases standing at € 0.5m were recognized.
- Additional non-controlling interest amounting to € 15.4m were recognized in the financial statements of ATTICA group.

The measurement of non-controlling holdings as at 31/05/2018 was based on the proportional share of the current property rights over the recognized amounts of the net assets of the acquired company.

The acquisition of HSW 01/06/2018 resulted in an increase in ATTICA group assets, liabilities and net profit by € 248,442k (29% of the total assets of ATTICA group) € 155,081k (34% of the total liabilities of ATTICA group) and € 14,908k (65% of the total net profit of ATTICA group), respectively.

If the acquisition had taken place from 01/01/2018, then the consolidated turnover of ATTICA group would be increased by € 31,569k, while the consolidated profits before tax of ATTICA group would be decreased by € 14,515k. The effect shall not be regarded indicative for the results, achieved by ATTICA group on the consolidated basis.

In June 2018, ATTICA group completed the acquisition of an additional 48.53% of the share capital of HSW following the implementation of as of 26/10/2017 agreement with MINOAN LINES S.A. on the acquisition of a total of 37,667,504 shares of HSW for a cash consideration of € 78.5m. Under the same agreement, ATTICA group sold the vessel SUPERFAST XII to GRIMALDI group company for € 74.5m cash consideration and HSW sold the vessel HIGHSPEED 7 to MINOAN LINES S.A. for a cash consideration of € 25m.

Following the above transaction, ATTICA group holds 98.83% of the total share capital of HSW. The aforementioned transaction is a change in non-controlling interests without altering the control in HSW and has been accounted for in compliance with the provisions of IFRS 10.

Following the finalization of the aforementioned transactions and a decrease in participating interest of MIG in ATTICA group, an amount of € 38.9m has arisen which has been recognized as transition with the shareholders of the parent, reducing the consolidated equity, while, at the same time, non-controlling interest increased by € 47.2m.

6.2 Other changes within the annual period ended as at 31/12/2018

- In April 2018, EVEREST proceeded with a share capital increase of € 210k in the subsidiary KAMARA S.A. without the participation of minority shareholders. As a result of the aforementioned transaction, the total indirect participating interest of VIVARTIA group in the aforementioned company stands at 92.24%.
- In June 2018, GOODY’S proceeded with a share capital increase of € 100k in the subsidiary PELASGIANS SINGLE MEMBER P.C. Thereafter, within the following month, it acquired the remaining 49.11% of the aforementioned subsidiary versus € 500k. The second transaction resulted in a goodwill € 298k which was directly written off in the equity of VIVARTIA group as a result of an increase in participating interest in existing subsidiaries. The total indirect investment of VIVARTIA group in the aforementioned company stood at 100%.
- Within the first six month period of 2018 and in compliance with the framework as of 01/03/2018 defining the private restructuring agreement on restructuring of VIVARTIA group loans with the crediting banks, which, inter alia, makes provisions for issuing a Common Bond Loan of € 103m, VIVARTIA acquired the total of EVEREST shares held by another subsidiary of VIVARTIA group, GOODY’S versus € 47,015k and proceeded with share capital increases of

the subsidiaries of GOODY'S (€ 16,161k) and EVEREST (€ 48,391k) while the subsidiary BARBA STATHIS proceeded with a capital return (€ 6,120k). The aforementioned transactions had no impact of VIVARIA group equity and the group's participating interest in all the subsidiaries in question has remained 100%.

- Within the first half of 2018, GOODY'S proceeded with a share capital increase in its subsidiary EASTERN CRETE RESTAURANTS-PATISSERIES S.A. (€ 52k) with the participation of minority interest, maintaining the participating interest of VIVARTIA group in the aforementioned subsidiary at 60%.
- Moreover, within FY 2018, EVEREST proceeded with a share capital increase in its subsidiaries EVERHOLD LTD (€ 180k) and MAGIC FOOD S.A. (€ 450k) maintaining in all the cases the participating interest of VIVARTIA group in these subsidiaries at 100%.

- Within the first half of 2018, ALESIS S.A. proceeded with a share capital return to BARBA STATHIS amounting to € 540k. The total indirect investment of VIVARTIA group remained at 51%.

- In June 2018, the procedure of liquidation of the idle subsidiary company KAMARA S.A., in which VIVARTIA group held a participating interest of 92.24%, was completed.
- Within the first half of 2018, SINGULARLOGIC group proceeded with establishing the subsidiary company SINGULARLOGIC B.V.

- Within 2018, ATTICA increased the share capital in its subsidiaries SUPERFAST ENDEKA INC and NOPDIA M.C. amounting to € 2,000k and € 8,390k respectively. Moreover, the subsidiaries BLUE STAR FERRIES MARITIME S.A., ATTICA FERRIES M.C. and BLUE STAR M.A. returned share capital amounting to € 50,137k, € 20,465k and € 24,389k respectively to ATTICA. Following the aforementioned transactions, the direct participating interest of ATTICA in the aforementioned subsidiaries remained the same, since it already stood at 100%.

- In September 2018, HELLENIC FOOD INVESTMENTS SA, a subsidiary of VIVARTIA, proceeded with acquisition of remaining 22.48% of METRO VOULIAGMENIS SA, a subsidiary of VIVARTIA, versus € 115k. The aforementioned transaction resulted in a goodwill of € 66k, which was directly written off in the equity of VIVARTIA group, as a result of increase in participating interest in existing subsidiaries.

- Within the last quarter of 2018, PALLINI RESTAURANTS SA, proceeded with gradual acquisition of remaining 38.74% of TEMPI RESTAURANTS PATISSERIE SA, a subsidiary of VIVARTIA group, versus € 94k. The aforementioned transaction resulted in a goodwill of € 1,293k, which was directly written off in the equity of VIVARTIA group, as a result of increase in participating interest in existing subsidiary.

- In October 2018, EVEREST SA proceeded with a share capital increase of € 450k in its subsidiary PLAZA SA without the participation of minority interest. As a result of the aforementioned transaction, the total indirect participating interest of VIVARTIA group in the aforementioned company stands at 96.61%.
- In the same month, PASTERIA SA proceeded with acquisition of remaining 48.73% of CAPRESE SA, subsidiary of VIVARTIA group, versus € 150k. The aforementioned transaction resulted in a goodwill of € 179k, which was directly written off in the equity of VIVARTIA group, as a result of increase in participating interest in existing subsidiaries.

- Within the last two months of 2018, GOODY'S SA proceeded with a share capital increase of € 141k in its subsidiary W FOOD SERVICES SA without the participation of minority interest. Thereafter, GOODY'S SA proceeded with gradual acquisition of the remaining 2.77% of the aforementioned subsidiary versus zero price (€ 3). The second transaction resulted in a goodwill of € 23k, which was directly written off in the equity of VIVARTIA group, as a result of increase in participating interest in existing subsidiary. The total indirect participating interest of VIVARTIA group in the aforementioned company stands at 100%.

- In December 2018, HELLENIC FOOD INVESTMENTS SA proceeded with a share capital increase of € 322k in its subsidiary HOLLYWOOD RESTAURANTS - PATISSERIES SA without the participation of minority interest. The aforementioned transaction resulted in a total indirect participating interest of VIVARTIA group in the aforementioned company of 61.18%.
- Within 2018, PALLINI RESTAURANTS SA proceeded with acquisition of 100% of PATRA RESTAURANTS SA from HELLENIC FOOD INVESTMENTS SA, a subsidiary of VIVARTIA group and minority interest versus zero price (€ 2). The aforementioned transaction resulted in a goodwill of € 316k, which was directly written off in the equity of VIVARTIA group, as a result of increase in participating interest in existing subsidiaries and the total indirect participating interest of VIVARTIA group stands at 99.98%.
- On the 9th of November 2018, MIG completed the transfer of HYGEIA group shares to the entity controlled by the investment funds of "CVC CAPITAL PARTNERS" versus an amount of € 204m. The total direct and indirect participating interest of MIG Group in HYGEIA prior to the aforementioned transfer used to stand at 70.38%. (see Note 7.1).
- In FY 2018, MIG increased share capital in its subsidiaries MIG REAL ESTATE SERBIA by € 105k and TOWER TECHNOLOGY LTD by € 5k. At the same time, in FY 2018, MARFIN CAPITAL returned share capital, totaling € 108,978k to MIG.

7 DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS

7.1 Disposal of HYGEIA group

On 19/05/2018, MIG received a binding offer from HELLENIC HEALTHCARE S.A.R.L. (which is controlled by the investment funds of CVC CAPITAL PARTNERS) for the sale of its participation in HYGEIA amounting (directly and indirectly) to 215,189,466 shares corresponding to 70.38% of HYGEIA's share capital.

The Board of Directors ("BoD") of MIG and the Executive Committee at the meeting held on 21/05/2018 decided unanimously to accept the offer and grant to HELLENIC HEALTHCARE S.A.R.L. the required period to complete the agreement until 30/06/2018.

On 05/07/2018, MIG announced signing an agreement for the sale of HYGEIA shares to the company HELLENIC HEALTHCARE S.A.R.L. The offered consideration amounted to € 0.95 per share and consequently the total consideration of the transaction amounts to € 204,429,933 (which corresponds to € 290,455,814 for 100% of HYGEIA's share capital). The sale in question was approved by the General Meeting of MIG shareholders as of 25/08/2018 transfer as well as all relevant decisions and actions of the Board of Directors. It is noted that on 27/09/2018 the transaction was approved by the Hellenic Competition Commission.

On the 09/11/2018, MIG completed the transfer of HYGEIA group shares to the entity controlled by the investment funds of "CVC CAPITAL PARTNERS". As at the same date, the transaction consideration was paid in full.

From the aforementioned transaction, a profit of € 93,577k was recorded for the Group, which is included in the results of discontinued operations in the consolidated Income Statement. The amount of profit was calculated as the balance between the proceeds of disposal, net of transaction costs, and its book value as at the date of the disposal. Respectively, a loss of € 9,310k was recorded for the Company, which is included in the item "Income/(Expenses) from investments and other financial assets" of the separate Income Statement.

The book value of HYGEIA group net assets as at the disposal finalization date is presented in the table below as follows:

Amounts in € '000	**Book values as of the date of sale**
Non-current assets	342,931
Current assets	77,278
Cash and cash equivalents	22,509
Total assets	**442,718**
Non-current liabilities	206,882
Current liabilities	86,746
Total liabilities	**293,628**
Total equity	**149,090**
Less: Non-controlling interests	39,953
Equity attributable to owners of the parent	**109,137**

Respectively, the calculation of the transaction results is analyzed as follows:

Amounts in € '000	**Result from the sale**
Book value	109,137
Sale price minus relevant expenses incurred	202,518
Gains from the sale	**93,381**
Reclassification of other comprehensive income associated with the discontinued operations in the Income Statement	196
Total gain from the sale	**93,577**
Attributable to:	
Owners of the parent	93,577
Non-controlling interests	-

As at 31/12/2018, the Group did not consolidate the items of the Statement of Financial Position of HYGEIA group, while it included in the consolidated Income Statements the results of the discontinued operations of the aforementioned group until the disposal date, i.e. profit of € 107,006k (further analyzed as profit form the disposal of € 93,577k and profit form the company's operations for the period 01/01-09/11/2018 amounting to € 13,429k – see Note 7.6).

7.2 Decision on disposal of the sale of stake in Cyprian CTDC

Within the second half of 2018, in view of the commitments made in the context of the Restructuring Agreement of the parent company, the Board of Directors decided on disposal of all the shares held by MIG LEISURE subsidiary to CTDC, owner of Hilton Cyprus Hotel. On this basis, the Group's Management has appointed a financial advisor in order to coordinate, among other things, non-binding initially and binding proposals of the interested investors as well as to provide support during the negotiations with the preferred investors.

On 27/02/2019, MIG announced the signing of an agreement for the sale of the stake held by its subsidiary MIG LEISURE in CTDC, owner of Hilton Cyprus hotel, to VIBRANA HOLDINGS LTD interest of NATIONAL PANGAIA REIC and INVEL group. The sale price amounts € 38.64 m. and it was agreed to be fully paid at completion of the transaction following the purchaser being granted the required approval by the competent Cypriot Commission for the Protection of Competition. The sale of the Company's participation is part of a wider transaction for the sale to the purchaser of a total of 96.82% in CTDC owned by the Company and "LOUIS PLC" for the amount of € 54.89 m. On 27/03/2019, the transaction was approved by the competent Cypriot Commission for the Protection of Competition while on 18/04/2019 the transfer of the above mentioned shares was completed. The consideration arising from the disposal used in order to repay a bank loan of MIG LEISURE amounting to € 27.5 m while a portion of the remaining consideration used for the repayment of capital and interest on the existing borrowing of the parent company.

Based on the above, on 31/12/2018 the items of the Statement of Financial Position of CTDC and MIG LEISURE were classified as a disposal group in accordance with the provisions of IFRS 5 for non-current assets held for sale. At the date of classification as the disposal group, the Group and the Company measured the disposal group at the lower amount between the book value and the fair value less costs to sell (in accordance with IFRS 5, par.15). Following the comparison of the amount of fair value of the disposal group with the corresponding amount of its book value, no need for impairment was recognized in the consolidated Financial Statements.

Revenue and expenses, gains and losses pertaining to discontinued operation are not included in the Group's results from continuing operations for the period 01/01 - 31/12/2018, i.e. losses of € 1,272k, and are presented in the results from discontinued operations. Moreover, the book values of the assets and the related disposal group liabilities as at 31/12/2018 are also presented separately (see Note 7.6).

7.3 Sale of HYGEIA HOSPITAL-TIRANA ShA (subsidiary of HYGEIA group)

As at 31/12/2017 the items of the Statement of Financial Position of HYGEIA HOSPITAL-TIRANA ShA were classified as a disposal group in accordance with the provisions of IFRS 5 for non-current assets held for sale.

As at 06/07/2018, HYGEIA signed the agreement for the sale of the total shares of its 100% subsidiary HYGEIA HOSPITAL TIRANA ShA, to the company AMERICAN HOSPITAL SH.A. This sale was finalized as at 22/08/2018 by transfer of all shares of the subsidiary HYGEIA HOSPITAL TIRANA ShA to AMERICAN HOSPITAL SH.A.

7.4 Decision on discontinuing the operations of ATHENIAN ENGINEERING

The Board of Directors of ATHENIAN ENGINEERING, as per its meeting held on 21/12/2012, decided to proceed with the discontinuing of the company's operations, given the development of the company financials and the market prospects.

Following the above decision, the Group consolidated on 31/12/2018 and 31/12/2017 the assets of the Statement of Financial Position of ATHENIAN ENGINEERING under the full consolidation method, while it included the results from discontinued operations of the aforementioned company for the periods 01/01-31/12/2018 and 01/01-31/12/2017 in the Income Statement, i.e. losses of € 16k and 20k respectively (see note 7.6).

7.5 Discontinued operations within the comparative reporting period (01/01-31/12/2017)

The comparative period's discontinued operations include:

- the results of HYGEIA group for the period 01/01-31/12/2017 (due to disposal as at 09/11/2018),
- the results of CTDC and MIG LEISURE for the 01/01-31/12/2017 (due to classification in disposal groups held for sale as at 31/12/2018),

- the results of SUNCE KONCERN D.D. ZAGREB for the period 01/01-13/06/2017 (due to disposal as at 13/06/2017, the company in question used to be consolidated under equity method), and
- the results of ATHENIAN ENGINEERING for the period 01/01-31/12/2017 (due to the 21/12/2012 decision of the BoD to discontinue its operations).

7.6 Net results of the Group from discontinued operations

The Group's net profit/ loss from discontinued operations for the periods 01/01-31/12/2018 and 01/01-31/12/2017 is analyzed as follows:

	01/01-31/12/2018				01/01-31/12/2017			
Amounts in € '000	**Healthcare**	**Transportation**	**Private Equity**	**Total**	**Healthcare**	**Transportation**	**Private Equity**	**Total**
Sales	191,215	-	12,209	**203,424**	227,560	-	11,975	**239,535**
Cost of sales	(155,014)	-	(4,962)	**(159,976)**	(189,164)	-	(5,002)	**(194,166)**
Gross profit	**36,201**	**-**	**7,247**	**43,448**	**38,396**	**-**	**6,973**	**45,369**
Administrative expenses	(15,075)	(16)	(2,709)	**(17,800)**	(20,212)	(23)	(2,132)	**(22,367)**
Distribution expenses	(4,543)	-	(3,412)	**(7,955)**	(5,320)	-	(3,298)	**(8,618)**
Other operating income	3,130	-	4	**3,134**	5,112	-	1	**5,113**
Other operating expenses	(833)	(3)	(1,773)	**(2,609)**	(1,213)	-	-	**(1,213)**
Operating profit	**18,880**	**(19)**	**(643)**	**18,218**	**16,763**	**(23)**	**1,544**	**18,284**
Other financial results	1,296	-	(5)	**1,291**	197	-	-	**197**
Financial expenses	(6,590)	-	(673)	**(7,263)**	(11,284)	-	(710)	**(11,994)**
Financial income	5	3	3	**11**	35	3	10	**48**
Share in net gains/(losses) of companies accounted for by the equity method	-	-	-	**-**	-	-	(1,050)	**(1,050)**
Profit/(Loss) before tax from discontinuing operations	**13,591**	**(16)**	**(1,318)**	**12,257**	**5,711**	**(20)**	**(206)**	**5,485**
Income Tax	(162)	-	46	**(116)**	188	-	(141)	**47**
Profit/(Loss) after taxes from discontinued operations	**13,429**	**(16)**	**(1,272)**	**12,141**	**5,899**	**(20)**	**(347)**	**5,532**
Derecognition of comprehensive income associated with non-current assets classified as held for sale through the income statement	196	-	-	**196**	(2,368)	-	-	**(2,368)**
Gains /(Losses) on measurement to fair value	-	-	-	**-**	(8,700)	-	-	**(8,700)**
Gains /(losses) from the sale of the discontinued operations	93,381	-	-	**93,381**	3,197	-	740	**3,937**
Result from discontinued operations	**107,006**	**(16)**	**(1,272)**	**105,718**	**(1,972)**	**(20)**	**393**	**(1,599)**
Attributable to:								
Owners of the parent	103,024	(16)	(1,253)	**101,755**	(1,352)	(20)	48	**(1,324)**
Non-controlling interests	3,982	-	(19)	**3,963**	(620)	-	345	**(275)**

Moreover, the book values of assets and related liabilities classified as held for sale (CTDC και MIG LEISURE) as at 31/12/2018 and (HYGEIA HOSPITAL-TIRANA ShA) as at 31/12/2017 are analysed as follows:

	31/12/2018	31/12/2017
Amounts in € '000	**Private Equity**	**Healthcare**
ASSETS		
Tangible assets	58,792	25,456
Intangible assets	-	242
Inventories	160	651
Trade and other receivables	559	730
Other current assets	71	211
Cash, cash equivalents and restricted cash	2,127	69
Assets held for sale	**61,709**	**27,359**

Amounts in € '000	31/12/2018 Private Equity	31/12/2017 Healthcare
LIABILITIES		
Deferred tax liability	8,426	-
Long-term borrowings	1,062	11,318
Trade and other payables	481	6,636
Short-term debt	28,058	7,606
Other current liabilities	1,741	1,799
Liabilities related to Assets held for sale	**39,768**	**27,359**

The following table presents the net cash flows from operating, investing and financing activities pertaining to the discontinued operations for the periods 01/01-31/12/2018 and 01/01-31/12/2017:

	01/01-31/12/2018				01/01-31/12/2017			
Amounts in € '000	Healthcare	Transportation	Private Equity	Total	Healthcare	Transportation	Private Equity	Total
Net cash flows operating activities	22,489	(24)	458	**22,923**	9,276	(16)	2,505	**11,765**
Net cash flows from investing activities	(8,533)	3	(525)	**(9,055)**	(6,472)	3	(411)	**(6,880)**
Net cash flow from financing activities	(2,470)	-	(705)	**(3,175)**	(6,401)	-	(816)	**(7,217)**
Exchange differences in cash, cash equivalents and restricted cash	(154)	-	-	**(154)**	(80)	-	-	**(80)**
Total net cash flow from discontinued operations	**11,332**	**(21)**	**(772)**	**10,539**	**(3,677)**	**(13)**	**1,278**	**(2,412)**

Basic earnings per share from discontinued operations for the presented annual reporting periods 01/01-31/12/2018 and 01/01-31/12/2017 amount to € € 0.1083 and € (0.0014) respectively, while diluted earnings per share from discontinued operations amounted to € 0.0184 and € (0.0004) respectively (for the analysis of the calculation please refer to note 43).

