



**ΤΕΣ
ΤΕΧΝΙΚΗ
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ΣΕΡΡΩΝ**



ISO 9001:2008

TES SERRES TECHNICAL Co. S.A.

Registered Office: 12, D. Solomou Str., 621 22 Serres

Companies Reg. No. 11049/059/B/86/0021

G.E.MI. No. 114242552000

FINANCIAL STATEMENTS

Year 2016

1 January to 31 December 2016

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of the Company “TES SERRES TECHNICAL Co. S.A.”

Report on the Financial Statements

We have audited the accompanying financial statements of the Company “TES SERRES TECHNICAL Co. S.A.”, which comprise the balance sheet as at 31 December 2016, the statements of income and changes in equity for the year then ended, as well as the relevant notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Greek Accounting Standards 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing that have been incorporated into Greek legislation (G.G./B'/2848/23.10.2012). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's system of internal control. An audit also includes evaluating the appropriateness of accounting policies used and

the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

As a result of our audit arose the following matters:

- 1) In trade receivables from customers is included also a contested receivable totalling approximately Euro 1.107 thousand. By deviation from the accounting principles that are provided by the Greek Accounting Standards has not been calculated impairment of their value, in our estimation amounting approximately Euro 300 thousand. Due to non performing impairment, the value of the trade receivables the results for previous years and the Equity are shown increased by approximately Euro 300 thousand.
- 2) In the account “Participating interests in subsidiaries, associates and joint ventures”, amount Euro 2.161.000,00 is depicted the impaired acquisition cost of a general partnership amount Euro 2.128.000,00 and the acquisition cost of three joint ventures of technical works amount Euro 33.000,00 the financial statements of which are not audited by Certified Auditors Accountants. Have not been made available to us records related to the fair value of this company and accordingly we have reservations for its proper valuation and any possible impact on the results for the present and the previous years as well as on the equity of the company.

Qualified Opinion

In our opinion, except for the effects of the matter (1) and the possible effects of the matter (2) described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Company “TES SERRES TECHNICAL Co. S.A.” as at 31 December 2016, and of its financial performance for the year then ended in accordance with the Greek Accounting Standards.

Report on Other Legal and Regulatory Requirements

Whereas management is responsible for the preparation of the Report of the Board of Directors, pursuant to the provisions of paragraph 5, article 2 (part B’) of L. 4336/2015, we note that:

- a) In our opinion the Report of the Board of Directors has been prepared in accordance with the applicable legal requirements of the article 43a of cod. L. 2190/1920 and its content corresponds with the accompanying financial statements for the year ended 31/12/2016.
- b) Based on our understanding obtained when performing our audit of the Company “TES SERRES TECHNICAL Co. S.A.” and its environment, we have not identified any material misstatements in the Report of the Board of Directors.

Athens, 10 July 2017

VASILEIOS EMM. PATEROMICHELAKIS

Certified Public Accountant Auditor

Institute of CPA (SOEL) Reg. No. 14421



Associated Certified Public Accountants s.a.
member of Crowe Horwath International
3, Fok. Negri Street – 112 57 Athens, Greece
Institute of CPA (SOEL) Reg. No. 125



BALANCE SHEET 31 DECEMBER 2016

Amounts in Euro

ASSETS	Note	31/12/2016	31/12/2015
Non-current assets			
Tangible assets			
Land-Buildings		1.360.358,44	1.418.215,64
Mechanical equipment		1.058.762,57	98.550,07
Other equipment		201.323,94	144.215,08
Total		2.620.444,95	1.660.980,79
Intangible assets			
Other intangible assets		0,46	0,46
Total		0,46	0,46
Financial assets			
Participating interests in subsidiaries, associates and joint ventures		2.161.000,00	2.161.000,00
Other		3.265,88	3.265,88
Total		2.164.265,88	2.164.265,88
Total non-current assets		4.784.711,29	3.825.247,13
Current assets			
Inventories			
Finished and semi-finished products		163.000,00	770.000,00
Raw materials and consumables		9.150,27	13.820,00
Total		172.150,27	783.820,00
Financial assets and payments on account			
Trade receivables		2.931.942,17	2.006.636,63
Other receivables		250.634,80	344.525,41
Other financial assets		3.680.855,01	3.680.855,01
Prepaid expenses		49.284,71	50.155,75
Cash and cash equivalents		895.365,87	1.053.784,80
Total		7.808.082,56	7.135.957,60
Total current assets		7.980.232,83	7.919.777,60
Total Assets		12.764.944,12	11.745.024,73



