PAPERPACK®
Carton Packaging Industry

Reg. Number 35197/06/B/96/101

ANNUAL FINANCIAL REPORT
FOR THE YEAR 2016

According to Art. 4 of Law 3556/2007 and the executive decisions of the Board of the Exchange Commission

CONTENTS

STATEMENT BY MEMBERS OF THE BOARD

In accordance with Article 4, paragraph 2 of Law 3556/2007

As representatives of the Board of Directors of the Company under the name «PAPERPACK - TSOUKARIDIS INDUSTRIAL PRINTING COMPANY S.A.", (the company) here by with declare and confirm that of those we are aware of:

(a) the annual financial statements for fiscal year 2016 (from 1/1 to 31/12/2016), present the true financial position of the company at December 31, 2016, its financial performance and cash flows, for the fiscal year ended on that date, according to International Financial Reporting Standards (IFRS) as adopted by the European Union and

(b) the annual report of the Board of Directors fairy presents the information required by the paragraphs 6 and 8, article 4 of the Law 3556/2007.

Kifissia, 30 March 2017

Certified,

President and CEO	The Vice President	The member of the Board
John Tsoukaridis	Korina Fasouli	Tzouliana Tsoukaridis
ID No. I 192855	ID No. P 110434	ID No. T 196593

MAZARS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of "PAPERPACK INDUSTRIAL & COMMERCIAL S.A"

Report on the Financial Statements

We have audited the accompanying financial statements of PAPERPACK SA, which comprised by the statement of financial position as at December 31, 2016, the company's comprehensive income, statement of changes in equity and cash flow statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal controls 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 of Auditing which have been incorporated in the Greek legislation (F.E.K./B'/2848/23.10.2012). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PAPERPACK SA as at December 31, 2016, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

Considering that management is responsible for preparing the Directors' Report and the Corporate Governance Statement included in this report, pursuant to paragraph 5 of Article 2 (Part B) of Law. 4336/2015, we note that:

A) The Directors' Report includes a Corporate Governance Statement which provides the information set out in Article 43bb of Codified Law 2190/1920.
B) In our opinion, the Directors' Report has been prepared in accordance with the legal requirements of Article 43a and paragraph 1 (cases c and d) of Article 43bb of Codified Law 2190/1920 and its content corresponds with the accompanying financial statements for the year ended 31/12/2016.
C) Based on the understanding of PAPERPACK SA and its environment, during our audit, we have not identified any material misstatements in the Directors' Report.

Athens, 30/3/2017
The Certified Public Accountant
Konstantinos G. Makris

SOEL Reg. No: 26771, ELTE Reg. No 1483
MAZARS Certified Public Accountants Business Advisors S.A.
14, Amfitheas Ave. -175 64 Palaio Faliro
SOEL Reg. No: 154, ELTE Reg. No: 17

ANNUAL REPORT OF THE BOARD OF DIRECTORS
Presented to the Annual General Meeting of Shareholders «PAPERPACK S.A.» on the Financial Statements for the year
1 January 2016 to December 31, 2016

Dear Shareholders,

We issue its financial statements in accordance with International Financial Reporting Standards as adopted by the European Union , and this Directors' Report for the financial year from 1 January 2016 to 31 December 2016. This report was written in accordance with the relevant provisions of Article 107 paragraph 3 of CL 2190/1920 , Article 4 of Law 3556/2007 and delegated the same Law Board's decisions SEC. This report accompanies the financial statements for the year 2016 (01.01.2016-31.12.2016) and contains the corporate governance statement .

A. Annual Review - Changes in financial figures of the Company

ANNUAL REVIEW

Despite the negative operating framework, which is formed by the eighth consecutive year of recession of the Greek economy, the company managed to maintain its profitability levels compared to the previous year. Moreover, the most important events of the current year were the increase of the company's turnover and the investment in tangible assets amounting to over 450 thousand €, which lays the foundation for the enhancement of the company's competitiveness while maintaining the quality of its products.