8 OPERATING SEGMENTS

The Group applies IFRS 8 "Operating Segments", under its requirements the Group recognizes its operating segments based on "management approach" which requires the public information to be based on internal information. The Company's Board of Directors is the key decision maker and sets five (5) operating segments for the Group (please refer to note 4.21). The required information per operating segment is as follows:

Income and results, assets and liabilities per operating segment are presented as follows:

Amounts in € '000	Food & Dairy	Financial Services	IT & Telecoms	Transportation	Private Equity *	Total from continuing operations	Discontinued operations	Group
01/01-31/12/2018								
Revenues from external customers	600,122	-	37,691	350,766	7,585	**996,164**	203,424	**1,199,588**
Intersegment revenues	6,483	-	3,683	14,635	6,302	**31,103**	-	**31,103**
Operating profit	26,980	(15,888)	(435)	28,687	(3,948)	**35,396**	18,218	**53,614**
Depreciation and amortization expense	(31,997)	(372)	(1,840)	(39,962)	(6)	**(74,177)**	(14,675)	**(88,852)**
Profit/(Loss) before tax, financing, investing results and total depreciation charges	58,977	(15,516)	1,405	68,649	(3,942)	**109,573**	32,893	**142,466**
Other financial results	(79)	(229)	(641)	10,935	(1)	**9,985**	1,291	**11,276**
Impairment losses	(4,953)	-	-	(12,771)	-	**(17,724)**	-	**(17,724)**
Financial income	79	40	7	28	4	**158**	11	**169**
Financial expenses	(21,334)	(28,804)	(3,272)	(26,551)	(4,206)	**(84,167)**	(7,263)	**(91,430)**
Share in net profit (Loss) of companies accounted for by the equity method	574	-	-	427	-	**1,001**	-	**1,001**
Profit/(Loss) before income tax	1,274	(44,881)	(4,341)	755	(8,151)	**(55,344)**	12,257	**(43,087)**
Income tax	1,769	-	(859)	2,065	(35)	**2,940**	(116)	**2,824**
Assets as of 31/12/2018	923,231	272,983	89,433	916,045	270,614	**2,472,306**	61,709	**2,534,015**
Liabilities as of 31/12/2018	665,012	567,234	91,163	459,870	363,158	**2,146,437**	39,768	**2,186,205**

Amounts in € '000	Food & Dairy	Healthcare (Discontinued operation)	Financial Services	IT & Telecoms	Transportation	Private Equity *	Total from continuing operations	Discontinued operations	Group
01/01-31/12/2017									
Revenues from external customers	577,505	-	-	34,364	260,874	6,838	**879,581**	239,535	**1,119,116**
Intersegment revenues	5,330	-	-	3,180	10,682	5,890	**25,082**	-	**25,082**
Operating profit	26,351	-	(13,218)	(8,203)	23,829	(8,121)	**20,638**	18,284	**38,922**
Depreciation and amortization expense	(30,011)	-	(379)	(3,449)	(35,624)	(6)	**(69,469)**	(20,079)	**(89,548)**
Profit/(Loss) before tax, financing, investing results and total depreciation charges	56,362	-	(12,839)	(4,754)	59,453	(8,115)	**90,107**	38,363	**128,470**
Other financial results	1,479	-	217	(33)	(1,169)	(71)	**423**	197	**620**
Impairment losses	(1,381)	-	-	(2,660)	-	-	**(4,041)**	-	**(4,041)**
Profits from reversal of impairment losses	-	-	-	-	5,326	-	**5,326**	-	**5,326**
Financial income	91	-	28	202	29	8	**358**	48	**406**
Financial expenses	(26,635)	-	(36,031)	(3,720)	(18,244)	(3,871)	**(88,501)**	(11,994)	**(100,495)**
Share in net profit (Loss) of companies accounted for by the equity method	1,013	-	-	-	(7,520)	-	**(6,507)**	(1,050)	**(7,557)**
Profit/(Loss) before income tax	918	-	(48,732)	(14,414)	2,251	(12,327)	**(72,304)**	5,485	**(66,819)**
Income tax	(2,384)	-	-	660	(307)	(38)	**(2,069)**	47	**(2,022)**
Assets as of 31/12/2017	959,418	434,916	268,494	89,299	747,937	338,420	**2,838,484**	27,359	**2,865,843**
Liabilities as of 31/12/2017	699,922	297,836	720,324	85,208	285,224	399,803	**2,488,317**	27,359	**2,515,676**

* Subcategories of the Private Equity operating segment:

Amounts in € '000

01/01-31/12/2018	Hospitality-Leisure	Real Estate	Other	Group
Revenues from external customers	-	7,277	308	**7,585**
Profit/(Loss) before income tax	(55)	(8,194)	98	**(8,151)**
Assets as of 31/12/2018	-	266,159	4,455	**270,614**
01/01-31/12/2017				
Revenues from external customers	-	6,487	351	**6,838**
Profit/(Loss) before income tax	(64)	(12,381)	118	**(12,327)**
Assets as of 31/12/2017	63,931	270,370	4,119	**338,420**

The reconciliation of revenue, operating profit and loss, assets and liabilities of each segment with the respective amounts of the Financial Statements are analyzed as follows:

Amounts in € '000

Revenues	01/01-31/12/2018	01/01-31/12/2017
Total revenues for reportable segments	1,230,691	1,144,198
Adjustments for :		
Intersegment revenues	(31,103)	(25,082)
Discontinued operations	(203,424)	(239,535)
Income statemement's revenues	**996,164**	**879,581**

Amounts in € '000

Profit or loss	01/01-31/12/2018	01/01-31/12/2017
Total profit of loss for reportable segments	(43,087)	(66,819)
Adjustments for :		
Discontinued operations	(12,257)	(5,485)
Profit or loss before income tax	**(55,344)**	**(72,304)**

Amounts in € '000

Profit / (Loss) from discontinued operations	**01/01-31/12/2018**	**01/01-31/12/2017**
Profit/(Loss) before tax from discontinued operations	12,257	5,485
Adjustments for :		
Income tax	(116)	47
Derecognition of comprehensive income associated with non-current assets classified as held for sale through the income statement	196	(2,368)
Gains /(Losses) on measurement to fair value	-	(8,700)
Gains /(Losses) from the sale of the discontinued operations	93,381	3,937
Gains/(Losses) for the year after tax from discontinued operations	**105,718**	**(1,599)**

Amounts in € '000

Assets	**31/12/2018**	**31/12/2017**
Total assets for reportable segments	2,472,306	2,838,484
Elimination of receivable from corporate headquarters	(275,918)	(266,093)
Non-current assets classified as held for sale	61,709	27,359
Entity's assets	**2,258,097**	**2,599,750**

Amounts in € '000

Liabilities	**31/12/2018**	**31/12/2017 (Restated)**
Total liabilities for reportable segments	2,146,437	2,488,317
Elimination of payable to corporate headquarters	(275,918)	(266,093)
Non-current assets classified as held for sale	39,768	27,359
Entity's liabilities	**1,910,287**	**2,249,583**

Disclosure of geographical information:

Amounts in € '000

Segment results 31/12/2018	**Greece**	**European countries**	**Other countries**	**Group**
Revenues from external customers	860,199	119,728	16,237	**996,164**
Revenues from external customers (discontinued operations)	180,418	23,006	-	**203,424**
Non-current assets*	1,737,350	37,571	-	**1,774,921**

Amounts in € '000

Segment results as of 31/12/2017	**Greece**	**European countries**	**Other countries**	**Group**
Revenues from external customers	763,176	100,510	15,895	**879,581**
Revenues from external customers (discontinued operations)	207,892	31,643	-	**239,535**
Non current assets 31/12/2017	1,932,372	102,814	-	**2,035,186**

** Non-current assets do not include the "Financial Assets" as well as the "Deferred Tax Assets" as in compliance with the provisions of IFRS 8.*

9 PROPERTY, PLANT AND EQUIPMENT

The changes in the Group's property, plant and equipment account are analyzed as follows:

THE GROUP						
Amounts in € '000	Vessels	Land & Buildings	Machinery & Vehicles	Furniture & Fittings	Construction in progress	Total
Gross book value as of 01/01/2018	**780,340**	**458,957**	**375,533**	**69,084**	**11,378**	**1,695,292**
Additions	12,887	5,489	4,334	3,288	7,338	33,336
Acquisitions through business combinations	373,431	191	84	3,100	-	376,806
Disposals from sale of subsidiaries	-	(148,998)	(54,488)	(13,188)	(1,012)	(217,686)
Additions of sold subsidiaries	-	1,012	7,502	1,006	254	9,774
Additions of assets classified as held for sale	-	-	-	535	-	535
Disposals / Write-offs	(134,671)	(1,979)	(1,484)	(3,755)	-	(141,889)
Disposals of assets of sold subsidiaries	-	(5)	(3,747)	(46)	-	(3,798)
Impairment of tangible assets	(909)	-	-	-	-	(909)
Assets classified as held for sale	-	(72,284)	(40)	(6,238)	-	(78,562)
Other movements/Reclassifications	432	1,645	3,756	(240)	(6,164)	(571)
Gross book value as of 31/12/2018	**1,031,510**	**244,028**	**331,450**	**53,546**	**11,794**	**1,672,328**
Accumulated depreciation as of 01/01/2018	**(234,283)**	**(107,233)**	**(226,423)**	**(55,498)**	**-**	**(623,437)**
Depreciation charge	(38,976)	(7,131)	(20,337)	(3,635)	-	(70,079)
Accumulated depreciations of acquisitions through business combinations	(111,308)	(181)	(78)	(2,591)	-	(114,158)
Depreciation of disposals / write-offs	49,941	1,841	1,338	3,717	-	56,837
Depreciation of assets classified as held for sale	-	(1,327)	-	(446)	-	(1,773)
Depreciation charge of assets of sold subsidiaries	-	(3,254)	(3,498)	(746)	-	(7,498)
Depreciations of disposal assets of sold subsidiaries	-	5	1,618	46	-	1,669
Accumulated depreciations of sold subsidiaries	-	34,158	39,170	10,827	-	84,155
Accumulated depreciations of assets classified as held for sale	-	15,667	40	4,063	-	19,770
Exchange differences on cost	-	-	-	1	-	1
Other movements/Reclassifications	1	24	(21)	(12)	-	(8)
Accumulated depreciation as of 31/12/2018	**(334,625)**	**(67,431)**	**(208,191)**	**(44,274)**	**-**	**(654,521)**
Net book value as of 31/12/2018	**696,885**	**176,597**	**123,259**	**9,272**	**11,794**	**1,017,807**

THE GROUP							
Amounts in € '000	Vessels	Airplanes	Land & Buildings	Machinery & Vehicles	Furniture & Fittings	Construction in progress	Total
Gross book value as of 01/01/2017	**769,515**	**3,505**	**487,805**	**378,204**	**70,170**	**11,249**	**1,720,448**
Additions	5,499	-	2,063	11,103	4,473	12,783	35,921
Acquisitions through business combinations	-	-	330	61	290	202	883
Additions from companies consolidated by equity method	-	-	240	155	354	228	977
Disposals from sale of subsidiaries	-	-	(732)	(950)	(313)	-	(1,995)
Additions of assets classified as held for sale	-	-	84	116	152	-	352
Disposals / Write-offs	-	(3,505)	(3,073)	(3,720)	(2,759)	(42)	(13,099)
Disposals of assets classified as held for sale	-	-	-	(1,108)	-	-	(1,108)
Reversal of impairment	5,326	-	-	-	-	-	5,326
Exchange differences on cost of assets classified as held for sale	-	-	600	(673)	55	-	(18)
Assets classified as held for sale	-	-	(35,666)	(12,859)	(3,632)	(1)	(52,158)
Reclassifications	-	-	7,306	5,204	294	(12,804)	-
Other adjustments	-	-	-	-	-	(237)	(237)
Gross book value as of 31/12/2017	**780,340**	**-**	**458,957**	**375,533**	**69,084**	**11,378**	**1,695,292**

	THE GROUP						
Amounts in € '000	Vessels	Airplanes	Land & Buildings	Machinery & Vehicles	Furniture & Fittings	Construction in progress	Total
Accumulated depreciation as of 01/01/2017	**(199,554)**	**(1,530)**	**(102,000)**	**(216,133)**	**(56,513)**	**-**	**(575,730)**
Depreciation charge	(34,729)	(43)	(12,525)	(24,373)	(4,517)	-	(76,187)
Accumulated depreciations of acquisitions through business combinations	-	-	(125)	(60)	(190)	-	(375)
Depreciation of disposals / write-offs	-	1,573	3,072	3,628	2,375	-	10,648
Depreciation of assets classified as held for sale	-	-	(625)	(2,257)	(162)	-	(3,044)
Depreciation charge of assets of sold subsidiaries	-	-	(69)	(66)	(8)	-	(143)
Depreciations of disposal assets classified as held for sale	-	-	-	1,029	-	-	1,029
Accumulated depreciations of sold subsidiaries	-	-	536	890	306	-	1,732
Accumulated depreciations of assets classified as held for sale	-	-	4,575	10,169	3,260	-	18,004
Exchange differences on cost	-	-	-	-	1	-	1
Exchange differences on cost of assets classified as held for sale	-	-	(72)	750	(50)	-	628
Accumulated depreciation as of 31/12/2017	**(234,283)**	**-**	**(107,233)**	**(226,423)**	**(55,498)**	**-**	**(623,437)**
Net book value as of 31/12/2017	**546,057**	**-**	**351,724**	**149,110**	**13,586**	**11,378**	**1,071,855**

Property, plant and equipment are subject to impairment test whenever events and circumstances indicate that the carrying value may not be recoverable. If the carrying value of property, plant and equipment exceeds their recoverable value, the excess amount refers to impairment loss which is recognized directly in the results. The largest amount that arises from comparing the fair value of the asset, after excluding the costs incurred for the sale, and value in use, constitutes the recoverable value of the asset.

In FY 2018, recognized impairment losses on property, plant and equipment for the Group amounting to € 909k. The total of the aforementioned impairment pertains to of vessel impairments belonging to the "Transportation" operating segment. The recoverable amount has been defined based on fair value, as evaluated by independent valuation companies, less disposal expenses.

The changes in the Company's property, plant and equipment account are analyzed as follows:

	THE COMPANY			
Amounts in € '000	Land & Buildings	Machinery & Vehicles	Furniture & Fittings	Total
Gross book value as of 01/01/2018	**3,710**	**5**	**1,219**	**4,934**
Additions	-	-	13	13
Disposals / Write-offs	-	-	(4)	(4)
Gross book value as of 31/12/2018	**3,710**	**5**	**1,228**	**4,943**
Accumulated depreciation as of 01/01/2018	**(3,215)**	**-**	**(1,159)**	**(4,374)**
Depreciation charge	(349)	(1)	(20)	(370)
Depreciation of disposals / write-offs	-	-	4	4
Accumulated depreciation as of 31/12/2018	**(3,564)**	**(1)**	**(1,175)**	**(4,740)**
Net book value as of 31/12/2018	**146**	**4**	**53**	**203**

	THE COMPANY			
Amounts in € '000	**Land & Buildings**	**Machinery & Vehicles**	**Furniture & Fittings**	**Total**
Gross book value as of 01/01/2017	**3,710**	**406**	**1,401**	**5,517**
Additions	-	5	2	7
Disposals / Write-offs	-	(406)	(184)	(590)
Gross book value as of 31/12/2017	**3,710**	**5**	**1,219**	**4,934**
Accumulated depreciation as of 01/01/2017	**(2,866)**	**(392)**	**(1,314)**	**(4,572)**
Depreciation charge	(349)	(5)	(23)	(377)
Depreciation of disposals / write-offs	-	397	178	575
Accumulated depreciation as of 31/12/2017	**(3,215)**	**-**	**(1,159)**	**(4,374)**
Net book value as of 31/12/2017	**495**	**5**	**60**	**560**

The carrying value of the Group's tangible assets purchased with finance lease amounted to € 3,041k on 31/12/2018 (31/12/2017: € 7,257k) while for the Company it amounted to € 0k on 31/12/2018 (31/12/2017: € 0k).

The carrying value of the Group's tangible assets purchased with finance lease is shown below with a breakdown per category of property, plant and equipment:

	THE GROUP	
Amounts in € '000	**31/12/2018**	**31/12/2017**
Vessels	2,835	4,089
Land & Buildings	-	1
Machinery & Vehicles	20	2,906
Furniture & Fittings	186	261
Total	**3,041**	**7,257**

10 GOODWILL

10.1 Analysis of changes in goodwill

Changes in goodwill in the consolidated Financial Statements for the year which ended on 31/12/2018 and 31/12/2017 are as follows:

Amounts in € '000	**Food & Dairy**	**Healthcare**	**Transportation**	**IT & Telecoms**	**Private Equity**	**Total**
Net book value as of 01/01/2017	**153,217**	**14,551**	**22,662**	**47,343**	**-**	**237,773**
Acquisition - consolidation of subsidiaries	2,965	-	-	-	-	2,965
Net book value as of 31/12/2017	**156,182**	**14,551**	**22,662**	**47,343**	**-**	**240,738**
Net book value as of 01/01/2018	**156,182**	**14,551**	**22,662**	**47,343**	**-**	**240,738**
Acquisition - consolidation of subsidiaries	-	-	10,778	-	-	10,778
Sale of subsidiary	-	(14,551)	-	-	-	(14,551)
Impairment of goodwill	-	-	(3,310)	-	-	(3,310)
Net book value as of 31/12/2018	**156,182**	**-**	**30,130**	**47,343**	**-**	**233,655**
Gross book value as of 31/12/2018	999,619	23,643	174,428	47,343	18,670	1,263,703
Accumulated impairment losses	(843,437)	(23,643)	(144,298)	-	(18,670)	(1,030,048)
Net book value as of 31/12/2018	**156,182**	**-**	**30,130**	**47,343**	**-**	**233,655**

The goodwill recognized as at 31/12/2017 decreased by € 3,310k due to the impairment test performed at the end of the annual reporting period. Impairment losses relate to derecognition of goodwill allocated to the operating segment "Transportations".

Additions for the annual period, totally amounting to € 10,778k pertain to goodwill arising from acquisition performed during 2018 by ATTICA group (please refer to note 6.1).

10.2 Impairment test on goodwill and intangible assets with indefinite useful life

On 31/12/2018, an impairment test was conducted on recognized goodwill and consequently, on recognized intangible assets with indefinite useful life. The impairment test on goodwill which had arisen as a result of the acquisitions of the Group's consolidated companies, was conducted having allocated said assets to the respective Cash Generating Units (CGU). The recoverable goodwill amount associated with the respective CGU was determined through value in use, which was calculated by using the method of discounted cash flows.

Similarly, the recoverable value of trademarks with indefinite useful life (value in use) was determined through the income expected to arise from royalties based on the Income Approach via Relief from Royalty method. In determining the value in use, the Management uses assumptions that it deems reasonable, based on the best available information which is applicable at the reference date of the Financial Statements (please refer to Note 10.3).

On 31/12/2018, per CGU, the conditions that led to the recognition of these impairments are as follows:

Transportation sector: The impairments were mainly a result of the increased need for new investments in the coming years in order to meet the international environmental impact standards, as well as the reduction in the estimated perpetual growth rate.

Food and Dairy Sector: The impairments were attributable to the sub-sector "Dairy and beverages" of VIVARTIA group and are mainly related to losses recognized in the intangibles assets of the sector. These losses are due to the revenue decline in VIVARTIA group companies' operating in the above sub-sector, as a result of the prolonged recession in the Greek economy, which has resulted in the reduction in consumption expenditure during the last few years, as well as the decrease of the estimated perpetual growth rate.

10.2.1 Consolidated Financial Statements

Changes in goodwill within 2018 and the way it is allocated to the Group's operating segments are analytically described in Note 10.1 above. The impairment test resulted in generating the need to derecognise goodwill amounting to € 3,310k, charged to the consolidated results of the Group's continuing operations and included in the "Other financial results" item of the consolidated Income Statement.

The intangible assets of the Group, whose analysis is shown in Note 11, include also intangible assets with indefinite useful life. From the impairment test with reference date 31/12/2018 a need arose for the recognition of impairment losses on intangible assets amounting to € 13,505k (2017: € 4,041k), of which (i) an amount of € 4,953k pertains to an impairment of intangible assets with indefinite useful life of the "Food and Dairy" operating segment and (ii) an amount of € 8,552k pertains to an impairment of intangible assets with definite useful life of the "Transportation" operating segment (please refer to Note 11). The aforementioned amounts are included in the item "Other financial results" of the consolidated Income Statement.

Following the conducted impairments, the intangible assets of the Group with indefinite useful life on 31/12/2018 amount to € 217,114k (2017: € 382,414k) and include the following: (a) trademarks of the "Food and Dairy" segment amounting to€ 176,879k, (b) trademarks of the "Transportation" segment amounting to € 27,429k, and (c) trademarks of the "Information Technology and Telecommunications" segment amounting to € 12,806k.

10.2.2 Company financial statements

Respectively, in the separate financial statements, the total impairment amount was € 109,491k which pertains to: (i) an amount € 64,764k from impairment in its participation in ATTICA, (ii) an amount € 19,350k from impairment in its participation in VIVARTIA, (iii) an amount € 18,467k from impairment in its participation in SINGULARLOGIC, (iv) an amount € 105k from impairment in its participation in MIG REAL ESTATE SERBIA, (v) an amount € 55k from impairment in its participation in MIG LRE CROATIA, (vi) an amount € 28k from impairment in its participation in MIG AVIATION HOLDINGS, and (vii) an amount € 6,722k from other assets impairment in RKB (please refer to Note 12 and 16). The aforementioned amounts are included in the item "Income/(Expenses) from investments in subsidiaries & investment portfolio" of the separate Income Statement.

10.3 Assumptions used in calculation of Value in Use

The recoverable value of each CGU is determined according to the calculation of the value in use. The calculations for the CGU's recoverable amount were based on the present value of the expected future cash flows. The methodology for determining the value in use is affected (has sensitivity) by the following key assumptions, as adopted by the management for the estimation of future cash flows:

- **5-year business plan per CGU:**
  - The business plans were prepared for a maximum period of 5 years. The cash flows beyond the 5-year estimates are derived using implied growth rates stated below.
  - The business plans are based on recent qualified budgets and estimates.
  - Forecasted operating margins and EBITDA, as well as future estimates based on reasonable assumptions are used in business plans.