LIABILITIES	Note	31/12/2016	31/12/2015
Equity			
Paid-up capital			
Capital		5.389.020,00	5.389.020,00
Total		5.389.020,00	5.389.020,00
Fair value differences			
Fair value differences in tangible assets		13.248,62	13.248,62
Total		13.248,62	13.248,62
Reserves and retained earnings			
Statutory reserve		554.040,69	554.040,69
Tax-free reserves		241.761,07	241.761,07
Retained earnings		4.437.337,27	3.519.752,48
Total		5.233.139,03	4.315.554,24
Total equity		10.635.407,65	9.717.822,86
LIABILITIES			
Current liabilities			
Short-term bank loans		2.343,45	2.254,03
Trade payables		1.635.923,03	1.470.510,49
Income tax		56.963,26	58.322,40
Other taxes and duties		48.256,06	21.040,73
Social security organizations		53.772,45	57.372,05
Other payables		332.278,22	417.702,17
Total		2.129.536,47	2.027.201,87
Total liabilities		2.129.536,47	2.027.201,87
Total Equity and Liabilities		12.764.944,12	11.745.024,73



STATEMENT OF INCOME by FUNCTION

Note		31/12/2016		31/12/2015
Turnover (net)		5.149.148,93		5.154.965,66
a. Company	5.149.148,93		5.154.965,66	
b. Joint ventures	1.764.419,86		2.071.563,89	
Total	6.913.568,79		7.226.529,55	
Cost of sales		(5.853.884,56)		(4.703.582,03)
Gross profit/(loss)		(704.735,63)		451.383,63
Other operating income		1.107.127,03		0,00
Administrative expenses		(340.930,41)		(309.396,95)
Other expenses and losses		(42.459,84)		(29.094,01)
Impairment of assets (net amount)		0,00		(28.409,39)
Other income and gains		17.201,27		5.157,17
Earnings/(loss) before interest and tax (EBIT)		36.202,42		89.640,45
Interest and similar income		2.053,58		12.323,23
Interest expense and similar charges		(33.574,00)		(37.314,19)
Profit/(loss) before income tax		4.682,00		64.649,49
Income tax expense		(56.963,26)		(58.322,40)
Profit/(loss) for the period net of tax		(52.281,26)		6.327,09



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STATEMENT OF CHANGES IN EQUITY

Note	Capital	Statutory reserve	Tax-free reserves	Retained earnings	Total Equity
Balance at 1 January 2015	5.389.020,00	564.556,16	241.761,07	2.557.320,90	8.752.658,13
Differences from measurement of buildings at fair value as cost opening balance				1.308.837,64	1.308.837,64
Internal transfers		2.733,15		-2.733,15	0,00
Distribution to parties				-350.000,00	-350.000,00
Profit/(loss) for the period				6.327,09	6.327,09
Balance Equity at 31 December 2015	5.389.020,00	567.289,31	241.761,07	3.519.752,48	9.717.822,86
Balance at 1/1/2016	5.389.020,00	567.289,31	241.761,07	3.519.752,48	9.717.822,86
Changes in accounting policies and correction of errors				969.866,05	969.866,05
Distribution to parties					0,00
Profit/(loss) for the period				-52.281,26	-52.281,26
Total change in Equity for the period	0,00	0,00	0,00	917.584,79	917.584,79
Balance Equity at 31 December 2016	5.389.020,00	567.289,31	241.761,07	4.437.337,27	10.635.407,65

Serres, 7 July 2017

THE CHAIRMAN OF THE B. OF D.

THE VICE CHAIRMAN OF THE B. OF D. and
MANAGING DIRECTOR

THE ACCOUNTANT

CHRISTOS BESIRIS
ID. No. AH842622/11

NAOUM PASSIAS
ID. No. AB 730021/06

I. POULIOS
ID. No. AE 377130/07 E.C.G. Licence
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