Development Activities - Changes in financial figures of the Company and the Company

The Key financials and ratios of the Company are structured as follows :

The company's sales totaled € 15.247 thousands compared to € 14.137 thousand of their respective sales in 2015, an increase of 7,85%.

The operating profit (EBIT) of the company for the fiscal year 2016 amounted to € 2.192 thousands compared to € 2.237 thousand in the year 2015, a decrease of 2,01 % as a consequence of the slight decrease of gross margin compared to the previous year. The Gross profit margin is slightly decreased, compared to the previous year and amounted to 28,47 % (2015 : 30,47 %).

The financial cost of the company decreased by 14,61 % and amounted to 263 thousands € (2015: 308 thousands €), due to the decrease on bank loan and corresponding interest rates, compared to last year.

The company's profit before tax amounts to € 1.931 thousand compared to gains of € 1.834 thousands in the previous year. The tax charge (current and deferred) in the Company amounted to 579 thousand €, forming post-tax gains of € 1.352 thousands.

The company's current assets which consist of inventories, receivables and cash equivalents, demonstrate a decrease of 1,89% compared to the previous year. The ratio Current assets to current liabilities amounts to 1,77 versus 1,89 in the previous year. This change of current assets to current liabilities ratio arises from the continued use by the company of factoring, in order to enhance its liquidity.

The company's liabilities relate primarily to bond loan of € 4.884 thousand (2015: € 5.293 thousand), representing the 58,18% of total liabilities (2015: 59,77%).

Other current liabilities of the company, other than borrowings , decreased by € 43 thousands which equals the percent of 1,28%. This decrease is largely due to the decrease of the company's liabilities towards its supplies, amounting € 8 thousand, compared to the previous year, as well as to the decrease of other current liabilities, amounting € 70 thousand, while the current tax liabilities increased up to € 36 thousand, compared to the previous year.

Finally, the Company presented positive operating Cash Flows of € 1.713 thousands (2015: positive operating Cash Flows of € 1.650 thousands), increased compared to those of the year 2015 and this led to an increase in company' s cash and cash equivalents, amounting € 197 thousands.

B. Important Events

During the year 2016 and until the date of this report, the following important facts took place:

- On 19/4/2016, the Annual General Meeting of PAPERPACK SA resolved the following:
    1. The approval of the Annual Financial Statements of the Company and the Company for the year 2015 and the reports of the Directors and the Auditor.
    2. The discharge of the Directors and the Auditors from any liability for the fiscal year 2015.
    3. The approval of the list of results of the year 2015 (01/01/2015-31/12/2015).
    4. The approval of the proposal of the Board to distribute a dividend for the year 2015.
    5. The authorization in accordance with paragraph 1 of article 23 of Codified Law 2190/1920, to the members of the Board and directors of the company to attend Board Meetings and to the Company companies (associated), which serve the same or close purpose to the company.
    6. The approval of the remuneration paid to the members of the Board for the year 2015 and the approval of remuneration for the fiscal year 2016.
    7. The election, of the company "MAZARS SA (Reg. No. ELTE 17) for the statutory audit of the fiscal year 1/1/2016 - 31/12/2016 and set their remuneration.
    8. Election of new Board members
    9. Election of Audit Committee in accordance with Article 37 of Law. 3693/2008 as in force
    10. Amendment of the existing terms of the Common Bond Loan. The General Meeting of Shareholders has decided to amend paragraphs 16 and 26 of the Definitions of the Bond Issue Programme amounting up to € 9,800,000.00 issued as follows: "16. 'Bonds' means nine million eight hundred thousand (9.8 million) registered bonds, par value of one euro (€ 1,00) or any of these bonds, which are issued by the Issuer for the loan. All Bonds will be issued by the Issuer at par and will be incorporated in the Securities, as defined in point 26 of the Definitions. "And" 26. "Securities" means registered securities titles, each of which incorporates one or more bonds, which will have the title format content contained in Appendix "B" of the present ", and also decided and change any other program term of the above bond loan and / or document involved in the above modification of Definitions 16 and 26.
- The company with its Board decision of 20/04/2016 established a new Board of Directors, with the following composition: John Tsoukaridis, President and Chief Executive Officer, Korina Fasouli, Vice