The calculations for determining the recoverable amounts of the CGU's are based on 5-year business plans approved by the Management, which have included the necessary revisions to capture the current economic situation and reflect past experience, projections of studies per sector and other information available from external sources.

- **Perpetuity Growth rate:**

The cash flows beyond the 5 year period are extrapolated using the estimated growth rates in perpetuity, as obtained from external sources. For the year ended on 31/12/2018, perpetuity growth rate declined to 1.6% from 2.0% on 31/12/2017.

- **Weighted Average Cost of Capital (WACC):**

The WACC method reflects the discount rate of future cash flows for each CGU, according to which the cost of equity and the cost of long-term debt and any grants are weighted, in order to calculate the cost of capital of the company. The basic parameters determining the weighted cost of capital (WACC) include:

  - Risk-free return:

Since all cash flows of the business plans are denominated in euro, the yield of ten-year Euro Swap Rate (EUS) was used as the risk-free rate. At the valuation date the ten-year Euro Swap Rate was 0.81 %. The 10-year Greek government bond was not used as risk free rate, given the recognition by the markets of significant risk premium (spread) on the title.

- Country risk premium:

Assumptions of independent sources were taken into account for the calculation of the specific country risk premium. The risk associated with the activity in each market (Greece, Bulgaria, , etc.), as stated in each specific country risk premium, is included in the Cost of Equity of each company.

- Equity risk premium:

The calculation of the equity risk premium was based on assumptions by independent sources. Betas are evaluated annually based on published market data.

Apart from the above considerations concerning the determination of the value in use of CGUs, no other changes that may affect the rest of the assumptions have come to the Management's attention. Below are the main assumptions adopted by the Management for the estimation of future cash flows, so as to determine the value in use and perform impairment tests:

Key business plans assumptions	WACC		WACC perpetuity		Perpetuity growth	
	2018	2017	2018	2017	2018	2017
Food and Dairy	8.2%-8.7%	7,9%-9,5%	8.2%-8.7%	7,9%-9,5%	1.6%	2.0%
Transportation	10.4%	10.4%	10.4%	10.4%	1.6%	2.0%
IT and Telecoms	10.0%	8.1%	10.0%	8.1%	1.6%	2.0%

The impairments for the reporting period at Group and Company level are presented in Note 38 to the financial statements.

Sensitivity analysis of recoverable amounts:

The Management is not currently aware of any other event or condition that could reasonably affect any of the key assumptions underlying the determination of the recoverable amount of the CGUs. Nevertheless, on 31/12/2018, the Group analyzed the sensitivity of the recoverable amounts per CGU through changes in some of the key assumptions disclosed in note 10.3 (Indicatively a change: (i) a percentage point in EBITDA up to 2023 and half a percentage point to EBITDA in perpetuity, (ii) a percentage point in the discount rate up to 2023 and half a percentage point in the discount rate in perpetuity or (iii) a half-percentage point growth rate in perpetuity). From the relevant analysis it arises that in the case of the above changes an amount of impairment for the Group between € 27.4 m to a maximum of € 51.3 m may result and which concerns the operating segments "Food and Dairy", "Transportation" and "IT and Telecoms".

11 INTANGIBLE ASSETS

The intangible assets at Group level for the years 2018 and 2017 are briefly presented in the following tables:

THE GROUP

Amounts in € '000	Licences	Customer Relations	Brand Names	Computer Software	Suppliers / distribution agreements	Know How	Other	Total
Gross book value as of 01/01/2018	**86,661**	**45,232**	**309,665**	**38,689**	**4,702**	**7,551**	**36,066**	**528,566**
Additions	-	-	100	2,063	-	-	3,297	5,460
Disposals	-	-	-	(561)	-	-	(265)	(826)
Acquisitions through business combinations	-	-	5,745	110	-	-	-	5,855
Additions of sold subsidiaries	21	-	-	1,218	-	-	-	1,239
Disposals from Sale of subsidiaries	(86,682)	(45,232)	(70,950)	(15,442)	-	(136)	(37)	(218,479)
Impairment of intangible assets	-	-	(13,505)	-	-	-	-	(13,505)
Other movements/Reclassifications	-	-	(147)	424	-	-	159	436
Gross book value as of 31/12/2018	**-**	**-**	**230,908**	**26,501**	**4,702**	**7,415**	**39,220**	**308,746**

	THE GROUP							
Amounts in € '000	Licences	Customer Relations	Brand Names	Computer Software	Suppliers / distribution agreements	Know How	Other	Total
Accumulated depreciation as of 01/01/2018	**(45)**	**(20,506)**	**(9,367)**	**(32,862)**	**(4,702)**	**(7,551)**	**(28,302)**	**(103,335)**
Depreciation charge	-	-	(592)	(1,575)	-	-	(1,904)	(4,071)
Depreciation of disposals	-	-	-	521	-	-	265	786
Accumulated depreciations of acquisitions through business combinations	-	-	-	(25)	-	-	-	(25)
Depreciation charges of sold subsidiaries	(12)	(2,108)	-	(1,190)	-	-	-	(3,310)
Accumulated depreciation of sold subsidiary	57	22,614	-	13,548	-	136	4	36,359
Other movements/Reclassifications	-	-	147	(1)	-	-	(150)	(4)
Accumulated depreciation as of 31/12/2018	**-**	**-**	**(9,812)**	**(21,584)**	**(4,702)**	**(7,415)**	**(30,087)**	**(73,600)**
Net book value as of 31/12/2018	**-**	**-**	**221,096**	**4,917**	**-**	**-**	**9,133**	**235,146**

	THE GROUP							
Amounts in € '000	Licences	Customer Relations	Brand Names	Computer Software	Suppliers / distribution agreements	Know How	Other	Total
Gross book value as of 01/01/2017	**87,187**	**45,232**	**311,444**	**38,026**	**4,702**	**7,551**	**35,898**	**530,040**
Additions	3	-	5	2,339	-	-	2,641	4,988
Disposals	-	-	(3)	(883)	-	-	(628)	(1,514)
Acquisitions through business combinations	-	-	-	8	-	-	-	8
Additions of assets classified as held for sale	5	-	-	31	-	-	-	36
Transfer from Investment in associates to Investment in subsidiaries	-	-	-	-	-	-	350	350
Disposals from Sale of subsidiaries	-	-	-	(135)	-	-	-	(135)
Impairment of intangible assets	-	-	(1,781)	-	-	-	(2,260)	(4,041)
Assets classified as held for sale	(543)	-	-	(756)	-	-	-	(1,299)
Exchange differences on cost of assets classified as held for sale	9	-	-	12	-	-	-	21
Other movements/Reclassifications	-	-	-	47	-	-	65	112
Gross book value as of 31/12/2017	**86,661**	**45,232**	**309,665**	**38,689**	**4,702**	**7,551**	**36,066**	**528,566**
Accumulated depreciation as of 01/01/2017	**(428)**	**(17,585)**	**(8,795)**	**(31,315)**	**(4,702)**	**(7,551)**	**(25,458)**	**(95,834)**
Depreciation charge	(6)	(2,921)	(575)	(2,946)	-	-	(3,472)	(9,920)
Depreciation of disposals	-	-	3	842	-	-	628	1,473
Depreciation of assets classified as held for sale	(58)	-	-	(173)	-	-	-	(231)
Accumulated depreciation of sold subsidiary	-	-	-	135	-	-	-	135
Accumulated depreciations of assets classified as held for sale	454	-	-	603	-	-	-	1,057
Exchange differences of assets classified as held for sale	(7)	-	-	(9)	-	-	-	(16)
Other movements/Reclassifications	-	-	-	1	-	-	-	1
Accumulated depreciation as of 31/12/2017	**(45)**	**(20,506)**	**(9,367)**	**(32,862)**	**(4,702)**	**(7,551)**	**(28,302)**	**(103,335)**
Net book value as of 31/12/2017	**86,616**	**24,726**	**300,298**	**5,827**	**-**	**-**	**7,764**	**425,231**

Within the year, total impairment losses of € 13,505k (31/12/2017: € 4,041k) which have impacted the Group's consolidated results from continuing operations (see Note 10.2). This amount pertains to impairment losses over intangible assets with indefinite useful life.

The intangible assets at Company level for the years 2018 and 2017 are briefly presented in the following table and pertain solely to software programs:

Amounts in € '000	THE COMPANY 31/12/2018	31/12/2017
Gross book value at the beginning	**684**	**686**
Additions	9	-
Other movements/Reclassifications	-	(2)
Gross book value at the end	**693**	**684**
Accumulated depreciation at the beginning	**(682)**	**(681)**
Depreciation charge	(2)	(2)
Other movements/Reclassifications	-	1
Accumulated depreciation at the end	**(684)**	**(682)**
Net book value at the end	**9**	**2**

12 INVESTMENTS IN SUBSIDIARIES

12.1 Analysis of changes in investments in subsidiaries for FY 2018

The Company's subsidiaries are presented in Note 2.

The book value of the investments in subsidiaries is analyzed as follows:

Amounts in € '000 **Company**	THE COMPANY 31/12/2018	31/12/2017
HYGEIA S.A. / MARFIN CAPITAL S.A.	30	211,858
ATTICA HOLDINGS S.A. / MIG SHIPPING S.A.	368,733	433,497
VIVARTIA S.A.	398,976	418,326
MIG LEISURE LIMITED	7,145	7,145
MIG REAL ESTATE (SERBIA) B.V.	-	-
MIG LEISURE & REAL ESTATE CROATIA B.V.	-	55
MIG AVIATION HOLDINGS LTD	76	104
MIG ENVIRONMENT S.A.	-	-
SINGULARLOGIC S.A. / TOWER TECHNOLOGY HOLDINGS (OVERSEAS) LIMITED	7,057	25,519
MIG MEDIA S.A.	75	75
ATHENIAN ENGINEERING S.A.	-	-
Total	**782,092**	**1,096,579**

The analysis of the "Investments in subsidiaries" account for the current and previous year is as follows:

Amounts in € '000	THE COMPANY 31/12/2018	31/12/2017
Opening balance	**1,096,579**	**1,174,147**
Changes in share capital of subsidiaries	110	(44,606)
Disposals of subsidiaries	(211,828)	-
Loss from investment in subsidiaries and associates at fair value recognised in profit and loss	(102,769)	(32,962)
Closing balance	**782,092**	**1,096,579**

In compliance with the applied accounting policies and provisions of IAS 36, the Group conducts a relevant impairment test regarding its assets at the end of each reporting period, given that relative impairment indications are effective. The relevant test can be conducted earlier if there is evidence of possible impairment loss. The test conducted, focuses both on endogenous as well as exogenous parameters.

During the year ended on 31/12/2018 an impairment arose on the value of investments in subsidiaries amounting to € 102,769k which is included in the "Expenses/(Income) from investments and financial assets in the trading portfolio" of the company's Income Statement. The impairment loss is due to changes in the Management's assumptions in the preparation of business plans related to the operation of the individual companies as well as the rate of growth in perpetuity (see Note 10.2.2).

12.2 Subsidiaries with significant percentage of non-controlling interest

The following table presents the subsidiaries with significant percentage of non-controlling interest:

	Proportion of ownership interests and voting rights held by the NCI		Total comprehensive income allocated to NCI		Accumulated NCI presented in Statement of Financial Position	
Name of the subsidiary	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017
VIVARTIA GROUP	7.92%	7.92%	3,434	2,987	35,746	33,228
ATTICA GROUP	20.62%	10.62%	(2,660)	234	90,883	46,566

Financial information regarding the consolidated groups, in which non-controlling interests hold a significant percentage, is presented below as follows:

Amounts in € '000	VIVARTIA GROUP		ATTICA GROUP	
Statement of Financial Position	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Non-Current Assets	696,675	721,392	767,711	616,661
Current Assets	226,556	238,026	146,938	129,850
Total Assets	**923,231**	**959,418**	**914,649**	**746,511**
Non-current liabilities	504,769	151,352	286,802	226,841
Current Liabilities	160,243	548,570	173,059	58,364
Total liabilities	**665,012**	**699,922**	**459,861**	**285,205**
Equity attributable to owners of the parent	**222,473**	**226,268**	**363,905**	**414,740**
Non-controlling interests	**35,746**	**33,228**	**90,883**	**46,566**

Amounts in € '000	VIVARTIA GROUP		ATTICA GROUP	
Income Statement /Statements of Comprehensive Income	**01/01-31/12/2018**	**01/01-31/12/2017**	**01/01-31/12/2018**	**01/01-31/12/2017**
Sales	**606,605**	**582,835**	**365,401**	**271,541**
Profit /(Loss) for the year attributable to owners of the parent	(567)	(4,545)	1,966	1,903
Profit /(Loss) for the year attributable to NCI	3,525	3,060	1,049	226
Profit or Loss for the year	**2,958**	**(1,485)**	**3,015**	**2,129**
Other comprehensive income for the year	**(788)**	**(661)**	**(16,110)**	**79**
Total comprehensive income for the year attributable to owners of the parent	(1,264)	(5,133)	(10,435)	1,974
Total comprehensive income for the year attributable to NCI	3,434	2,987	(2,660)	234
Total comprehensive income for the year	**2,170**	**(2,146)**	**(13,095)**	**2,208**
Dividends paid to non-controlling interests	(3,396)	(1,611)	-	-

Amounts in € '000	VIVARTIA GROUP		ATTICA GROUP	
Statement of cash flows	**01/01-31/12/2018**	**01/01-31/12/2017**	**01/01-31/12/2018**	**01/01-31/12/2017**
Net cash flows from operating activities	(19,558)	28,422	82,145	30,565
Net cash flow from investing activities	(18,606)	(19,747)	(20,988)	(12,012)
Net cash flow from financing activities	33,376	(9,403)	(45,745)	(25,637)
Net (decrease) / increase in cash, cash equivalents and restricted cash	**(4,788)**	**(728)**	**15,412**	**(7,084)**
Cash, cash equivalents and restricted cash at the beginning of the year	59,946	60,674	44,099	51,220
Exchange differences in cash, cash equivalents and restricted cash from continuing operations	-	-	(87)	(37)
Net cash, cash equivalents and restricted cash at the end of the year	**55,158**	**59,946**	**59,424**	**44,099**

Note.: *Consolidated amounts before adjustments from the wider Group.*

The Group holds no investment in non-consolidated structured entities.

13 INVESTMENTS IN ASSOCIATES

The Group has the following investments in related companies that due to significant influence, are classified as associates and are consolidated based on the equity method in the consolidated Financial Statements (the scope of operations and the Group’s participating interest in these investments are presented in Note 2 to the financial statements).

Based on the contribution of the associates to the Group’s profit /(loss) before tax, the Group decided that each of the associates individually is material and thus, it discloses in the table below its aggregated participating interest in these associates:

	THE GROUP	
Amounts in € '000	**31/12/2018**	**31/12/2017**
Profit or loss from continuing operations	1,001	(6,507)
Post-tax profit/(loss) from discontinued operations	-	(1,050)
Total comprehensive income	**1,001**	**(7,557)**
Aggregate carrying amount of the Group's interests in these associates	**22,552**	**17,119**

The changes in the associates in the Group’s Statement of Financial Position account are as follows:

	THE GROUP	
Amounts in € '000	**31/12/2018**	**31/12/2017**
Opening balance	**17,119**	**59,342**
Sales of associates	-	(43,236)
Changes of share capital	8,290	5,854
Transfer from other current assets	(4,033)	-
Share in net profit/(loss) of companies accounted for by the equity method	1,176	(6,507)
Losses transferred to other current assets	-	1,666
Closing balance	**22,552**	**17,119**

AFRICA MOROCCO LINKS (AML)

In 2018, ATTICA group participated through its 100% subsidiary NORDIA M.C in the share capital increase of AFRICA MOROCCO LINKS, with an amount of € 8,290k paid in cash.

14 OTHER FINANCIAL ASSETS AND OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The analysis of other financial assets and other financial assets at fair value through profit or loss of the Group and the Company is as follows:

	THE GROUP			
Amounts in € '000	31/12/2018		31/12/2017	
	Long-term financial assets	**Sort-term financial assets**	**Long-term financial assets**	**Sort-term financial assets**
Financial assets measured at fair value through P&L				
Shares listed in ASE	-	27	-	25
Shares listed in foreign stock exhanges	123	-	122	-
Non-listed shares	165	-	5,228	-
Other financial instruments	-	-	3	-
Mutual funds	16	150	-	412
Total	**304**	**177**	**5,353**	**437**

	THE COMPANY			
Amounts in € '000	31/12/2018		31/12/2017	
	Long-term financial assets	**Sort-term financial assets**	**Long-term financial assets**	**Sort-term financial assets**
Financial assets measured at fair value through P&L				
Mutual funds	-	150	-	367
Total	**-**	**150**	**-**	**367**

Change in other financial assets and other financial assets at fair value through profit or loss of the Group and the Company is analyzed as follows:

	THE GROUP			
Amounts in € '000	31/12/2018		31/12/2017	
	Long-term financial assets	**Sort-term financial assets**	**Long-term financial assets**	**Sort-term financial assets**
Opening balance	**5,353**	**437**	**471**	**2,867**
Additions	16		5,000	-
Disposals	-	-	(1,128)	(2,436)
Acquisitions through business combinations	-	13	-	-
Increase / (Decrease) from fair value adjustments through P&L	(65)	(228)	7	7
Decrease - Return of share capital	-	-	-	(1)
Exchange differences	-	-	6	-
Impairment losses reversed in P&L	-	-	997	-
Disposals from sale of subsidiaries	-	(45)	-	-
Reclassifications	(5,000)	-	-	-
Closing balance	**304**	**177**	**5,353**	**437**

	THE COMPANY			
Amounts in € '000	31/12/2018		31/12/2017	
	Long-term financial assets	**Sort-term financial assets**	**Long-term financial assets**	**Sort-term financial assets**
Opening balance	**-**	**367**	**-**	**815**
Disposals	-	-	-	(448)
Increase / (Decrease) from fair value adjustments through P&L	-	(217)	-	-
Closing balance	**-**	**150**	**-**	**367**

15 INVESTMENT PROPERTY

The Group's investments in property are defined based on the fair value method of IAS 40 as follows:

	THE GROUP	
Amounts in € '000	**31/12/2018**	**31/12/2017**
Opening net book value	**265,878**	**275,225**
Additions	1,535	1,696
Disposals	-	(28)
Decreases from the sale of subsidiaries	(167)	-
Fair value adjustments Investment properties	(7,460)	(10,942)
Other changes	-	(73)
Closing net book value	**259,786**	**265,878**

Investment properties as of 31/12/2018 include the properties of the subsidiary RKB amounting to € 259,786k. These properties are burdened with liens securing borrowing of RKB (see Note 46.2). Within 2018, the Group performed a reassessment of the fair value of RKB's investment property by appointing an independent real estate appraisal firm. Following the reassessment of the said investment property, a decrease in fair value arose, amounting to € 7,460k that is included in the item "Other operating expenses" of the consolidated Income Statement for the year 2018.

Moreover, the following amounts, related to the investment properties, have been recognized in the Income Statement for the year:

	THE GROUP	
Amounts in € '000	**01/01-31/12/2018**	**01/01-31/12/2017**
Income from leases from investment property	10,318	9,166
Operating expenses related to investment property from which the Group received income from leasing	3,041	2,679
Operating expenses related to investment property from which the Group did not received income from leasing	1,314	1,433

16 OTHER NON-CURRENT ASSETS

The other non-current assets for the Group and the Company are presented as follows:

	THE GROUP		THE COMPANY	
Amounts in € '000	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Guarantees	4,101	4,833	44	51
Other long-term receivables	1,874	9,532	10	10
Other long-term receivables from related parties	-	-	251,836	251,836
Less:Impairment provisions	-	-	(77,318)	(70,596)
Net book value	**5,975**	**14,365**	**174,572**	**181,301**

The amount of € 251,836k that was raised in 2014 from MIG's CBL was used in order to settle loan liabilities of its subsidiary RKB to PIRAEUS BANK S.A., for which MIG's company guarantee had been provided. PIRAEUS BANK S.A. has agreed for the Company to substitute PIRAEUS BANK S.A. regarding the loan liabilities which were settled in compliance with applicable legislation and established practices.

Changes in provision for impairment regarding the Company for 2018 and 2017 are presented below as follows:

	THE COMPANY	
Amounts in € '000	**31/12/2018**	**31/12/2017**
Balance at the beginning	**(70,596)**	**(60,412)**
Additional provisions	(6,722)	(10,184)
Closing balance	**(77,318)**	**(70,596)**

17 DEFERRED TAX RECEIVABLES AND LIABILITIES

Deferred income tax occurs from temporary differences between the book value and the tax bases of the assets and liabilities and is calculated based on the tax rate which is expected to be applicable in the financial years when the temporary taxable and deductible differences are predicted to be reversed.

Deferred tax assets and liabilities are offset when an applicable legal right exists to offset current tax assets against current tax liabilities and when the deferred taxes refer to the same tax authority. A deferred tax asset is recognized in respect to tax losses carried forward to the extent that the realization of a relevant tax benefit is possible through future taxable profits.

The offset amounts for the Group are the following:

	THE GROUP			
	31/12/2018		31/12/2017	
Amounts in € '000	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
Tangible assets	-	40,222	-	68,904
Intangible assets	-	51,152	-	113,319
Long-term investments	319	-	384	-
Trade and other receivables	4,386	-	9,224	-
Other assets	434	3,066	571	2,757
Other reserves	-	14	-	16
Retained earnings	5,318	-	10,292	1,390
Accrued pension and retirement obligations	4,531	-	10,023	-
Other long-term liabilities	1,607	1,255	3,192	-
Other current liabilities	961	-	1,150	7
Total	**17,556**	**95,709**	**34,836**	**186,393**
Off set deferred tax assets & liabilities	935	935	2,789	2,789
Deferred tax asset / (liability)	**18,491**	**96,644**	**37,625**	**189,182**

It is noted that a deferred tax receivable amounting to € 5,318k has been recognized only in that part of the losses for which the Management estimates with reasonable certainty that they will be offset with future taxable profits within the following five year period.

18 INVENTORIES

The Group's inventory is analyzed as follows:

	THE GROUP	
Amounts in € '000	31/12/2018	31/12/2017
Merchandise	11,176	11,871
Finished goods	16,885	21,074
Semi-finished products	14,777	15,536
Raw materials and other consumables	21,252	23,323
Fuels and lubricant	3,745	2,515
Spare parts of tangible assets	5,262	4,728
Total	**73,097**	**79,047**
Less: Provisions for scrap, slow moving and/or destroyed inventories for the year	(521)	(190)
Less: Provisions for scrap, slow moving and/or destroyed inventories recognized from previous years	(2,102)	(2,975)
Net book value	**70,474**	**75,882**

It should be noted that due to the significantly diversified activities of the consolidated companies, the nature of inventories differs. Inventory mainly pertains to VIVARTIA group and ATTICA group.

The movement in the provisions account in respect to inventories for the Group during the financial years 2018 and 2017 is presented in the following table:

	THE GROUP	
Amounts in € '000	**31/12/2018**	**31/12/2017**
Balance at the beginning	**(3,165)**	**(4,429)**
Additions	(521)	(190)
Utilised provisions	820	1,118
Disposals from the sale of subsidiaries	243	-
Decrease from transfer to assets classified as held for sale	-	340
Additions of assets classified as held for sale	-	(21)
Exchange differences of assets classified as held for sale	-	17
Closing balance	**(2,623)**	**(3,165)**

19 TRADE AND OTHER RECEIVABLES

Trade and other receivables of the Group are analyzed as follows:

	THE GROUP	
Amounts in € '000	**31/12/2018**	**31/12/2017**
Trade receivables	235,714	289,691
Intercompany accounts receivable	2,070	2,448
Notes receivable	639	14,488
Checks receivable	41,790	49,602
Less:Impairment provisions	(130,973)	(141,270)
Net trade receivables	**149,240**	**214,959**
Advances to suppliers	8,292	6,648
Less:Impairment provisions	(1,197)	(1,195)
Total	**156,335**	**220,412**

In respect to trade receivables amounting to € 91,328k of VIVARTIA group, the Group has received client guarantees amounting to € 18,489k (31/12/2017: € 28,300k).

Changes in provisions for bad trade receivables of the Group within the years ended as at 31/12/2018 and 31/12/2017 are as follows:

	THE GROUP	
Amounts in € '000	**31/12/2018**	**31/12/2017**
Opening balance	**(142,465)**	**(164,287)**
Change in accounting policy IFRS 9	(2,730)	-
Adjusted opening balance	**(145,195)**	**(164,287)**
Additional provisions	(1,545)	(6,616)
Utilised provisions	1,885	27,534
Additions through acquisitions	(15,292)	(2)
Disposals from the sale of subsidiaries	28,085	-
Reclassifications	-	1,004
Provisions for the year of discontinued operations	(1,859)	36
Utilised provisions of sold subsidiaries	1,710	-
Transfer from/to disposal groups held for sale	26	312
Exchange differences	15	(441)
Exchange differences of assets classified as held for sale	-	(5)
Closing balance	**(132,170)**	**(142,465)**

Post-dated non-impaired trade receivables are presented in Note 48.5.

20 OTHER CURRENT ASSETS

The Group's and Company's other current assets are analyzed as follows:

	THE GROUP		THE COMPANY	
Amounts in € '000	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Other debtors	33,860	39,936	264	264
Receivables from the state	6,151	13,825	151	175
Advances and loans to personnel	844	726	41	48
Accrued income	1,791	735	112	-
Prepaid expenses	14,452	10,837	681	560
Receivables arising from share disposals	2,184	1,614	2,184	1,614
Other receivables	9,053	6,776	14,343	3,622
Total	**68,335**	**74,449**	**17,776**	**6,283**
Less:Impairment Provisions	(16,849)	(11,893)	(264)	(264)
Net receivables	**51,486**	**62,556**	**17,512**	**6,019**

The category Miscellaneous Debtors in the consolidated financial statements mainly includes ATTICA group's receivables from AFRICA MOROCCO LINKS, consolidated under the equity method. Receivables from public authorities mainly concern advance and withholding taxes and VAT, which is expected to be collected or offset, as the case may be.

Changes in impairment provisions for the Group's and the Company's other current assets for the years 2018 and 2017 are as follows:

	THE GROUP		THE COMPANY	
Amounts in € '000	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Balance at the beginning	**(11,893)**	**(12,088)**	**(264)**	**(264)**
Change in accounting policy IFRS 9	(1,290)	-	-	-
Adjusted opening balance	**(13,183)**	**(12,088)**	**(264)**	**(264)**
Acquisitions through business combinations	(7,167)	-	-	-
Disposals from the sale of subsidiaries	3,434	-	-	-
Additional provisions	(123)	(214)	-	-
Utilised provisions	190	1,734	-	-
Reclassifications	-	(1,424)	-	-
Discontinued operations	-	99	-	-
Closing balance	**(16,849)**	**(11,893)**	**(264)**	**(264)**

21 CASH, CASH EQUIVALENTS AND RESTRICTED CASH

The Group's and the Company's cash, cash equivalents and restricted deposits are analyzed as follows:

	THE GROUP		THE COMPANY	
Amounts in € '000	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Cash in hand	7,085	9,814	129	98
Cash equivalent balance in bank	107,926	106,054	257	316
Time deposits	2,340	7,369	2,340	5,660
Blocked deposits	4,111	7,270	388	3,480
Total cash, cash equivalents and restricted cash	**121,462**	**130,507**	**3,114**	**9,554**
Cash, cash equivalents and restricted cash in €	113,260	123,821	3,113	9,327
Cash, cash equivalents and restricted cash in foreign currency	8,202	6,686	1	227
Total cash, cash equivalents and restricted cash	**121,462**	**130,507**	**3,114**	**9,554**

Bank deposits receive a floating interest rate which is based on the banks' monthly deposit interest rates. The interest income on sight and time deposits is accounted for on an accrued basis and is included in "Financial Income" in the Income Statement.

From the restricted deposits of the Group, an amount of € 3,723k (31/12/2017: € 5,738k) pertains to guarantees for credit facilities of the Group's subsidiaries". The relevant amount for the Company is € 0k (31/12/2017: € 1,955k).

22 SHARE CAPITAL AND SHARE PREMIUM

The Company's share capital as at 31/12/2018 stands at € 281,853,224.40 fully paid and divided into 939,510,748 ordinary registered shares of € 0.30 nominal value each. Every share of the Company provides one voting right. On 31/12/2018 the share premium account to € 3,874,689k.

23 OTHER RESERVES AND FAIR VALUE RESERVES

The Group's other reserves are analyzed as follows:

	THE GROUP				
Amounts in € '000	Statutory Reserve	Special reserves	Other reserves	Translation reserves	Total
Opening Balance as of 01/01/2017	**32,140**	**501**	**2,960**	**(1,820)**	**33,781**
Exchange differences	-	-	-	1,754	1,754
Convertible bond loan reserve	-	-	(2,783)	-	(2,783)
Closing balance as of 31/12/2017	**32,140**	**501**	**177**	**(66)**	**32,752**

	THE GROUP				
Amounts in € '000	Statutory Reserve	Special reserves	Other reserves	Translation reserves	Total
Opening Balance as of 01/01/2018	**32,140**	**501**	**177**	**(66)**	**32,752**
Other adjustments	-	-	400	-	400
Disposed subsidiary	-	-	(196)	-	(196)
Closing balance as of 31/12/2018	**32,140**	**501**	**381**	**(66)**	**32,956**

The Group's other reserves are analyzed as follows:

	THE COMPANY			
Amounts in € '000	Statutory Reserve	Special reserves	Other reserves	Total
Opening Balance as of 01/01/2017	**32,140**	**501**	**3,090**	**35,731**
Convertible bond loan reserve	-	-	(2,783)	(2,783)
Closing balance as of 31/12/2017	**32,140**	**501**	**307**	**32,948**

	THE COMPANY			
Amounts in € '000	Statutory Reserve	Special reserves	Other reserves	Total
Opening Balance as of 01/01/2018	**32,140**	**501**	**307**	**32,948**
Current year movements	-	-	-	-
Closing balance as of 31/12/2018	**32,140**	**501**	**307**	**32,948**

The Group's fair value reserves are analyzed as follows:

	THE GROUP	
	31/12/2018	31/12/2017
Amounts in € '000	Cash flow hedge	Cash flow hedge
Opening balance	**2,273**	**2,085**
Adjustments due to the implementation of IFRS 9	12	-
Adjusted opening balance	**2,285**	**2,085**
Gains/ (losses) from valuation transferred to equity	-	6
Cash flow hedge	(12,319)	182
Closing balance	**(10,034)**	**2,273**

24 EMPLOYEE RETIREMENT BENEFITS

In accordance with the labor legislation of the countries in which the Group operates, employees are entitled to compensation in case of dismissal or retirement. With regards to subsidiaries domiciled in Greece (being the largest part of Group's activities), the amount of compensation varies depending on the employee's salary, the years of service and the mode of stepping down (redundancy or retirement). Employees resigning or dismissed on justifiable grounds are not entitled to compensation. In case of retirement, a lump sum compensation shall be paid pursuant to Law 2112/20. The Group recognizes as a liability the present value of the legal commitment for the lump sum compensation payment to personnel stepping down due to retirement. These are non-financed defined benefit plans according to IAS 19 and the relevant liability was calculated on the basis of an actuarial study.

The analysis of the liability for employee benefits due to retirement of the Group and the Company is as follows:

	THE GROUP					
	31/12/2018			31/12/2017		
Amounts in € '000	Defined benefit plans (Non financed)	Defined benefit plans (Financed)	Total	Defined benefit plans (Non financed)	Defined benefit plans (Financed)	Total
Defined benefit obligation	21,269	-	21,269	33,033	3,918	36,951
Fair value of plan assets	-	-	-	-	1,186	1,186
	21,269	**-**	**21,269**	**33,033**	**2,732**	**35,765**
Classified as :						
Non-Current Liability	21,269	-	21,269	33,033	2,732	35,765

	THE COMPANY					
	31/12/2018			31/12/2017		
Amounts in € '000	Defined benefit plans (Non financed)	Defined benefit plans (Financed)	Total	Defined benefit plans (Non financed)	Defined benefit plans (Financed)	Total
Defined benefit obligation	230	-	230	209	-	209
	230	**-**	**230**	**209**	**-**	**209**
Classified as :						
Non-Current Liability	230	-	230	209	-	209

The amounts recognized in the Group's and the Company's Income Statement are as follows:

	THE GROUP					
	31/12/2018			31/12/2017		
Amounts in € '000	**Defined benefit plans (Non financed)**	**Defined benefit plans (Financed)**	**Total**	**Defined benefit plans (Non financed)**	**Defined benefit plans (Financed)**	**Total**
Current service costs	769	-	769	1,252	471	1,723
Past service costs	5,715	-	5,715	3,945	-	3,945
Net Interest on the defined obligation	374	-	374	588	55	643
Total expenses recognized in profit or loss	**6,858**	**-**	**6,858**	**5,785**	**526**	**6,311**

	THE COMPANY					
	31/12/2018			31/12/2017		
Amounts in € '000	**Defined benefit plans (Non financed)**	**Defined benefit plans (Financed)**	**Total**	**Defined benefit plans (Non financed)**	**Defined benefit plans (Financed)**	**Total**
Current service costs	19	-	19	23	-	23
Past service costs	142	-	142	264	-	264
Net Interest on the defined obligation	4	-	4	3	-	3
Total expenses recognized in profit or loss	**165**	**-**	**165**	**290**	**-**	**290**

The amounts recognized in the Group's and the Company's Statement of Comprehensive Income are as follows:

	THE GROUP					
	31/12/2018			31/12/2017		
Amounts in € '000	**Defined benefit plans (Non financed)**	**Defined benefit plans (Financed)**	**Total**	**Defined benefit plans (Non financed)**	**Defined benefit plans (Financed)**	**Total**
Actuarial gains /(losses) from changes in financial assumptions	(308)	-	(308)	(412)	(49)	(461)
Actuarial losses (gains) from changes in experience	(964)	-	(964)	(470)	(98)	(568)
Total income /(expenses) recognized in other comprehensive income	**(1,272)**	**-**	**(1,272)**	**(882)**	**(147)**	**(1,029)**

	THE COMPANY					
	31/12/2018			31/12/2017		
Amounts in € '000	**Defined benefit plans (Non financed)**	**Defined benefit plans (Financed)**	**Total**	**Defined benefit plans (Non financed)**	**Defined benefit plans (Financed)**	**Total**
Actuarial gains /(losses) from changes in financial assumptions	(3)	-	(3)	(3)	-	(3)
Actuarial losses (gains) from changes in experience	(7)	-	(7)	(20)	-	(20)
Total income /(expenses) recognized in other comprehensive income	**(10)**	**-**	**(10)**	**(23)**	**-**	**(23)**

The changes in the present value of the defined contribution plan liability of the Group and the Company are as follows:

	THE GROUP					
	31/12/2018			31/12/2017		
Amounts in € '000	Defined benefit plans (Non financed)	Defined benefit plans (Financed)	Total	Defined benefit plans (Non financed)	Defined benefit plans (Financed)	Total
Defined benefit obligation 1st January	**33,033**	**3,918**	**36,951**	**31,777**	**3,586**	**35,363**
Current Service cost	769	-	769	1,252	471	1,723
Interest expense	374	-	374	588	68	656
Actuarial losses (gains) in liability	1,272	-	1,272	882	158	1,040
Benefits paid	(7,926)	-	(7,926)	(5,286)	(365)	(5,651)
Past service cost	5,715	-	5,715	3,945	-	3,945
Defined benefit obligation discontinued operations	(12,910)	(3,918)	(16,828)	-	-	-
Current Service cost discontinued operations	-	-	-	(176)	-	(176)
Past service cost from new aquisitions	942	-	942	-	-	-
Past service cost from companies consolidated by equity method	-	-	-	51	-	51
Defined benefit obligation 31st December	**21,269**	**-**	**21,269**	**33,033**	**3,918**	**36,951**

	THE COMPANY					
	31/12/2018			31/12/2017		
Amounts in € '000	Defined benefit plans (Non financed)	Defined benefit plans (Financed)	Total	Defined benefit plans (Non financed)	Defined benefit plans (Financed)	Total
Defined benefit obligation 1st January	**209**	**-**	**209**	**184**	**-**	**184**
Current Service cost	19	-	19	23	-	23
Interest expense	4	-	4	3	-	3
Actuarial losses (gains) in liability	10	-	10	23	-	23
Benefits paid	(154)	-	(154)	(288)	-	(288)
Past service cost	142	-	142	264	-	264
Defined benefit obligation 31st December	**230**	**-**	**230**	**209**	**-**	**209**

Changes in the fair value of the assets of the Group's plan are as follows:

	THE GROUP	
	31/12/2018	31/12/2017
Amounts in € '000	Defined benefit plans (Financed)	Defined benefit plans (Financed)
Fair value of plan assets 1st January	**1,186**	**728**
Interest income	-	13
Return on plan assets (excluding amounts included in net interest)	-	11
Disposals from Sale of subsidiaries	(1,186)	-
Employer contributions	-	799
Benefits paid	-	(365)
Fair value of plan assets 31st December	**-**	**1,186**

The assets of the plan can be analyzed into the following investing categories:

	THE GROUP	
	31/12/2018	31/12/2017
Amounts in € '000	Defined benefit plans (Financed)	Defined benefit plans (Financed)
Cash and cash equivalents	-	1,186
Total	**-**	**1,186**

The main actuarial assumptions applied for the aforementioned accounting purposes are described below:

	THE GROUP		THE COMPANY	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
Discount rate	1.70%	1.80%	1.70%	1.80%
Expected rate of salary increases	1.84%	1.82%	1.80%	1.80%
Inflation	1.50%	1.50%	1.50%	1.50%

The above assumptions were developed by the Management in collaboration with an independent actuary who prepared the actuarial study.

The key actuarial assumptions used for determining the liabilities are the discount rate and the expected change in wages. The following table summarizes the effects on the actuarial liability arising from potential changes in the assumptions.

	THE GROUP				THE COMPANY			
	31/12/2018		31/12/2017		31/12/2018		31/12/2017	
Amounts in € '000	Discount rate		Discount rate		Discount rate		Discount rate	
	0,5%	-0,5%	0,5%	-0,5%	0,5%	-0,5%	0,5%	-0,5%
Increase (decrease) in the defined liability	(1,653)	1,491	(2,600)	2,563	(16)	18	(16)	18
	Expected rate of salary increases		Expected rate of salary increases		Expected rate of salary increases		Expected rate of salary increases	
	0,5%	-0,5%	0,5%	-0,5%	0,5%	-0,5%	0,5%	-0,5%
Increase (decrease) in the defined liability	1,359	(1,556)	2,258	(2,351)	12	(11)	12	(11)

25 GRANTS

Government grants to the Group pertain to investment grants and their movements during the financial years which ended on 31/12/2018 and 31/12/2017 are as follows:

	THE GROUP	
Amounts in € '000	31/12/2018	31/12/2017
Opening Balance	**6,946**	**7,721**
New amounts granted	2,012	68
Amortization	(1,138)	(843)
Decreases from the sale of subsidiaries	(105)	-
Closing balance	**7,715**	**6,946**

26 BORROWINGS

The Group's and the Company's borrowings on 31/12/2018 are analysed as follows:

	THE GROUP		THE COMPANY	
Amounts in € '000	31/12/2018	31/12/2017	31/12/2018	31/12/2017
Long-term borrowings				
Obligations under finance lease	2,052	3,772	-	-
Bank loans	137,053	147,749	-	-
Bonds	955,647	869,589	228,750	257,500
Convertible bonds	297,205	501,628	297,205	425,200
Less: Long-term loans payable in the next 12 months	(427,134)	(541,845)	(228,750)	(58,750)
Total long-term borrowings	**964,823**	**980,893**	**297,205**	**623,950**

Amounts in € '000	THE GROUP 31/12/2018	THE GROUP 31/12/2017	THE COMPANY 31/12/2018	THE COMPANY 31/12/2017
Short-term borrowings				
Obligations under finance lease	2	317	-	-
Bank loans	63,297	101,248	20,000	15,922
Other loans	-	-	900	900
Plus: Long-term loans payable in the next 12 months	427,134	541,845	228,750	58,750
Total short-term borrowings	**490,433**	**643,410**	**249,650**	**75,572**

The total financial cost of the long-term and short-term loan liabilities as well as of the finance leases for the annual period 01/01-31/12/2018 (and the respective comparative annual period) is included in “Financial expenses” of the consolidated and separate Income Statement.

The Group’s average borrowing interest rate for the annual period ending on 31/12/2018 amounted to (a) 4.82 % (2017: 5.67 %) regarding long term loans and (b) 6.14% (2017: 5.27%) regarding short term loans.

The Group’s short term loan liabilities as at 31/12/2018 include capital and interest obligations (as also referred to in Note 3.1) totalling € 153,202k for the Group’s subsidiaries, regarding which, as at the accompanying financial statements approval date, the Management is at the stage of negotiation on restructuring with the creditor banks.

(a) Loans of the Company (MIG):

Common Bond Loan of € 115,000k

On 18/03/2015, MIG signed the issue of a new Common Bond Loan amounting up to € 115,000k in two tranches, where PIRAEUS BANK S.A. assumed the obligation to cover it, in order for MIG to refinance equivalent existing debt towards the credit institution. The issuance of the first tranche worth € 100,000k was completed on 19/03/2015, while the issuance of the second tranche worth € 15,000k was completed on 21/10/2016. The duration of the loan is 3 years, maturing in October 2019. The interest rate was defined at 6-month Euribor plus 4.10% spread, which will increase gradually, reaching 5.25% in the last year (2019).

The loan balance as at 31/12/2018 stands at € 86,250k, following the payment of the due instalments totalling € 28,750k on 28/12/2018. The loan balance is contractually payable within the second half of 2019.

Common bond loan of € 150,000k

On 21/10/2016 MIG signed the issue of a common bond loan amounting up to € 150,000k where ERGASIAS S.A., assumed the obligation to cover it, in order for MIG to refinance equivalent existing debt towards the credit institution. The duration of the loan is 3 years, maturing in October 2019. The interest rate was defined at 6-month Euribor plus 4.40% spread, which will increase gradually, reaching 5.25% in the last year (2019).

On 02/12/2016, ERGASIAS S.A., amended the common bond loan issued by the Company amounting to € 150,000k to Investment Funds managed by FORTRESS. The Bank has retained its status as the Facility Agent and Representative of the Bondholders.

As at 31/12/2018, the remaining amount stands at € 142,500k following the payment of the first instalment amounting to € 7,500k as at 30/06/2017. Regarding the effective instalment of € 30,000k, the Company received a waiver letter regarding postponing the payment until the maturity of the loan on 23/10/2019. Therefore, the total debt is payable within the second half of 2019.

To secure the aforementioned bond loans amounting to a total of € 228.8 m as at 31/12/2018, MIG has pledged the total shares of ATTICA and VIVARTIA held (directly or indirectly) by the Company. The Company retains the voting rights of the aforementioned shares, though the pledge extends to rights and benefits of the above securities and is attributable to the Company given that no event of default has occurred.