President, Non-Executive Member, Juliana Tsoukaridis, Executive Officer, Nicholaos Zetos, Director, executive Member, Titos Vasilopoulos, Director, Non-executive and Independent Member, Dimitrios Antonakos, Director, Non-executive and Independent Director, Lambros Fragkos Efthimiou, Director, Non-executive Member. The mandate of the new Board was defined at three years, or else, until the Annual General Meeting of 2019 to be held no later than June 30, 2019, unless decided otherwise by the General Meeting.

- The Extraordinary General Meeting of 25/10/2016 decided:
  - authorization for the acquisition of own shares according to article 16 paragraph 1 of Law 2190/1920. Until the date of the preparation of this review, no equity shares are hold by the company.
  - Distribution to shareholders of the extraordinary dividend of the total amount of euro € 201.607,59, corresponding to a gross amount of € 0.051 per share (on a total amunt of 3,353,090 company shares) that is part of taxed and undistributed profits of the fiscal year from 1/1/2014 until 31/12/2014.
  - Amendment of the Statute of the company, consisting of the deletion of paragraph 2 of Article 7 and the amendment of paragraph 2 of Article 15 thereof.
- The Extraordinary General Meeting of 21/12/2016 decided to issue a common bond loan amounting to € 3,500,000, with a duration of 5 years, and approval of the issue conditions. The new common bond loan will be used to repay equivalent current bank borrowings of the company. The General Meeting unanimously decided to Issue a Common Bond Loan amounted of € 3.500.000,00, with a duration of 5 years and a maximum interest rate of 3 months Euribor plus a margin of 3.80%, according to Law 3156 / 2003 and approved the coverage contract of this Common Bond Loan and its Terms and Annexes.

C. Risks and uncertainties

Financial Risk Factors:

The Company's activities expose it to a variety of financial risks including foreign exchange risk, credit risk and liquidity risk.

The Company's strategy on financial risks focuses on the effort to minimize the potential adverse effects of these and is moving away from strategic forecasts and estimates, which are used to other profit from fluctuations in factors such as currencies, interest rates, etc. For this reason, the appropriate hedging methods of these risks are being used, always to the protection of the results of the Company. The Company does not engage any speculative transactions or transactions that are not related to trade, investment and financial activities.

i) Foreign Exchange Risk

The Company is not exposed to high foreign exchange risk due to the fact that the majority of transactions are carried out in Euros. Furthermore, the Company has no investments in foreign companies or investments foreign currency clause, as a result of that there is no foreign exchange risk relating to assets. The possible foreign exchange risk is negligible, due to the fact that it arises from possible imports of goods invoiced in foreign currencies. This foreign exchange rate risk is created by the prospect of future transactions and the difference of the corresponding rate between the date of the transaction (export or import) and the date which the transaction is completed (recovery requirement or payment obligation). The foreign exchange risks are negligible, since they arise from low-value transactional activity.

ii) Interest rate Risk

This risk derives from the likelihood of increased short-term and long-term interest rates, since the total borrowings of the Company are in respect of floating rate loans.

On a daily basis, the working capital is covered primarily by the operational cash flows of the company.

iii) Credit risk

The financial situation of clients is constantly monitored by the Company's Management which controls the size of the provision of credit and the credit limits of clients' accounts. Where there is a probability of non-recoverable claims, provisions for doubtful debts can be made. Any further deterioration in market conditions that would lead to a general inability to collect receivables from clients, could cause liquidity problems in the Company.