Convertible bond loan of € 425,200k

On 27/07/2017, the Board of Directors of MIG specified the terms of the new Convertible Bond Loan (CBL), the issuance of which was resolved by the 2nd Reiterative Annual General Meeting of 10 July 2017. The aggregate amount of the CBL may not exceed the amount of € 460,302k divided into a maximum number of 1,534,340,000 bonds of a par value of € 0.30 each convertible into shares.

Bondholders may ask for conversion of their bonds into shares of the Company for the first time twelve (12) months following the issuance date of the CBL and, subsequently, at every monthly anniversary throughout the term of the CBL, upon written notice to the Company (hereinafter referred to as the “Conversion Notice Day”). In such case, the Company shall have an early repayment right in respect of the entire number (and not part of) the bonds for which the conversion right is exercised, within fifteen (15) working days starting from the day following the Conversion Notice Day. If the time-limit in question expires without any action, said bonds will be converted on the twentieth (20th) working day after the Conversion Notice Day (hereinafter referred to as the “Conversion Day”). If, on the day prior to the Conversion Notice Day, the stock market price of the share is lower than its nominal value (€ 0.30), the Company, upon bondholders’ request will proceed to all appropriate corporate actions, including reducing the number of shares (reverse split) and at the same time reducing the share capital, by reducing the nominal value of each share for the purpose of writing off loss, in order to cause a readjustment of the stock market price to at least thirty cents (€ 0.30), which shall then constitute the conversion price. In such case, the Conversion Day will be subsequent to the completion of the relevant corporate actions. On 28/07/2017, MIG signed the Convertible Bond Loan Issuance Programme Plan up to the amount of € 460,250k. The new CBL is not listed for trading on the Athens Exchange.

CBL maturity was set at 4 years with the possibility of early repayment on every monthly repayment period date throughout the CBL maturity and, in particular, in the case of exercise of the conversion right. The CBL interest-rate shall be 12-month EURIBOR plus 4% spread. According to the CBL Programme, the Company has the option to recapitalise part of any interest due, at its absolute discretion, through issuance of up to 116,833,849 additional bonds (PIK Bonds) of a par value of € 0.30 each convertible into Company’s shares. The CBL may be secured by collateral on listed and unlisted shares owned by the Company. The agreement includes terms relating to the issuer's obligations and constraints, termination events, compliance with financial covenants and disposal of Group assets after obtaining any required consents from other interested parties.

As at 31/07/2018, i.e. during the first interest period, under the terms of the CBL, a part of the interest due, standing at € 8,622k was recapitalized through the issue of 28,740,370 PIK Bonds of nominal value € 0.30 each. Moreover, a portion of the consideration arising from the disposal of HYGEIA (an amount of € 136,617k) was used to facilitate early repayment of the CBL. As a result of the aforementioned events, the loan balance as at 31/12/2018 stands at € 297,205k.

(b) VIVARTIA group loans

As at 31/12/2018, VIVARTIA group total loan liabilities amounted to € 432,431k, of which an amount of € 393,110k pertains to long-term debt obligations, while an amount of € 39,321k pertains to short-term debt obligations. It is to be noted that in the first half of 2018, VIVARTIA group finalized capital and interest restructuring of its Common Syndicated Bond Loans, totaling € 365,208k, the remaining amount of which stood at € 362,708k as at 31/12/2018.

In particular, on 01/03/2018, VIVARTIA group and the credit institutions signed a Private Restructuring Agreement in relation to the above mentioned syndicated loans on terms favorable to the VIVARTIA group, such as, indicatively, lower lending margins and extension of maturity until 20/10/2024. The Agreement recorded the framework of the basic terms of the Restructuring, while also included the provision for issuing a Common Bond Loan amounting to € 103,000k, covered as at 18/04/2018, whose proceeds were used for the repayment of equal bank liabilities of the catering sector. In June 2018, following signing of the respective amended contracts, it was completed the restructuring of the syndicated bond loans of the subsidiaries DELTA, BARBA STATHIS, GOODY'S and EVEREST under the terms of the Private Restructuring Agreement and the Common Bond Loan of VIVARTIA.

The key terms of the entire VIVARTIA group Common Syndicated Bond Loans make provisions for an annual three-month EURIBOR rate plus margin and maturity at 20/10/2024. Moreover, the terms include capital repayment schedule, pledges on assets (pledges on real estate, notional pledges on machinery, pledges on subsidiaries shares, pledges on trademarks) restrictive financial covenants and other terms, liabilities and termination events in the framework of the aforementioned common bond loan plans.

Furthermore, following the finalization of VIVARTIA group bond loans restructuring, the settlement of other loan liabilities plus interest of the catering group standing at € 12.391m. was approved by ERGASIAS S.A., and it is at implementation stage and is estimated to be completed within first half of 2019. The key terms of the loans will include extending the maturity of loans by six years from 31/12/2018, and a substantial reduction in financial costs within the limits defined by the Syndicated Loans. Due to the aforementioned approval, an amount of € 8,378k was transferred to long-term loan liabilities of VIVARTIA group from short-term borrowings in accordance with the respective provisions of IAS.

(c) ATTICA group loans

On 31/12/2018, ATTICA group loans stood at € 346,085k, of which € 71,583k are short-term loan liabilities. The increase in the ATTICA group loan liabilities compared to those recorded as at 31/12/2017 is mainly due to the full consolidation of HSW following its acquisition by ATTICA group in 2018.

In 2018, Attica group deposited an amount of € 163.6 m, of which an amount of € 57 m pertained to repayment of the instalments of its long-term loans and the long-term loans of the vessels SUPERFAST XII and HIGHSPEED 7 which were disposed.

The Extraordinary General Meeting of ATTICA held on 28/12/2018 decided to proceed with the voluntary advance payment of the exchangeable bond loan of € 87 m issued by its subsidiary BLUE STAR FERRIES MARITIME S.A following exercise of the exchange right by the bondholders (investment funds managed by FORTRESS). Moreover, ATTICA's management decided on early repayment of the amount of € 18.4 m pertaining to the bond loan issued by the subsidiary BLUE STAR FERRIES MARITIME S.A. to the bondholders (investment funds managed by FORTRESS). The two aforementioned loans were repaid through the issue of a new long-term bank loan with a banking institution amounting to € 100.4 m for a 5-year period, measured at amortized cost. Moreover, ATTICA Group has issued a bond loan with a banking institution amounting to € 17,500k for a 4-year period, measured at amortized cost.

(d) RKB loans

On 31/12/2018, RKB's bank loans stood at € 75.0 m and pertained to short-term loan liabilities, while Group's other current liabilities also include accrued interest amounting to € 26.9 m.

The above loan was issued in 24/06/2008 and its terms provide for termination events including, amongst others, overdue payments, financial covenants and noncompliance with the general and financial assurances which have been provided. Also, to ensure the above loan, RKB real estate properties were pledged. RKB has classified the loan to short-term borrowings under the requirements of IAS 1, as the company was not in compliance with contractual terms.

The Group's Management is in the process of negotiations regarding the restructuring of the above loan.

(e) SINGULARLOGIC loans

On 31/12/2018 the loans of SINGULARLOGIC group stood at € 62,723k, of which an amount of € 62,717k pertained to short-term loan liabilities.

Short-term loan liabilities include bond loans amounting to € 51,314k, which contractually were expiring 31/01/2018. In the context of negotiating the aforementioned liabilities with the credit institutions, the company sent requests for consensus regarding the extension of maturity of the loans and the extension was approved until 31/10/2018. Moreover, in January 2019 the company received an extension of the bond loans until 31/01/2020 with retrospective effect from 31/10/2018. At the same time, on 31/12/2018, the financial covenants of the above loan liabilities were not observed.

To secure the bond loans, SINGULARLOGIC has pledged the total of its shares as well as trademarks and trade receivables as defined by the loan agreements. Moreover, the company has pledged the total shares issued by some of its subsidiaries, owned by the company, which will be extended to the dividends arising from the aforementioned shares.

SINGULARLOGIC management is in the process of negotiating the restructuring of the aforementioned loans with the credit banks.

26.1 Table of loan liabilities future repayments

Regarding the long-term and short-term loans, the table below presents future repayments for the Group and the Company on 31/12/2018 and 31/12/2017.

	THE GROUP		THE COMPANY	
Amounts in € '000	31/12/2018	31/12/2017	31/12/2018	31/12/2017
Within 1 year	490,433	643,410	249,650	75,572
After 1 year but not more than 2 years	53,418	365,003	-	198,750
After 2 years but not more than 3 years	341,526	45,807	297,205	-
After 3 years but not more than 4 years	160,529	525,593	-	425,200
After 4 years but not more than 5 years	105,351	30,618	-	-
More than 5 years	303,999	13,872	-	-
	1,455,256	**1,624,303**	**546,855**	**699,522**

26.2 Finance Lease Obligations

Future minimum payments for finance leases in connection with the present value of net minimum lease payments for the Group on 31/12/2018 and 31/12/2017 are as follows:

	THE GROUP			
	31/12/2018		31/12/2017	
Amounts in € '000	Future minimum lease payments	Present value of future minimum lease payments	Future minimum lease payments	Present value of future minimum lease payments
Within 1year	1,371	1,264	1,688	1,485
After 1year but not more than 5 years	806	790	2,733	2,604
Total of future minimum lease payments	**2,177**	**2,054**	**4,421**	**4,089**
Less: Interest expenses	(123)	-	(332)	-
Total of Present value of future minimum lease payments	**2,054**	**2,054**	**4,089**	**4,089**

The total financial cost of the long-term and short-term loan liabilities as well as of the finance lease obligations for the financial year which ended on 31/12/2018 is included in the account “Financial Expenses” of the consolidated and separate Income Statement (see Note 39).

27 CHANGES IN LIABILITIES FROM FINANCING ACTIVITIES

Changes in liabilities arising from financing activities of the Group and the Company for FY ended as at 31/12/2018 and 31/12/2017 are presented below as follows:

	THE GROUP		
Amounts in €'000	Long-term borrowings	Short-term debt	Total
31/12/2017	**980,893**	**643,410**	**1,624,303**
Cash flows:			
Repayments	(275,350)	(159,339)	(434,689)
Proceeds	220,900	45,139	266,039
Non cash changes:			
Acquisitions through business combinations /Disposals from Sale of subsidiaries	14,909	(3,907)	11,002
Transfer to disposal groups classified as held for sale	(1,498)	(28,058)	(29,556)
Fair value changes	10,503	-	10,503
Reclassifications	6,837	(6,837)	-
Other changes	7,629	25	7,654
31/12/2018	**964,823**	**490,433**	**1,455,256**

	THE GROUP		
Amounts in €'000	Long-term borrowings	Short-term debt	Total
31/12/2016	**855,987**	**818,495**	**1,674,482**
Cash flows:			
Repayments	(381,473)	(140,947)	(522,420)
Proceeds	425,200	52,985	478,185
Non cash changes:			
Acquisitions through business combinations /Disposals from Sale of subsidiaries	-	45	45
Transfer to disposal groups classified as held for sale	(11,318)	(7,606)	(18,924)
Fair value changes	8,927	-	8,927
Reclassifications	80,203	(80,203)	-
Other changes	3,367	641	4,008
31/12/2017	**980,893**	**643,410**	**1,624,303**

Amounts in €'000	THE COMPANY Long-term borrowings	Short-term debt	Total
31/12/2017	**623,950**	**75,572**	**699,522**
Cash flows:			
Repayments	(136,617)	(70,672)	(207,289)
Proceeds	-	46,000	46,000
Non cash changes:			
Reclassifications	(198,750)	198,750	-
Other changes	8,622		8,622
31/12/2018	**297,205**	**249,650**	**546,855**

Amounts in €'000	THE COMPANY Long-term borrowings	Short-term debt	Total
31/12/2016	**597,144**	**106,895**	**704,039**
Cash flows:			
Repayments	(375,247)	(102,523)	(477,770)
Proceeds	425,200	44,700	469,900
Non cash changes:			
Reclassifications	(26,500)	26,500	-
Other changes	3,353		3,353
31/12/2017	**623,950**	**75,572**	**699,522**

28 FINANCIAL DERIVATIVES

As at 31/12/2018, financial derivatives amounted to receivables of € 2,738k and liabilities of € 10,732k versus receivables of € 4,433k as at 31/12/2017. The derivatives in question pertain to hedging actions on fuel price fluctuations undertaken by ATTICA group. The items in question are recorded at fair value.

29 PROVISIONS

The table below provides an analysis of the movements in the Provisions account of the Group:

	THE GROUP					
	31/12/2018			31/12/2017		
Amounts in € '000	Other provisions	Provision of affairs sub judice	Total	Other provisions	Provision of affairs sub judice	Total
Opening Balance	**1,168**	**12,668**	**13,836**	**1,867**	**15,096**	**16,963**
Additional provisions	458	365	823	190	93	283
Utilised provisions	(1,103)	(466)	(1,569)	(64)	(121)	(185)
Reversal of provisions	(153)	(42)	(195)	(825)	(2,360)	(3,185)
Additional provisions through business combinations	446	206	652	-	-	-
Disposals from Sale of subsidiaries	-	(8,585)	(8,585)	-	-	-
Additional provisions of sold subsidiaries	-	44	44	-	-	-
Utilised provisions of sold subsidiaries	-	(1,209)	(1,209)	-	-	-
Reversal of provisions (sold subsidiary)	-	-	-	-	(40)	(40)
Closing balance	**816**	**2,981**	**3,797**	**1,168**	**12,668**	**13,836**
Non-Current Provisions	643	2,612	3,255	1,062	12,299	13,361
Current provisions	173	369	542	106	369	475
	816	**2,981**	**3,797**	**1,168**	**12,668**	**13,836**

Apart from the analysis based on the nature of the commitment, the table above also presents the analysis based on the expected timing of the outflow (presenting the distinction between current and non – current provisions). More specifically with regards to the non-current provisions, it is noted that these are not presented at discount, since there is no estimate in respect to the timing of their payment.

Provisions for court litigations:

Provisions for court litigations regarding the Group amounting, as at 31/12/2018, to € 2,981k, mainly pertain to (a) an amount of € 1,471k pertains to provisions made by VIVARTIA group, and (β) an amount of € 1,141k pertains to provisions made by ATTICA group, mainly in respect to compensation to sailors previously employed on the group's vessels.

Other provisions:

The other provisions of the Group amount to € 816k on 31/12/2018. This category refers to various provisions in respect to risks in VIVARTIA group's companies, none of which is unilaterally significant compared to the financial size of the consolidated financial statements.

30 OTHER LONG-TERM LIABILITIES

The Group's and the Company's other long-term liabilities are analyzed as follows:

	THE GROUP		THE COMPANY	
Amounts in € '000	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Social security insurance	-	20	-	-
Other liabilities	4,610	6,425	3,638	4,955
Total	**4,610**	**6,445**	**3,638**	**4,955**

31 SUPPLIERS AND OTHER LIABILITIES

The Group's trade payables are analyzed as follows:

	THE GROUP	
Amounts in € '000	**31/12/2018**	**31/12/2017**
Suppliers	122,669	149,908
Checks Payable	1,378	4,884
Customers' Advances	6,779	8,638
Other Liabilities	1,257	6,718
Total	**132,083**	**170,148**

There is no analysis of the Company's trade payables since the Company is a holding company.

32 TAX PAYABLE

The Group's current tax liabilities refer to current liabilities from income tax:

	THE GROUP	
Amounts in € '000	**31/12/2018**	**31/12/2017**
Tax expense for the year	830	1,119
Tax audit differences	62	360
Total	**892**	**1,479**

33 OTHER SHORT-TERM LIABILITIES

The Group's and the Company's other short-term liabilities are analyzed as follows:

	THE GROUP		THE COMPANY	
Amounts in € '000	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Deferred income-Grants	12,428	8,717	-	-
Social security insurance	10,701	11,441	110	118
Other Tax liabilities	32,076	21,374	288	274
Dividends payable	1,035	1,880	-	-
Salaries and wages payable	8,899	6,451	-	-
Accrued expenses	11,886	12,420	1,737	1,004
Others Liabilities	13,927	18,848	4,730	3,642
Obligation arising from tangible assets acquisitions	1,168	1,478	-	-
Accrued Interest expenses	45,401	91,511	9,636	10,596
Total	**137,521**	**174,120**	**16,501**	**15,634**

The accrued interest expenses account includes an interest amount due by Group subsidiaries of approximately € 26.9 m which, as at 31/12/2018, has not been paid as part of the negotiating process for the restructuring of the loan liabilities of the Group with its lending banks.

34 SALES

The Group's sales are analyzed as follows:

	THE GROUP	
Amounts in € '000	**01/01-31/12/2018**	**01/01-31/12/2017**
Marine transports	350,766	260,859
Sales of goods	489,518	450,417
Sales of merchandises	104,384	122,814
Sales of raw materials	9,369	7,664
Income from services provided	42,127	37,827
Total from continuing operations	**996,164**	**879,581**
Total from discontinued operations	203,424	239,535
Total	**1,199,588**	**1,119,116**

Allocation of revenue from sales by the Group's operating segments is presented in Note 8.

35 COST OF SALES – ADMINISTRATIVE – DISTRIBUTION EXPENSES

The cost of sales, administrative and distribution expenses of the Group are analyzed as follows:

THE GROUP								
	01/01-31/12/2018				01/01-31/12/2017			
Amounts in € '000	Cost of sales	Administrative expenses	Distribution expenses	Total	Cost of sales	Administrative expenses	Distribution expenses	Total
Wages, retirement and other employee benefits	140,632	54,446	54,132	**249,210**	120,647	43,476	55,009	**219,132**
Inventory cost	279,444	74	618	**280,136**	265,887	56	556	**266,499**
Tangible assets depreciation	61,236	3,054	5,792	**70,082**	55,455	2,971	5,544	**63,970**
Intangible assets depreciation	2,006	1,376	713	**4,095**	3,336	1,531	632	**5,499**
Third party expenses	7,194	15,940	4,222	**27,356**	5,633	14,568	4,019	**24,220**
Third party benefits	18,327	1,460	4,373	**24,160**	17,132	1,527	4,360	**23,019**
Operating leases rentals	8,839	3,081	11,996	**23,916**	9,958	3,003	14,139	**27,100**
Taxes & Duties	1,283	1,199	1,170	**3,652**	1,295	693	1,395	**3,383**
Fuels - Lubricants	137,177	15	-	**137,192**	87,275	13	-	**87,288**
Provisions	698	-	1,222	**1,920**	178	50	1,494	**1,722**
Insurance	6,069	1,405	381	**7,855**	4,350	1,352	424	**6,126**
Repairs and maintenance	27,308	3,041	2,209	**32,558**	23,711	2,405	2,136	**28,252**
Other advertising and promotion expenses	6,204	474	13,411	**20,089**	5,812	276	9,820	**15,908**
Sales commission	65	-	47,698	**47,763**	-	-	44,468	**44,468**
Port expenses	13,642	-	-	**13,642**	11,082	-	-	**11,082**
Other expenses	8,161	4,489	4,849	**17,499**	12,461	4,652	4,941	**22,054**
Transportation expenses	6,052	396	14,856	**21,304**	5,526	335	14,240	**20,101**
Consumables	6,725	287	1,126	**8,138**	6,284	271	1,086	**7,641**
Total costs from continuing operations	**731,062**	**90,737**	**168,768**	**990,567**	**636,022**	**77,179**	**164,263**	**877,464**
Total costs from discontinued operations	159,976	17,800	7,955	**185,731**	194,166	22,367	8,618	**225,151**
Total	**891,038**	**108,537**	**176,723**	**1,176,298**	**830,188**	**99,546**	**172,881**	**1,102,615**

In 2018, administrative expenses of the Group include the fees of the statutory auditor or the audit firm amounting to € 151k that pertain to officially permitted non-assurance services.

The Company's operating expenses are analyzed as follows:

THE COMPANY								
	01/01-31/12/2018				01/01-31/12/2017			
Amounts in € '000	Fees and other expenses to third parties	Wages, salaries and social security costs	Other operating expenses	Total	Fees and other expenses to third parties	Wages, salaries and social security costs	Other operating expenses	Total
Wages, retirement and other employee benefits	-	5,363	-	5,363	-	4,803	-	4,803
Third party expenses	6,821	-	740	7,561	4,270	-	896	5,166
Third party benefits	-	-	80	80	-	-	91	91
Operating leases rentals	-	-	302	302	-	-	479	479
Taxes & Duties	-	-	13	13	-	-	32	32
Insurance	-	-	663	663	-	-	769	769
Repairs and maintenance	-	-	276	276	-	-	250	250
Other advertising and promotion expenses	883	-	-	883	308	-	-	308
Other expenses	122	-	289	411	211	-	375	586
Total	**7,826**	**5,363**	**2,363**	**15,552**	**4,789**	**4,803**	**2,892**	**12,484**

Within the current period, the amounts recognized in the Income Statement of the Group and the Company due to the defined pension benefit plans stand at € 6,296k and € 1,833k, respectively

(01/01-31/12/2017: € 1,986k and € 1,344k respectively). The amounts in question are included in the "Fees, retirement and other employee benefits" presented in the above table.

36 OTHER OPERATING INCOME

The Group's and the Company's other operating income is analyzed as follows:

	THE GROUP	
Amounts in € '000	**01/01-31/12/2018**	**01/01-31/12/2017**
Rent income	456	427
Income from subsidies	3,234	2,495
Compensations	597	673
Grants amortization	1,138	808
Income from reversal of unrealized provisions	2,538	4,783
Income from reversal of unrealized provisions off staff compensation	644	329
Income from services provided	10,842	9,730
Other income	8,662	13,026
Profit on sale of investment property, property, plant and equipment and intangible assets	11,731	228
Other operating income from continuing operations	**39,842**	**32,499**
Other operating income from discontinued operations	3,134	5,113
Total other operating income	**42,976**	**37,612**

	THE COMPANY	
Amounts in € '000	**01/01-31/12/2018**	**01/01-31/12/2017**
Other income	-	51
Profit on sale of property, plant and equipment	-	42
Income from reversal of unrealized provisions	65	-
Total other operating income	**65**	**93**

37 OTHER OPERATING EXPENSES

The other operating expenses for the Group are presented as follows:

	THE GROUP	
Amounts in € '000	**01/01-31/12/2018**	**01/01-31/12/2017**
Real estate tax and other taxes	1,125	1,171
Provisions	925	1,355
Fair value adjustment of investment property (Note 15)	7,460	10,942
Losses on sale of investment property, property, plant and equipment and intangible assets	102	254
Other expenses	431	256
Other operating expenses from continuing operations	**10,043**	**13,978**
Other operating expenses from discontinued operations	2,609	1,213
Total other operating expenses	**12,652**	**15,191**

38 OTHER FINANCIAL RESULTS

The Group's and the Company's other financial results are analyzed as follows:

	THE GROUP	
Amounts in € '000	**01/01-31/12/2018**	**01/01-31/12/2017**
Profit / (loss) from financial instruments measured at fair value through profit/loss	(293)	1,004
Profit / (loss) from the sale of financial instruments measured at fair value through P&L	-	225
Impairment losses of assets	(17,724)	(4,041)
Profits from reversal of impairment of assets	-	5,326
Results from derivatives	11,136	(1,156)
Foreign exchange profit/(loss)	(144)	(147)
Other financial results	(714)	497
Other financial results income from continuing operations	**(7,739)**	**1,708**
Other financial results income from discontinued operations	1,291	197
Total other financial results	**(6,448)**	**1,905**

	THE COMPANY	
Amounts in € '000	**01/01-31/12/2018**	**01/01-31/12/2017**
Profit/(loss) from sale of subsidiaries and associates	(9,310)	(310)
Impairment losses of investments and other assets	(109,491)	(43,146)
Total income/(expenses) from investments in subsidiaries & other financial assets	**(118,801)**	**(43,456)**
Profit/(loss) from sale of financial assets at fair value through P&L	-	226
Fair value profit/(loss) of financial assets at fair value through P&L	(217)	-
Foreign exchange profit/(loss)	(11)	(8)
Total income/(expenses) from financial assets at fair value through profit or loss	**(228)**	**218**

The impairment recognized in the consolidated and separate financial statements for the years 2018 and 2017, is further analyzed as follows:

	THE GROUP		THE COMPANY	
Amounts in € '000	**01/01-31/12/2018**	**01/01-31/12/2017**	**01/01-31/12/2018**	**01/01-31/12/2017**
Impairment loss of:				
Goodwill	3,310	-	-	-
Intangible assets	13,505	4,041	-	-
Tangible assets	909	-	-	-
Investments in subsidiaries	-	-	102,769	32,962
Associates and other assets	-	-	6,722	10,184
Total impairment losses	**17,724**	**4,041**	**109,491**	**43,146**

39 FINANCIAL EXPENSES

The Group's and the Company's financial expenses are analyzed as follows:

	THE GROUP		THE COMPANY	
Amounts in € '000	01/01-31/12/2018	01/01-31/12/2017	01/01-31/12/2018	01/01-31/12/2017
Interest expenses from long-term loans	5,324	5,492	-	-
Interest expenses from short-term loans	3,884	4,598	1,102	1,741
Interest expenses from bonds	61,699	72,417	27,836	34,351
Finance charges payable under finance leases and hire purchase contracts	201	290	-	-
Charge from retirement employee benefits	374	349	4	3
Commission for guaranties	355	267	-	-
Other interest related expenses	12,330	5,088	51	54
Financial expenses from continuing operations	**84,167**	**88,501**	**28,993**	**36,149**
Financial expenses from discontinued operations	7,263	11,994	-	-
Total financial expenses	**91,430**	**100,495**	**28,993**	**36,149**

The item "Other interest expenses" in the above table includes an amount of € 6.2 m relating to the financial cost of ATTICA group due to prepayment of the exchangeable bond loan.

40 FINANCIAL INCOME

The Group's and the Company's financial income is analyzed as follows:

	THE GROUP		THE COMPANY	
Amounts in € '000	01/01-31/12/2018	01/01-31/12/2017	01/01-31/12/2018	01/01-31/12/2017
Bank interest	95	89	33	28
Interest from customers	6	205	-	-
Interest from grants loans	4	-	224	120
Other interest related incomes	53	64	-	-
Financial income from continuing operations	**158**	**358**	**257**	**148**
Financial income from discontinued operations	11	48	-	-
Total financial income	**169**	**406**	**257**	**148**

41 PROFIT/(LOSS) FROM ASSOCIATES CONSOLIDATED UNDER THE EQUITY METHOD

The following table presents the Group's profit and loss from associates consolidated under the equity method:

	THE GROUP	
Amounts in € '000	01/01-31/12/2018	01/01-31/12/2017
Gains from associates	1,001	1,013
Losses from associates	-	(7,520)
Total from continuing operations	**1,001**	**(6,507)**
Gains/(losses) from associates - Discontinued operations	-	(310)
Total	**1,001**	**(6,817)**

42 INCOME TAX

Income tax (from both continuing and discontinued operations) presented in the Financial Statements is analyzed for both the Company and the Group as follows:

	THE GROUP		THE COMPANY	
Amounts in € '000	**01/01-31/12/2018**	**01/01-31/12/2017**	**01/01-31/12/2018**	**01/01-31/12/2017**
Current income tax	5,270	4,814	-	-
Deferred income tax	(9,982)	(2,886)	-	-
Tax audit differences	1	(394)	-	-
Other taxes	1,771	535	-	-
Total income tax from continuing operations	**(2,940)**	**2,069**	**-**	**-**
Income tax from discontinued operations	116	(47)		
Total income tax	**(2,824)**	**2,022**	**-**	**-**

The reconciliation of the income tax amount as defined by applying the Greek tax rate on the income before tax is summarized as follows:

	THE GROUP		THE COMPANY	
Amounts in € '000	**01/01-31/12/2018**	**01/01-31/12/2017**	**01/01-31/12/2018**	**01/01-31/12/2017**
Losses before income tax from continuing operations	(55,344)	(72,304)	(163,624)	(92,010)
Nominal Tax rate	29%	29%	29%	29%
Presumed tax on income	**(16,050)**	**(20,968)**	**(47,451)**	**(26,683)**
Tax adjustments in respect of:				
Non-taxable income	(4,116)	(1,605)	-	-
Additional taxes and increases from preceding years	1,576	67	1	-
Losses of the year for which was not recognized deferred tax asset	22,384	22,183	45,235	24,409
Non-tax deductible expenses	5,377	3,808	2,215	2,274
Effect on opening deferred income tax of reduction in income tax rates	(10,944)	-	-	-
Effect from differences in tax rates of foreign subsidiaries	329	1,148	-	-
Other	(1,496)	(2,564)	-	-
Total tax from continuing operations	**(2,940)**	**2,069**	**-**	**-**

The Group and the Company have a contingent liability for additional penalties and taxes from the non- tax audited years for which sufficient provisions have been made (see Note 46.6). The non- tax audited years of the Company and consolidated companies of the Group, are presented in Note 2.

Under Greek legislation, the tax rate effective for Greek companies in 2018 and 2017 is 29%. Article 23, Law 4579/2018, states that corporate income tax rates, excluding credit institutions, are gradually reduced to twenty-eight percent (28%) for income of tax year 2019, to twenty-seven percent (27%) for income of tax year 2020, to twenty-six per cent (26%) for income of tax year 2021 and twenty five per cent (25%) for income of tax year 2022 and thereafter. As a result of the gradual reduction in income tax rate due to revaluation of deferred tax assets and liabilities, a deferred income tax (income) of € 10,944k was recorded for the Group and was recognized in the Income Statement.

Information on deferred tax is presented in Note 17.

43 EARNINGS PER SHARE

Basic earnings per share for the period 01/01-31/12/2018 and for the respective comparable period for continuing and discontinued operations were calculated as follows:

	THE GROUP		THE COMPANY	
(a) Basic earnings/(loss) per share (amounts in € '000)	**01/01-31/12/2018**	**01/01-31/12/2017**	**01/01-31/12/2018**	**01/01-31/12/2017**
Profit/(Loss)				
Profit/(loss) attributable to owners of the parent company from continuing operations	(54,792)	(73,493)	(163,624)	(92,010)
Profit/(loss) attributable to owners of the parent company from discontinued operations	101,755	(1,324)	-	-
Profit/(loss) attributable to owners of the parent company for the purposes of basic earnings per share	**46,963**	**(74,817)**	**(163,624)**	**(92,010)**
Number of shares				
Weight average number of shares for the basic earnings/(loss) per share	939,510,748	939,510,748	939,510,748	939,510,748
Basic earnings/(loss) per share (€ per share) from continuing operations	**(0.0583)**	**(0.0782)**	**(0.1742)**	**(0.0979)**
Basic earnings/(loss) per share (€ per share) from discontinued operations	**0.1083**	**(0.0014)**	**-**	**-**
Basic earnings/(loss) per share (€ per share)	**0.0500**	**(0.0796)**	**(0.1742)**	**(0.0979)**

As at 31/12/2018, the Convertible Securities of the CBL of the Company are a class of potential share securities which could reduce earnings per share. In particular, in the context of the calculation of the diluted earnings per share, it is considered that the convertible securities have been converted to common shares and the net profit or loss is adjusted in order to eliminate interest expenses.

Diluted earnings per share for the period 01/01-31/12/2018 and the respective comparable period regarding continuing and discontinued operations were calculated as follows:

	THE GROUP		THE COMPANY	
(b) Diluted earnings/(loss) per share (amounts in € '000)	**01/01-31/12/2018**	**01/01-31/12/2017**	**01/01-31/12/2018**	**01/01-31/12/2017**
Profit/(Loss)				
Profit/(loss) attributable to owners of the parent company from continuing operations	(54,792)	(73,493)	(163,624)	(92,010)
Profit/(loss) attributable to owners of the parent company from discontinued operations	101,755	(1,324)	-	-
Profit/(loss) attributable to owners of the parent company for the purposes of diluted earnings per share	**46,963**	**(74,817)**	**(163,624)**	**(92,010)**
Interest expense of convertible bonds	15,452	20,533	15,452	20,533
Number of shares				
Weight average number of shares for the basic earnings/(loss) per share	939,510,748	939,510,748	939,510,748	939,510,748
Effect of dilution				
Plus: Increase in number of shares from due to probable exercise of convertible bonds	4,589,385,891	2,269,664,629	4,589,385,891	2,269,664,629
Weight average number of shares for the diluted earnings/(loss) per share	5,528,896,639	3,209,175,377	5,528,896,639	3,209,175,377
Diluted earnings/(loss) per share (€ per share) from continuing operations	**(0.0071)**	**(0.0165)**	**(0.0268)**	**(0.0223)**
Diluted earnings/(loss) per share (€ per share) from discontinued operations	**0.0184**	**(0.0004)**	**-**	**-**
Diluted earnings/(loss) per share (€ per share)	**0.0113**	**(0.0169)**	**(0.0268)**	**(0.0223)**

44 ANALYSIS OF TAX EFFECTS ON OTHER COMPREHENSIVE INCOME

The tax effect of other comprehensive income on the Group and the Company is analyzed as follows:

	THE GROUP					
	31/12/2018			31/12/2017		
Amounts in €'000	Before tax amount	Tax (expense) /benefit	Net of tax amount	Before tax amount	Tax (expense) /benefit	Net of tax amount
Exchange differences on translating foreign operations	-	-	-	146	-	**146**
Exchange gain/(loss) on disposal of foreign operations recognised in profit or loss	-	-	-	2,368	-	**2,368**
Other financial assets	-	-	-	7	-	**7**
Cash flow hedging	(16,007)	-	**(16,007)**	204	-	**204**
Remeasurements of defined benefit pension plans	(1,097)	316	**(781)**	(1,029)	255	**(774)**
Other comprehensive income/(expenses)	**(17,104)**	**316**	**(16,788)**	**1,696**	**255**	**1,951**

	THE COMPANY					
	31/12/2018			31/12/2017		
Amounts in €'000	Before tax amount	Tax (expense) /benefit	Net of tax amount	Before tax amount	Tax (expense) /benefit	Net of tax amount
Remeasurements of defined benefit pension plans	(10)	-	**(10)**	(23)	-	**(23)**
Other comprehensive income/(expenses)	**(10)**	**-**	**(10)**	**(23)**	**-**	**(23)**

45 RELATED PARTY TRANSACTIONS

45.1 Company's transactions with subsidiaries

a) Asset accounts	THE COMPANY	
Amounts in € '000	31/12/2018	31/12/2017
Borrowings and other receivables	14,125	3,254
Other long-term receivables	251,836	251,836
Other short term receivables	-	150
Total	**265,961**	**255,240**

b) Liability accounts	THE COMPANY	
Amounts in € '000	31/12/2018	31/12/2017
Other liabilities	125	9
Borrowings and other liabilities	900	900
Total	**1,025**	**909**

c) Income	THE COMPANY	
Amounts in € '000	01/01-31/12/2018	01/01-31/12/2017
Financial income	220	120
Total	**220**	**120**

d) Expenses	THE COMPANY	
Amounts in € '000	01/01-31/12/2018	01/01-31/12/2017
Other expenses	893	383
Financial expenses	191	121
Total	**1,084**	**504**

45.2 Transactions with related companies

a) Asset accounts	**THE GROUP**		**THE COMPANY**	
Amounts in € '000	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Trade and other receivables	15,929	31,028	-	-
Deposits	44,148	42,213	2,845	9,160
Discontinued operations	7	-	-	-
Total	**60,084**	**73,241**	**2,845**	**9,160**

b) Liability accounts	**THE GROUP**		**THE COMPANY**	
Amounts in € '000	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Trade and other payables	2,035	1,875	11	3
Borrowings	800,791	914,817	411,043	564,565
Liabilities to Key Management personnel	1	1	1	1
Discontinued operations	27,689	-	-	-
Total	**830,516**	**916,693**	**411,055**	**564,569**

c) Income	**THE GROUP**		**THE COMPANY**	
Amounts in € '000	**01/01-31/12/2018**	**01/01-31/12/2017**	**01/01-31/12/2018**	**01/01-31/12/2017**
Other income	2,254	7,183	-	-
Financial income	42	78	17	25
Discontinued operations	220	249	-	-
Total	**2,516**	**7,510**	**17**	**25**

d) Expenses	**THE GROUP**		**THE COMPANY**	
Amounts in € '000	**01/01-31/12/2018**	**01/01-31/12/2017**	**01/01-31/12/2018**	**01/01-31/12/2017**
Other expenses	1,770	2,735	77	687
Financial expenses	36,858	35,055	23,001	21,518
Discontinued operations	3,651	6,243	-	-
Total	**42,279**	**44,033**	**23,078**	**22,205**

45.3 Eliminated transactions

	THE GROUP	
Amounts in € '000	**31/12/2018**	**31/12/2017**
Assets	275,918	266,093
Liabilities	(275,918)	(266,093)
Total	**-**	**-**

	THE GROUP	
Amounts in € '000	**01/01-31/12/2018**	**01/01-31/12/2017**
Sales	31,103	25,082
Operating income/(expenses)	(31,103)	(25,082)
Financial income	411	241
Financial expenses	(411)	(241)
Total	**-**	**-**

45.4 The most significant transactions and outstanding balances of the Company and the Group

The most significant transactions and outstanding balances between the Company and related parties on 31/12/2018, in compliance with the provisions of IAS 24, are as follows:

Amounts in € '000		ASSETS	LIABILITIES	INCOME	EXPENSES
ATTICA	Subsidiary	7,000	-	-	191
VIVARTIA	Subsidiary	1,718	-	85	12
SINGULARLOGIC	Subsidiary	5,407	33	135	120
MIG MEDIA S.A.	Subsidiary	-	92	-	748
CYPRUS TOURISM DEVELOPMENT PUBLIC COMPANY LTD	Subsidiary	-	-	-	13
JSC ROBNE KUCE BEOGRAD (RKB)	Subsidiary	251,836	-	-	-
ATHENIAN ENGINEERING	Subsidiary-Discontinued operations	-	900	-	-
PIRAEUS BANK group	Other related parties	2,845	411,054	17	23,078
Key Management personnel	Other related parties	-	1	-	-
	TOTAL	**268,806**	**412,080**	**237**	**24,162**

The most significant transactions and the outstanding balances between the Group and related parties on 31/12/2018, in compliance with the provisions of IAS 24, are as follows:

Amounts in € '000		ASSETS	LIABILITIES	INCOME	EXPENSES
Associates and related companies of SINGULARLOGIC group	Associates and other related companies	563	5	374	135
Associates and related companies of VIVARTIA group	Associates and other related companies	2,109	18	1,366	350
Associates and related companies of ATTICA group	Associates and other related companies	11,645	454	-	318
HYGEIA HOSPITAL TIRANA ShA	Subsidiaries-Discontinued operations	-	-	28	-
PIRAEUS BANK group	Other related parties	45,767	830,038	748	41,476
Key Management personnel	Other related parties	-	1	-	-
		60,084	**830,516**	**2,516**	**42,279**

45.5 Management remuneration

The remuneration of the executives of the Group includes gross salaries, fees, social security cost, indemnities and other costs and amounts to €11.8m for 2018 and €10.5m for 2017 (Company: €2.2m for 2018, €1.9m for 2017). Also, according to the decisions of the General Assemblies, provisions for benefits following termination of employment amount to €6m for 2018 and €1.8m for 2017 (Company: €1.6m for 2018, €1.2m for 2017).

The benefits of the discontinued operations [i.e. HYGEIA group and CTDC (owner of Hilton Cyprus Hotel)] amount to €4.2m for 2018 (HYGEIA GROUP until the date of the disposal) and €5.0m for 2017.

No loans have been provided to the executives of the Group (and their families).

46 CONTINGENT LIABILITIES

46.1 Guarantees

As at 31/12/2018, MIG Group's companies had the following contingent liabilities.

- VIVARTIA group on 31/12/2018 had the following contingent liabilities:
  - Issuance of performance guarantees amounting to € 10,974k (31/12/2017: € 13,630k),

  - Provision of performance guarantees for subsidized investment programs amounting to € 178k (31/12/2017: € 226k),
  - Provision of guarantees for participation in tenders amounting to € 235k (31/12/2017: € 421k).
  - Provision of guarantees for the good payment of suppliers amounting to € 528k (31/12/2017: € 482k).

- ATTICA group on 31/12/2018 had the following contingent liabilities:
  - Issuance of performance guarantees amounting to € 833k (31/12/2017: € 1,200k),
  - Provision of guarantees for the repayment of trade liabilities amounting to € 651k (31/12/2017: € 151k),
  - Provision of guarantees for participating in various tenders amounting to € 641k (31/12/2017: € 161k),
  - Provision of guarantees to the lending banks for the repayment of the group's vessel loans amounting to € 343,474k (31/12/2017: € 222,637k).
  - Provision of other guarantees amounting to € 961k (31/12/2017: € 0.).

- SINGULARLOGIC group on 31/12/2018 had the following contingent liabilities:
  - Issuance of performance guarantees for client contracts amounting to € 2,555k (31/12/2017: € 3,451k),
  - Issuance of guarantees for the prepayment of State projects amounting to € 3,783k (31/12/2017: € 3,963k),
  - Provision of guarantees for participating in various tenders amounting to € 216k (31/12/2017: € 330k),
  - Concession of receivables to lending banks for loan coverage amounting to € 8,604k (31/12/2017: € 9,654k).

46.2 Encumbrances

- The vessels of ATTICA group have mortgages amounting to approximately € 932,524k (31/12/2017: € 685,273k) as collaterals for mortgage loan liabilities.
- RKB has pledged its investment properties as collateral for its loans, amounting to € 259,786k (31/12/2017: € 265,711k).
- DELTA and BARBA STATHIS (subsidiaries of VIVARTIA group) have pledged their trademarks as collateral for their bond loans. Respectively, UNITED MILK COMPANY LTD (a subsidiary of VIVARTIA group) has pledged specific assets in order to secure its bank loans. Regarding OLYMPIC CATERING S.A., a notional collateral has been created on its productive mechanical equipment to secure its bond loan.
- DELTA, GOODY'S and EVEREST (subsidiaries of VIVARTIA group) have pledged their trademarks as collateral for their bond loans.
- The bank loans of CTDC subsidiary are secured with a pledge on its property, plant and equipment amounting to € 17,544k (31/12/2017: € 17,544k).

46.3 Court Cases

The Company and its subsidiaries (under their property as defendant and plaintiff) are involved in various court cases and arbitration procedures during their normal operations. The Group makes provisions in the Financial Statements in respect to the pending court cases when it is probable that cash outflows will be required in order to settle the liability and this amount can be estimated reliably.

The Group as of 31/12/2018 has made provisions amounting to € 2,981k (31/12/2017: € 12,668k, of which an amount of € 9,750k is pertains to discontinued operations of HYGEIA) in respect to court cases (please refer to Note 29). The Management as well as the legal advisors estimate that the outstanding cases, apart from those already provided for, are to be settled without a significant negative impact on the Group's or Company's consolidated financial position or on their operating results.

Appeal of MIG against the Republic of Cyprus

On 12/09/2013 the Company together with other Greek investors submitted the Request for Arbitration against the Republic of Cyprus to the Secretary-General of the Washington based International Centre for the Settlement of Investment Disputes established by the Convention of March 18, 1965 for regulating the disputes relating to the investments between States and nationals of other States. In the arbitration, MIG was seeking damages for losses relating to its investment in CYPRUS POPULAR BANK (CPB) amounting to € 824 m and any other losses incurred due to violations from the part of the Republic of Cyprus of articles 2, 3 and 4 of the bilateral international agreement in relation to the mutual promotion and protection of investments between Cyprus and Greece dated 30/03/1992.

The Tribunal was composed of Mr. Bernard Hanotiau (Belgium) as President and Mr. Daniel M Price (U.S.A.) and Sir David A.O. Edward (Great Britain) as arbitrators.

On 26/07/2018 the Tribunal transmitted its decision (Award), consisting of 363 pages, to the counsels of the Parties. The Tribunal found, inter alia, that the Republic of Cyprus did not act in breach of the Treaty and especially it did not breach the fair and equal treatment standard and the prohibition of expropriation or nationalization of the investment of the claimants in CPB and ordered the claimants to pay part of the procedural cost of the Republic of Cyprus and in particular the amount of €5,000,000, which was paid within 2018 (and was recognised in the Company's Income Statement of 2018).

CPB's Lawsuit against MIG:

MIG announced that following its appeal against the Republic of Cyprus before the International Arbitration Tribunal, claiming the amount of € 824 m plus interest and additional damages relating to its investment in CYPRUS POPULAR BANK (CPB), the State-owned bank, which has been under resolution since 2013, filed a lawsuit against MIG (as well as among others against Messrs. Vgenopoulos, Bouloutas and Magiras) before the Cypriot courts claiming an amount of over € 2 m without specifying a priori what is the subject of the action, "reserving its right to specify its claims and damages at a later stage".

On 08/05/2013 an Interim Order (Interim Measures) was issued, ordering and forbidding MIG until a new order is issued, inter alia, from transferring to or in favor of A. Vgenopoulos, E. Bouloutas and K. Magiras, any assets – including funds - except if the total value of the assets of the latter without incumbencies and other securities ("unencumbered value") exceeds the amount of € 3.79 billion.

On 28/06/2013 MIG filed an application for setting aside the procedure (cancellation of the writ of summons).

On 02/07/2013 A. Vgenopoulos, E. Bouloutas and K. Magiras filed an opposition against CPB's application for an interim order. MIG stated that it would not file an opposition and that it would accept the outcome of the oppositions of the other defendants, without admitting the facts included in CPB's application.

On 23/05/2014 the Court issued its interim decisions whereby it rejected the applications for setting aside the procedure and rendered the interim orders absolute against all defendants and in force until the termination of the trial or until another order of the Court.

MIG filed its appeals against (i) the interim decision dated 23/05/2014 on the set aside application and (ii) the interim decision/order dated 23/05/2014 on the interim order application and the relevant oppositions of the defendants.

On 17/07/2014 MIG filed an application to set aside due to lack of jurisdiction of the District Court of Nicosia and on 04/11/2014 CPB filed its objection. In the meantime CPB filed an application to amend the statement of claim and MIG, consequently, filed its objection. CPB further requested adjournment of the hearing of the application to set aside due to lack of jurisdiction until after its application to amend the statement of claim is heard. Despite MIG's objection, the Court adjourned the hearing with its interim decision and MIG filed an appeal against it. On 08/09/2015, an interim decision was issued by the Court whereby it allowed the amendment of the statement of claim, against which MIG filed an appeal. The above amendment was filed on 08/09/2015 and was served to the lawyers of the defendants on 11/09/2015. By expressing a number of reservations, CPB specifies the amount of damages to € 3.99 billion.

On 15/02/2016, a hearing was held in relation to a preliminary issue concerning MIG's application to set aside for lack of jurisdiction of the District Court of Nicosia and, specifically, which party has the burden of proof. On 11/04/2016, the Court issued its judgment according to which, as a general rule, the burden of proof lies on the party who is bringing forward an allegation; and specifically in the applications at issue, the burden of proof lies on the applicants - defendants.

MIG filed its written submissions on the set aside applications for lack of jurisdiction dated 17/07/2014, on 05/09/2016 and CPB filed its own submissions on 12/09/2016.

By the Notice dated 17/05/2016, MIG was informed about listing of the appeals it had filed against the interim decisions dated 23/05/2014 on 16/06/2016, whereby the Supreme Court set a 90-days deadline for MIG to lodge its Skeleton Argument and subsequently 90 days for CPB to lodge its own Skeleton Argument. MIG filed its Skeleton Argument on 12/09/2016, CPB filed its Skeleton Argument on 12/12/2016. On 26/03/2019 CPB accepted the amendment of the title by A. Vgenopoulos's heirs, reserving its rights, and the Court ordered that the amended appeals are registered within 30 days.

On 31/01/2017 a decision was issued on the set aside applications for lack of jurisdiction of the Nicosia District Court, whereby it admitted its jurisdiction and did not consider the various requests and arguments of the applicants, including the request for referring the matter to the ECJ through a prejudicial request. On 14/02/2017 MIG and Messrs. Bouloutas and Magiras filed an appeal against the above decision. The successors of A. Vgenopoulos must be expected to determine their position accordingly.

With regard to the jurisdiction, MIG obtained an opinion from the Professor Andrian Briggs in Private Law in Oxford University who contends that according to the Regulation (EC) 44/2001 there is no jurisdiction of the Cypriot Courts for the case, which it filed with the Tribunal.

Upon A. Vgenopoulos's demise the case has been fixed, following successive adjournments, for 16/05/2019 for directions in order that an application for the amendment and/or addition of defendant is filed until then.

It is hereby noted that CPB has initiated proceedings for the recognition, beyond the Republic of Cyprus and in particular in Greece and in England, of the freezing order dated 23/05/2014, which does not turn against MIG's assets but orders and forbids MIG from transferring to or in favor of

Messrs. Vgenopoulos, Bouloutas and Magiras, any assets – including money – except if the total value of assets exceeds the amount of € 3.79 billion. By the decision no. 27/2016 of the Athens 1-membered Court of First Instance (Voluntary Procedure) the above order was declared enforceable in Greece, as explicitly mentioned in the decision of the Athens Court of First Instance. Against this decision MIG (together with the above mentioned defendants) filed an Appeal before the Athens 3-membered Court of Appeal (Contentious Jurisdiction) which was finally rejected by the decision no. 983/2017 of the Athens 3-membered Court of Appeal issued on 02/03/2017. MIG has filed before the Supreme Court an application for cessation against said decision.

Furthermore, by the Order of Judge Leslie of High Court of Justice in England and Wales, Queen's Bench Division, dated 26/02/2015, the above order of the Nicosia District Court was declared enforceable in England and Wales. MIG together with the above mentioned defendants has filed an appeal against said Order, the hearing of which is pending. On the basis of the above mentioned Order it was confirmed by the same Court in England that the above Order of Judge Leslie, whereby the Nicosia District Court Order was declared enforceable in England and Wales, will become enforceable in England and Wales only on the final determination of the appeal against it. CPB filed an appeal against this Order. On 12/01/2018 the Court of Appeal allowed the appeal and awarded CPB the costs of its appeal. Upon CPB's relevant application a decision on interim measures has been issued according to the provisions of article 47(2) and (3) of the Regulation 44/2001 of the Council, which does not concern though MIG's assets. The appeal was stayed by successive orders of the Court until 30/06/2019.

The Company still considers that the obvious aim of CPB's lawsuit against MIG was the defense of the Republic of Cyprus in the international arbitration. MIG's legal counsels are not yet able to express an opinion on the outcome of the case, at this initial procedural stage, in terms of both illegal acts or omissions and damages, taking into consideration all the circumstances surrounding the case, including the parallel proceedings.

The case of 1. "Elma Holdings Public Co Ltd", 2. "Liberty Life Insuranse Public Company Ltd", 3. "Dodoni Investments Chartofylakiou Public Company Limited" and 4. "Jupiter Portfolio Investments Public Company Limited" vs, inter alia, MIG before the Cypriot courts.

The claimants have turned not only against MIG but also against CPB, the former members of the Board of Directors of "Bank of Cyprus Public Company Ltd", "Dubai Financial Limited Liability Company", "Deutsche Bank A.G. London Branch", "PricewaterhouseCoopers Ltd", "Grant Thornton (Cyprus) Ltd", and the Central Bank of Cyprus. The claimants request compensation for damages allegedly caused by acts or/and omissions of the Board of Directors of CPB and by conspiracy among the Company and other defendants, which led the CPB into a resolution regime and/or termination of its operations and /or collapse and/or bankruptcy without however making references to specific acts or omissions. The total amount of the requested compensation comes to € 39 m plus interest and costs.

MIG's Management believes that the claim is unsubstantiated, even though its adjudication is still at an early procedural stage and no details of the claim have been given; its legal counsel are not yet able to express an opinion on its outcome.

Criminal case FOCUS

On 25/07/2016 the Attorney General of the Republic of Cyprus filed before the Nicosia District Court the criminal case no. 15161/16 against 10 (currently 8) defendants including MIG (currently defendant 7). The charge sheet was served on MIG on 08/08/2016. The case concerns a wire transfer of € 1 m made on 27/07/2007 from an account of "Focus Maritime Corporation" (currently defendant 8), a company in which Michael Zolotas (currently defendant 2) has interests in, to an account of “A.C.Christodoulou Consultants Ltd” (currently defendant 6), a company in which Athena Christodoulou (currently defendant 4), daughter of the former Governor of the Central Bank of Cyprus Christodoulos Christodoulou (defendant 1), has interests in. The wire transfer in question is alleged to have been made in order for the latter to refrain from taking appropriate action and investigations concerning MIG’s (currently defendant 7) acquisition of control in CPB in February 2006. The above “fee” for said purpose was purportedly agreed to be received by Christodoulos Christodoulou (defendant 1) from Andreas Vgenopoulos and MIG (currently defendant 7). Moreover, as an additional consideration, he purportedly agreed with Andreas Vgenopoulos to have his then son-in-law Andreas Kizouridis (former defendant 5) appointed at a high-ranking position in CPB. At the hearing of 22/03/2017 the Attorney General of the Republic of Cyprus removed A. Vgenopoulos (ex-defendant 2), due to his demise, and K. Magiras (ex-defendant 4), due to the denial of Greek Justice to execute the European arrest warrant against him, from the charge sheet and committed the case to the Nicosia Assize Court for all other defendants, including MIG.

The hearing of the case started on 09/05/2018 through the examination of the witnesses for the prosecution who filed various documentary evidence . Further to the dismissal of the prejudicial objections raised by the defendants against the filing of documentary evidence, the hearing continued with the examination of witnesses.

On 16/03/2019 defendant A. Kizouridis gave voluntarily a multipage deposition wherein he exposed significant facts concerning the matters under trial. On 19/03/2019 the Attorney General, taking into account the contents of the deposition and considering it is a credible witness statement, terminated the criminal prosecution against A. Kizouridis so that he is summoned as witness for the prosecution. Following the filing of objections by the counsels for the defendants, the Court eventually, by a resolution dated 02/04/2019, allowed for the largest part of the deposition of A. Kizouridis, while with regard to the part referring to what he heard from the demised A. Vgenopoulos the Court allowed for it in connection with the fact that the demised stated something and not regarding the accuracy of the contents of the deposition. On 02/04/2019 A. Kizouridis completed his testimony.

The hearing continues with the examination of other witnesses of the prosecution.

It is hereby noted that MIG as a legal entity is not obliged to appear in person (through its directors) at Court and may only be condemned to pay a fine. The procedural evolution of the case and in particular to what extent the proceedings will continue with regard to all charges or in general as well is uncertain given the demise of A. Vgenopoulos, the extradition of M. Zolotas for only one charge and the decision of Greek Justice for non-extradition of K. Magiras. The amount of the fine that may be imposed on MIG in case of condemnation as a result of the above in not possible to be estimated at this point.

Lawsuit of LOUIS PLC against MIG LEISURE

LOUIS PLC filed a lawsuit against MIG LEISURE before the Nicosia District Court, requesting an order for the execution of the shareholders’ agreement with MIG LEISURE dated 13/08/2017 through the purchase by MIG LEISURE of 600,000 shares of the company CTDC owned by LOUIS PLC, otherwise the adjudication of relevant compensation, referring to a previous agreement with MIG LEISURE. On 11/01/2016, MIG LEISURE filed its defense at the District Court of Nicosia. Following completion of the procedure of filing affidavits for the disclosure of documents by both sides, the case was fixed for hearing, upon successive adjournments, for 16/04/2019. In view of the forthcoming completion of the transfer of the total stake held by both MIG LEISURE and LOUIS PLC in CTDC to VIBRANA HOLDINGS LTD, on 16/04/2019 the case remained for directions for 10/05/2019 with the aim of extrajudicial settlement. Following the completion of the above transaction, which has already taken place, it is expected that a notice of termination of the procedure will be filed by LOUIS PLC.

Other Potential Liabilities

On 18/12/2015, the transfer of all shares of SKYSERV to SWISSPORT AVIAREPS HELLAS S.A. was completed. According to individual terms and conditions of the sale and purchase, MIG has undertaken to compensate likely amounts that SKYSERV is to be asked to pay and for which there was no previous provision in the Financial Statements. Three lawsuits have been filed against SKYSERV by the OLYMPIC AIRWAYS SERVICES S.A. - In Liquidation" (hereinafter "OAS") seeking payment for the total amount of € 5.6 m (plus interest from the lapse of 30 days after issuance of each invoice), invoking the contracts for provision of services entered between the companies on 09/06/2009. The trial of the above cases took place on 21/02/2018, 28/02/2018 and 14/03/2018. On the one of the above lawsuits for a claim of € 1,243k plus interest, the Athens Multimember First Instance Court issued its decision no. 4964/2018, whereby it admitted the lawsuit for the amount of € 1,183k plus interest as of 23/10/2009. The above decision was not yet been served on the Company. The Company is already examining its next moves including the filing of an appeal. With respect to the other two lawsuits the parties still await the decision of the Court.

MIG continues to believe that these lawsuits are vague and unfounded. In the context of the trial, OAS provided - objectively - no evidence adequate to lead to the substantiation of its claims in the Court's consideration. Furthermore, SKYSERV raised an objection regarding the abusive filing of each lawsuit, as OAS stated through its legal representative at three different time points that no debt had arisen from the agreements in question and that the invoices in question were supposed to be cancelled even before OAS was put under liquidation, which in fact did not occur. For the above reasons, the Company considers that the reversal of the above first instance decision by the appeal court is possible, whereas with respect to the other two lawsuits it continues to believe that even if vagueness is put aside and the Court gets into the merits of the case, eventually the lawsuits will be rejected as factually unsubstantiated or at least as filed abusively.

On 09/11/2018 the Company completed the transfer of its total stake, direct and indirect, in HYGEIA to HELLENIC HEALTHCARE SINGLE-PERSON HOLDINGS S.A. (the Buyer). According to individual terms and conditions of the sale and purchase, the Company (together with its subsidiary, by 100%, MARFIN CAPITAL S.A.) has assumed towards the Buyer, inter alia, the liability of HYGEIA, MITERA and/or LETO deriving from or in connection with litigation concerning malpractice, professional liability and similar cases, provided that the event or circumstances which caused the initiation of the relevant proceeding refers to a date on or prior to 09/11/2018. The Company is liable for any amount that HYGEIA, MITERA and/or LETO may be required to assume, compensate or pay pursuant to an enforceable court judgment or out of court settlement, to the extent that such amount exceeds (i) the amount of provisions specifically made for each of HYGEIA, MITERA and LETO in the Annual Financial Statements on 31/12/2017; and (ii) any amount that such company has actually received as beneficiary pursuant to a valid insurance policy. The Buyer shall keep the Company informed of any material developments in relation to a matter giving rise to an indemnified liability and the Company shall give to the Buyer whatever reasonable assistance the Buyer may reasonably require in mitigating, settling, disputing etc. any relevant third party claim.

So far the Company has received no notice of such developments. In any case, it is noted that the Company considers that at the time of transfer the above mentioned companies of HYGEIA group had taken satisfying provisions for contingent liabilities with regard to the above described litigation

46.4 Operating lease commitments

The minimum future lease payments under non-cancellable operating leases as at 31/12/2018 and 31/12/2017 are as follows:

	THE GROUP		THE COMPANY	
Amounts in € '000	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Within 1 year	18,342	18,920	137	284
After 1 year but not more than 5 years	43,138	47,650	158	295
More than 5 years	45,339	52,089	-	-
Operating lease sort-term commitments pertaining to assets classified as held for sale	-	18	-	-
Total operating lease commitments	**106,819**	**118,677**	**295**	**579**

46.5 Other commitments

The Group’s other commitments are analyzed as follows:

	THE GROUP	
Amounts in € '000	**31/12/2018**	**31/12/2017**
Within 1 year	1,490	1,270
Other sort-term commitments pertaining to discontinued operations	-	375
Other long-term commitments pertaining to discontinued operations	-	370
Total other commitments	**1,490**	**2,015**

46.6 Contingent tax obligations

The Group’s tax obligaitons are not conclusive since there are non-tax audited financial years which are analyzed in Note 2 of the Financial Statements for the year ended on 31/12/2018. For the non-tax audited financial years there is a probability that additional taxes and penalties will be imposed when they are assessed and finalized. The Group assesses on an annual basis its contingent liabilities which may result from tax audits of preceding financial years, by forming provisions where it is deemed necessary. The Group has made provisions for non-tax audited financial years amounting to € 1,255k (31/12/2017: € 1,645k).

The Management considers that apart from the formed provisions, potential tax amounts which may arise will not have any significant effect on equity, Profit/Loss and on cash flows of the Group and the Company.

Tax Compliance Report:

For the years 2011- 2017, the Group companies operating in Greece and subject to tax audits by Chartered Accountants in accordance with paragraph 5 of Article 82 of Law 2238/1994 and in compliance with the provisions of Article 65A par. 1, Law 4174/2013, received a Certificate of Tax Compliance without any substantial differences. Under the Circular POL 1006/2016, the companies that have been subject to this special tax audit are not exempted from the statutory audit of the competent tax authorities. The Management of the Group estimates that in case such audits are carried out by the Tax Authorities in the future, no additional tax differences will arise with a significant effect on the Financial Statements.

Regarding the financial year 2018, the special audit for the issue of the Certificate of Tax Compliance is currently in progress and the relevant tax certificates are expected to be issued following the publication of the annual Financial Statements for FY 2018. Should any additional tax liabilities arise till the finalization of the tax audit, it is estimated that they will not have a material effect on the Financial Statements. It is to be noted that under the recent legislation, such audit and the issue of the Certificate of Tax Compliance for 2016 and onwards are optional.

47 FAIR VALUE OF FINANCIAL INSTRUMENTS

47.1 Measurement of fair value of financial instruments

Financial instruments levels analysis

Financial assets and financial liabilities measured at fair value in the Statement of Financial Position of the Group and the Company are classified under the following 3 level hierarchy in order to determine and disclose the fair value of financial instruments per valuation technique:

- **Level 1:** Investments that are valued at fair value based on quoted (unadjusted) prices in active markets for comparable assets or liabilities.
- **Level 2:** Investments that are valued at fair value, using valuation techniques for which all inputs that significantly affect the fair value, are based (either directly or indirectly) on observable market data.
- **Level 3:** Investments that are valued at fair value, using valuation techniques, in which the data that significantly affects the fair value, is not based on observable market data. This level includes investments where the determination of the fair value is based on unobservable market data (five years business plan), using however additional observable market data (Beta, Net Debt / Enterprise Value of identical firms in the specific segment such as those included in the WACC calculation).

The following tables reflect the Group financial assets and liabilities measured at fair value on a recurring basis on 31/12/2018 and 31/12/2017:

	THE GROUP							
	31/12/2018				31/12/2017			
Financial assets	Fair value measurement at end of the reporting year using				Fair value measurement at end of the reporting year using			
Amounts in € '000	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through P&L								
- Securities	150	-	165	315	147	-	231	378
- Mutual Funds	-	150	16	166	-	367	-	367
- Bonds	-	-	-	-	-	45	-	45
- Derivatives	-	2,738	-	2,738	-	4,433	-	4,433
Non-recurring fair value measurements								
-Assets Held for sale	-	-	-	-	-	27,359	-	27,359
Total financial assets	**150**	**2,888**	**181**	**3,219**	**147**	**32,204**	**231**	**32,582**
Financial liabilities								
- Loans	-	-	-	-	-	76,428	-	76,428
- Derivatives	-	10,732	-	10,732	-	-	-	-
Non-recurring fair value measurements								
-Liabilities Held for sale	-	-	-	-	-	27,359	-	27,359
Total financial liabilities	**-**	**10,732**	**-**	**10,732**	**-**	**103,787**	**-**	**103,787**
Net fair value	**150**	**(7,844)**	**181**	**(7,513)**	**147**	**(71,583)**	**231**	**(71,205)**

The relevant analysis in respect to the Company is as follows:

Financial assets	31/12/2018 Fair value measurement at end of the reporting period	31/12/2017 Fair value measurement at end of the reporting period
Amounts in € '000	**Level 2**	**Level 2**
Financial assets at fair value through profit or loss		
- Mutual Funds	150	367
Total financial assets	**150**	**367**
Net fair value	**150**	**367**

There were no transfers between Levels 1 and 2 during financial years 2018 and 2017.

Investment portfolio and other investments at fair value through profit and loss

Investments in listed shares in domestic and foreign stock markets are valued based on the quoted market prices of these shares. Investments in unquoted shares are valued based on widely accepted valuation models which sometimes incorporate data based on observable market inputs and sometimes are based on unobservable data.

Fair value measurement of Level 3 financial instruments

The changes in the Group's and the Company's financial instruments classified in Level 3 for the financial years 2018 and 2017 are presented as follows:

Amounts in € '000	THE GROUP 31/12/2018 Financial assets measured at fair value through P&L		31/12/2017 Financial assets measured at fair value through P&L
	Securities	Mutual Funds	Securities
Opening balance	**231**	**-**	**362**
Purchases	-	16	-
Sales	-	-	(1,128)
Total gains/(losses) recognised in profit or loss under line item:			
- Other financial results	(66)	-	997
Closing balance	**165**	**16**	**231**
Total amount included in profit or loss for unrealized gains /(losses) on Level 3 instruments	(66)	-	997

47.2 Measurement of fair value of non-financial assets

The following table presents non-financial assets of the Group measured at fair value on a recurring basis on 31/12/2018 and 31/12/2017:

	31/12/2018 Fair value measurement at end of the reporting year	31/12/2017 Fair value measurement at end of the reporting year
Amounts in € '000	**Level 3**	**Level 3**
Investment Property		
- Buildings in Greece	-	167
- Buildings in Serbia	259,786	265,711
Total non-financial assets	**259,786**	**265,878**

Determination of the fair value of the Group's Level 3 investment property is based on a relevant valuation work performed by an independent property appraisal firm. Indicatively, in respect to the investment property valuation, the key assumptions used, which were based on unobservable data, are summarized in the following table:

	31/12/2018	31/12/2017
Assumptions	Balkans	Balkans
Rental value	€ 2,8-€ 90 / sqm	€ 2,8-€ 90 / sqm
Discount rate	7,6%-11,6%	7,2%-11,8%

48 RISK MANAGEMENT POLICIES

Each one of MIG's large investments is exposed to specific risks. The occurrence of any of these risks could lead to a possible revaluation of MIG's portfolio and to the reassessment of the strategic objectives of the Group.

48.1 Risk management objectives and policies

The Company and the Group are exposed to risks pertaining to financing, interest rates, fuel prices, liquidity, credit and currencies. The Group reviews and periodically assesses its exposure to the risks cited above on a case by case basis as well as collectively and uses financial instruments to hedge its exposure to certain risk categories.

Evaluation and assessment of the risks faced by the Company and the Group are conducted by the Management. The main aim is to monitor and assess all the risks to which the Company and Group are exposed to through their business and investment activities.

The Group uses several financial instruments or pursues specialized strategies to limit its exposure to changes in the values of investments that may result from market volatility, including changes in prevailing interest rates and currency exchange rates.

48.2 Currency risk

The Group's functional currency is the Euro. The Group operates in foreign countries and therefore is exposed to currency risk. This type of risk mainly arises from current or future cash flows in foreign currency and from investments outside the Eurozone. The largest percentage of MIG's and the Group's revenue and costs are Euro denominated. Likewise, the largest percentage of the Company's investments is denominated in Euro.

In managing currency risk, the Group uses derivatives (forward FX contract agreements) with financial institutions for the Group's companies. The Group holds foreign investments whose net assets are exposed to FX risk. FX risk stems from the exchange rates to the USD, UK Sterling, Albanian Lek, Bulgarian Lev and other currencies of European countries where the subsidiaries of the Group operate and is partially offset by respective liabilities in the same currencies.

The Group's investment in Serbian RKB is not exposed to FX risk since their assets (investment properties and other intangible assets) are denominated in Euro and the largest part of the relevant inflows is in Euro. It is noted, that in other markets where the Group operates (other Balkan countries) the financial needs of each company are assessed, and if feasible, the financing is in the same currency with the relevant asset being financed or that is going to be financed.

The analysis of the Group's financial assets and liabilities per currency converted in Euro as at 31/12/2018 and 31/12/2017 is presented as follows:

	THE GROUP 31/12/2018						THE GROUP 31/12/2017					
Amounts in € '000	**USD**	**GBP**	**LEK**	**BGN**	**RON**	**Other**	**USD**	**GBP**	**LEK**	**BGN**	**RON**	**Other**
Notional amounts												
Financial assets	831	50	-	8,631	2,778	1,251	1,113	49	1,652	8,170	2,143	477
Financial liabilities	(288)	(2)	-	(3,642)	(2,666)	(464)	(143)	(122)	(8,435)	(3,529)	(1,945)	(559)
Short-term exposure	**543**	**48**	**-**	**4,989**	**112**	**787**	**970**	**(73)**	**(6,783)**	**4,641**	**198**	**(82)**
Financial assets	-	-	-	2	-	311	-	-	25,698	1	-	190
Financial liabilities	-	-	-	(38)	-	-	-	-	-	(192)	-	-
Long-term exposure	**-**	**-**	**-**	**(36)**	**-**	**311**	**-**	**-**	**25,698**	**(191)**	**-**	**190**

The following table shows the FX sensitivity analysis on the Group's results and equity by taking into consideration a change in FX rates by +/- 10%.

	THE GROUP									
	10%	-10%	10%	-10%	10%	-10%	10%	-10%	10%	-10%
	31/12/2018									
Amounts in € '000	**USD**		**GBP**		**LEK**		**RON**		**Other**	
Profit for the period (before tax)	49	(49)	4	(4)	-	-	2	(2)	110	(110)
Equity	49	(49)	4	(4)	-	-	2	(2)	110	(110)

	31/12/2017									
Amounts in € '000	**USD**		**GBP**		**LEK**		**RON**		**Other**	
Profit for the financial year (before tax)	88	(88)	(9)	9	-	-	4	(4)	11	(11)
Equity	88	(88)	(9)	9	(1,985)	1,985	4	(4)	11	(11)

Sensitivity analysis for the currency Lev is not included in the table above, because the exchange rate of EURO/LEV is fixed.

The Group's exposure to FX risk varies during the financial year depending on the volume of the transactions and its wider FX risk exposure. However, the above analysis is considered to be representative of the Group's FX risk exposure.

48.3 Financing and Interest rate Risk

Changes in interest rates can affect the Group's net income by increasing the costs of servicing debt used to finance the Group. Changes in the interest rates can also affect, amongst others: (a) the cost and availability of debt financing along with the Company's ability to achieve attractive rates of return on its investments; and (b) the debt financing capability of the investments and of the businesses in which the Group invests.

Bank debt constitutes one of the funding sources of the Group's investments. A large portion of the Group's debt pays floating interest rates and therefore is directly dependent upon interest rate levels and fluctuations, a fact which exposes the Group to cash flow risk. The Group's policy is to constantly monitor interest rate trends as well as the duration of its financial needs. Thus, decisions about the duration along with the relationship between fixed and floating rate of a new loan, are taken separately for each case.

The table below presents the sensitivity on the Group's and the Company's results and equity for the period based on a reasonable fluctuation in the interest rate in the range of +/- 1%:

	THE GROUP			
	1%	-1%	1%	-1%
Amounts in € '000	31/12/2018		31/12/2017	
Profit for the financial year (before tax)	(17,706)	17,706	(16,968)	16,968
Equity	(17,706)	17,706	(16,968)	16,968

	THE COMPANY			
	1%	-1%	1%	-1%
Amounts in € '000	31/12/2018		31/12/2017	
Profit for the financial year (before tax	(6,760)	6,760	(6,929)	6,929
Equity	(6,760)	6,760	(6,929)	6,929

48.4 Market Risk

The Group's and the Company's exposure in relation to its investments stems from possible adverse price movements in the market prices of equities and other listed securities.

It is noted that:

- Investments in subsidiaries are measured at acquisition cost less any accumulated impairment losses. The impairment test is performed according to the provisions of IAS 36.
- The trading portfolio and other financial assets at fair value through profit and loss are measured at fair value and valuation differences are recognized as profit or loss of the separate and the consolidated Income Statements.

The risk of the Group and the Company with respect to the trading portfolio, financial instruments at fair value through profit or loss and the investment portfolio arises from potential adverse changes in the market prices of shares and other securities. On 31/12/2018, the assets exposed to market risk amounted to € 3 m for the Group and € 0.2 m for the Company respectively. A fluctuation of +/- 30% in investments whose valuation gains or losses are recognized in other comprehensive income and cumulatively in equity, would lead to a change of +/- € 0.1 m for the Group and +/- € 0.05 m for the Company.

48.5 Credit Risk

Credit risk is the potential delayed payment to the Group and the Company of its current and future receivables by its counterparties. The assets exposed to credit risk on the statement of Financial Position as of the reporting date are analyzed as follows:

	THE GROUP		THE COMPANY	
Amounts in € '000	31/12/2018	31/12/2017	31/12/2018	31/12/2017
Financial assets				
Derivative financial instruments	2,738	4,433	-	-
Cash and cash equivalents	121,462	130,507	3,114	9,554
Trade and other receivables	174,821	243,617	-	-
Total	**299,021**	**378,557**	**3,114**	**9,554**

Aiming at minimizing credit risk and bad debts, the Group has adopted efficient monitoring processes and policies per counterparty based on the counterparty's credibility.

- In relation to trade and other receivables, the Group is not exposed to significant credit risks. At the end of year 2018, the Management considers that there are no substantial credit risks which have not been already covered by bad debts provisions.
- The Group trades only with recognized financial institution of adequate credit rating in order to minimize the credit risk in its cash available and cash equivalents.

Maturity of the Group's trade receivables as at 31/12/2018 is as follows:

	THE GROUP						
Amounts in € '000	**Food & Dairy**	**Transportation**	**Private Equity**	**IT & Telecoms**	**Healthcare**	**Eliminations**	**Total**
Are delayed but not impaired:							
< 90 days	8,448	-	925	2,088	-	(115)	11,346
< 91 - 180 days	893	-	420	513	-	(418)	1,408
< 181 - 360 days	579	-	465	265	-	(465)	844
> 360 days	3,009	-	43	15	-	(43)	3,024
Total	**12,929**	**-**	**1,853**	**2,881**	**-**	**(1,041)**	**16,622**

The Group's Management constantly monitors the maturity of its trade receivable applying strict criteria and in this context it was not considered appropriate to make additional provision for the above receivables.

Maturity of the Group's trade receivables as at 31/12/2017 is as follows:

	THE GROUP						
Amounts in € '000	**Food & Dairy**	**Transportation**	**Private Equity**	**IT & Telecoms**	**Healthcare**	**Eliminations**	**Total**
Are delayed but not impaired:							
< 90 days	9,590	-	1,447	2,834	5,700	(531)	19,040
< 91 - 180 days	1,037	-	144	1,177	6,954	(115)	9,197
< 181 - 360 days	606	1,567	652	361	7,170	(652)	9,704
> 360 days	3,253	-	239	67	9,008	(239)	12,328
Total	**14,486**	**1,567**	**2,482**	**4,439**	**28,832**	**(1,537)**	**50,269**

48.6 Liquidity Risk

Prudent liquidity risk management implies cash adequacy as well as the existence and availability of necessary funding sources. The Group is managing its liquidity requirements on a daily basis through systematic monitoring of it's short and long-term financial liabilities and through daily monitoring of the payments made. Furthermore, the Group constantly monitors the maturity of its receivables and payables, in order to maintain a balance between capital continuity and flexibility via its bank credit worthiness.

Maturity of financial liabilities as at 31/12/2018 and 31/12/2017 for the Group and the Company is analyzed as follows:

	THE GROUP							
	31/12/2018				**31/12/2017**			
Amounts in € '000	**Short-term**		**Long-term**		**Short-term**		**Long-term**	
	Within 6 months	**6 to 12 months**	**1 to 5 years**	**More than 5 years**	**Within 6 months**	**6 to 12 months**	**1 to 5 years**	**More than 5 years**
Long-term borrowing	126,553	290,170	660,034	303,999	98,608	120,976	964,417	13,872
Liabilities relating to operating lease agreements	614	650	790	-	725	760	2,604	-
Trade payables	127,398	4,685	-	-	165,608	4,540	-	-
Other short-term-long-term liabilities	129,327	9,086	4,610	-	164,482	11,117	6,045	400
Short-term borrowing	19,385	53,061	-	-	368,144	54,197	-	-
Derivative financial instruments	10,732	-	-	-	-	-	-	-
Total	**414,009**	**357,652**	**665,434**	**303,999**	**797,567**	**191,590**	**973,066**	**14,272**

	THE COMPANY							
	31/12/2018				31/12/2017			
Amounts in € '000	**Short-term**		**Long-term**		**Short-term**		**Long-term**	
	Within 6 months	**6 to 12 months**	**1 to 5 years**	**More than 5 years**	**Within 6 months**	**6 to 12 months**	**1 to 5 years**	**More than 5 years**
Long-term borrowing	-	228,750	297,205	-	32,250	26,500	623,950	-
Other short-term-long-term liabilities	16,501	-	3,638	-	15,634	-	4,955	-
Short-term borrowing	900	20,000	-	-	16,822	-	-	-
Total	**17,401**	**248,750**	**300,843**	**-**	**64,706**	**26,500**	**628,905**	**-**

As presented in the table above, total debt of the Group on 31/12/2018 amounted to € 1,455,256k. Long term debt amounted to € 964,823k, while short term debt amounted to € 490,433k. Respectively, total debt of the Company on 31/12/2018 amounted to € 546,855k, of which € 297,205 k was long term debt and € 249,650k was short term debt.

The Group and the Company on 31/12/2018 had negative working capital, since current liabilities exceeded current assets by € 369,531k and € 245,375k respectively. This issue will be resolved following the successful completion of the restructuring of the Group companies' debt (see note 3.1 and 26).

48.7 Fuel price fluctuation risk

Group companies operating in the transportation sector are significantly affected by fuel price fluctuations, since it constitutes one of their main operating costs. An increase or decrease in fuel prices by 10% on an annual basis would affect the Group's results and equity position by approximately -/+ €13.5 m.

48.8 Accidents risk

Due to the nature of their operations, the Group's companies are subject to the aforementioned risk that may negatively affect the Group's results, customers and operations. ATTICA Group ships are insured for insurance of ships and machines, for insurance of increased value and for insurance of ships against war risks. VIVARTIA Group companies are covered by a wide range of insurance policies that include civil liability, property, transport, environmental liability in such a way that any risk and potential damage can be effectively and reliably addressed. Likewise, SINGULARLOGIC group is covered for its operations by the relevant, necessary and strict ISO standards and corresponding insurance contracts.

48.9 Competition risk

Competition between the companies operating in the transportation, healthcare and food and dairy sectors is particularly intense and could adversely affect their sales and profitability.

The food and dairy sector and in particular the subsectors where VIVARTIA group is present (dairy, frozen vegetables and pastry, food services) are facing accentuated competition from both large domestic or international entities in the specific subsectors, as well as from very small national or local competitors. Potential changes in the frameworks that govern the above subsectors (e.g. product life, labelling of product origin, food and beverage VAT, social insurance and employment regulations, etc.) create conditions of intense competition. Additionally, following the general consumption trend globally, but also in particular due to the persisting economic conditions in Greece, there has been a constant increase in the consumption of private label products, which affects the competition in dairy, frozen vegetables and pastry products. Finally, the food services subsector is present in an equally intense competition environment with the majority of its competitors consisting of non-organized networks, specifically stand-alone shops. The intense competition combined with a contracting food service market, due to the recession that has negatively affected the country in previous years, had an obvious negative impact on sales and profitability.

ATTICA group operates on marine lines of intense competition which can be further intensified in the effort of the companies to acquire a larger share in already mature markets.

48.10 Capital management policies and procedures

The Group's targets in terms of capital management are the following:

- to ensure the maintenance of high credit ratings and healthy capital ratios;
- to ensure the Group's capability of maintaining its operations (going concern); and
- as a holding company, to increase the value of the Company and consequently create value for its shareholders through the value increase of its portfolio companies.

The Group monitors capital in terms of equity, less cash and cash equivalents as presented in the statement of Financial Position. The capital for the financial years 2018 and 2017 is analyzed as follows:

	THE GROUP		THE COMPANY	
Amounts in € '000	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Total equity	347,810	350,167	410,428	574,062
Cash, cash equivalents & restricted cash	(121,462)	(130,507)	(3,114)	(9,554)
Capital	**226,348**	**219,660**	**407,314**	**564,508**
Total equity	347,810	350,167	410,428	574,062
Plus: Loans	1,455,256	1,624,303	546,855	699,522
Total capital	**1,803,066**	**1,974,470**	**957,283**	**1,273,584**
Capital to Total capital	1:7,97	1:8,99	1:2,35	1:2,26

The Group defines the amount of capital in relation to its total capital structure i.e. equity and financial liabilities without taking into account subordinated debt. The Group manages its capital structure and proceeds with adjustments while financial conditions and risk characteristics of existing assets change. Aiming at retaining or adjusting its capital structure, the Group may adjust the dividends paid, return capital to its shareholders, issue new share capital or dispose assets in order to reduce debt.

49 STATEMENT OF FINANCIAL POSITION POST REPORTING DATE EVENTS

Within the current year, in compliance with paragraphs 14 to 15 of IAS 8, ATTICA group Management proceeded with changes of accounting policy in the financial statements.

As a result, the Group's financial statements for the comparative period have been restated. The corrections were applied retrospectively, affecting both the comparative reference period, i.e. 31/12/2017, and the beginning of the earliest comparative period presented, i.e. 31/12/2016.

The change in accounting policy pertains to recognition of inspections/replacements as a separate item in vessels value.

Under the Group's previous accounting policy, material inspections for damages as well as replacements/repairs of parts of such assets in order to ensure their optimal return were recognized in current assets in the other current assets item and burdened the Group's income statement proportionally.

Within the current year, the Group changed the accounting policy for the recognition of inspections / replacements and, based on the new accounting policy, long-term inspections / replacements (two, three and five years) are recognized as a separate item in the acquisition cost of the Group's vessels. It is to be noted that under application of the new accounting policy, the Group will follow the same method of depreciation as that previously used.

The Group Management estimates that the information presented following the aforementioned application of IAS 8 is more relevant and presents the Group's financial position in a more reliable way. Moreover, the Group's new accounting policy is in line with the provisions of IAS 16 “Property, plant and equipment”, par. 14. Finally, it is to be noted that the aforementioned change in the items of Financial Statements is comparable with international companies, operating in the segment, following the same accounting policy.

Effect on the Statement of Financial Position as at 31/12/2017 and 31/12/2016

Amounts in € '000	31/12/2017	31/12/2016
Tangible Assets (As published)	**1,065,215**	**1,133,786**
Change accounting policy (additions)	15,831	10,932
Change accounting policy (depreciation charges)	(9,191)	-
Tangible Assets (Adjusted)	**1,071,855**	**1,144,718**
Other current assets (As published)	**69,196**	**71,656**
Change accounting policy (additions)	(15,831)	(10,932)
Change accounting policy (depreciation charges)	9,191	-
Other current assets (Adjusted)	**62,556**	**60,724**

Effect on the Statement of Comprehensive income as at 31/12/2017

The effect on the Statement of Comprehensive Income pertains to determining operating profits before financial and investing activities and depreciation. No other item has been affected by the change in accounting policy since, as mentioned above, the burden on the income statement was proportionate to the duration of every inspection/replacement. The effect on Operating profits before financial and investing activities and depreciation for FY 2017 is analytically presented below as follows:

Amounts in € '000	01/01-31/12/2017
EBITDA (As published)	**117,756**
EBITDA from discontinued operations	(36,840)
Change accounting policy for the recognition of inspections / replacements (depreciation charges)	9,191
EBITDA (Adjusted)	**90,107**

Effect of the Statement of Cash Flows as at 31/12/2017

The effect on the Statement of Cash Flows as at 31/12/2017 is analyzed as follows:

Amounts in € '000	01/01-31/12/2017
Net cash flows from operating activities (As published)	**15,926**
Change accounting policy for the recognition of inspections / replacements	4,899
Net cash flows from operating activities (Adjusted)	**20,825**

Amounts in € '000	01/01-31/12/2017
Net cash flow from investing activities (As published)	**19,879**
Change accounting policy for the recognition of inspections / replacements	(4,899)
Net cash flow from investing activities (Adjusted)	**14,980**

50 STATEMENT OF FINANCIAL POSITION POST REPORTING DATE EVENTS

Financial Services

On the 18th of April 2019, the transfer of all shares held by MIG LEISURE in the company CTDC, owner of the hotel Hilton Cyprus, to the company VIBRANA HOLDINGS LTD interest of NATIONAL PANGAIA REIC and INVEL, has been completed.

Apart from the aforementioned, there are no events posterior to the Financial Statements, regarding either the Group or the Company, which may require reference by IFRS.

51 APPROVAL OF FINANCIAL STATEMENTS

The separate and consolidated Financial Statements for the financial year which ended on 31/12/2018 were approved by the Board of Directors of MARFIN INVESTMENT GROUP HOLDINGS S.A. on 24/04/2019.

The Chairman of the BoD	The Chief Executive Officer	The Chief Financial Officer	The Chief Accountant
Panagiotis Throuvalas	Athanasios Papanikolaou	Christophe Vivien	Stavroula Markouli
I.D. No: AK543083	I.D. No: AN612863	Passport No: 14AD07810	I.D. No: AB656863