The commercial risk which is associated with the concentration of turnover in a small number of clients, is addressed through the efforts of the company's management to expand its customer list and to develop the activity to new markets.

iv) Liquidity Risk

Liquidity risk is the risk that the company will be unable to meet its financial obligations when these become due. This risk is limited, as the company ensures to maintain sufficient cash and credit limits with its collaborating bank institutions.

For the prevention of liquidity risk, the company conducts a rolling cash flow forecast of six months, in order to ensure that it has sufficient cash available to meet its operating needs, including the coverage of its financial obligations. This policy does not take into account the possible impact of extreme circumstances that cannot be predicted.

D. Prospects for 2017 - Expected Evolution

As the current conditions do not allow establishing reliable and objective forecasts, the company's management estimates that in 2017, the company's turnover will remain at the same levels as those of 2016.

Furthermore, on 28.02.2017 the company brought the right of an early total repayment of the company' s loans, in the conclusion of a new bond issue totaling 3.500.000,00 €, with a duration of five years and a weighted average interest rate margin of 3,36%, which will reduce the financial cost of the company.

The objective of the Board for the next year is to maintain its Earnings before Interest, Taxes, Depreciation, Amortization, (EBITDA) to a level over € 2.400 thousand and to achieve profit after tax, in order to strengthen the equity and the company' s liquidity.

E. Alternative Performance Measurement Indicators

The company's management monitors the following performance measurement indicators:

(a) EBITDA

The EBITDA ratio refers to earnings before interest, taxes, depreciation and amortization and results from the statement of comprehensive income, by adding the operating results before taxes, financial and investment results and the depreciation and amortization amount for the year. The EBITDA ratio of the Company amounted, in 2016, to € 2.632 thousand, compared to € 2.529 thousand in 2015, achieving an increase of 4,07%.

(b) EBITDA / Total net interest expense

This ratio refers to the amount of coverage of interest payables resulting by loan obligations of the company, by earnings before interest, taxes, depreciation and amortization.

In the numerator is shown the EBITDA ratio as calculated in (a) above, while the denominator contains the interest payable resulting from bank loans minus interest income. This ratio increased to 10,37 in 2016, compared to 8,69 in 2015. This ratio is presented as part of the company's liabilities to credit institutions, bondholders, and for use by the company's shareholders.

(c) Total net liabilities / Total equity

This ratio refers to the balance between equity and foreign capital. The numerator results if in the total liabilities shown in the Statement of Financial Position, cash is removed, while the denominator results directly from the Statement of Financial Position. This ratio amounted up to 1,13 in 2016 versus 1,47 in 2015. This ratio is presented as part of the company's liabilities to credit institutions, bondholders, and for use by the company's shareholders.

(d) Net debt liabilities / EBITDA

This ratio refers to the amount of coverage of loan liabilities by earnings before interest, taxes, depreciation and amortization. The numerator results if the sum of long and short term borrowings shown in the Statement of Financial Position is decreased by cash, while the denominator arises as calculated in (a) above. This ratio amounted to 0,86 in 2016 versus 1,13 in 2015. This ratio is presented as part of the company's liabilities to credit institutions, bondholders, and for use by the company's shareholders.

F. Corporate Social Responsibility

Management of "PAPERPACK S.A." is very sensitive to issues of corporate social responsibility regarding the protection of the environment, the responsibility towards the people of the Company and the offer to society through various sponsorships and activities.

The respect for the environment and the contribution to recycling, are inherent guidelines of its strategy.

The company follows a path of sustainable development, by operating its activities in a manner that ensures environmental protection and by securing the health and the safety of its employees.

The executives of the Company are in a harmonious cooperation with the General Directorate and each other. The Company's policy is the attraction of high-level personnel for optimal and timely meet of its needs and the establishment of an evaluation process of recruitment based on objectivity and integrity, through transparent procedures. The infrastructure of the Company, its long history and the current economic situation permit the immediate replenishment of the executives, without significant impact on the course of business operations.

G. Related Party Transactions

Related parties under I.A.S 24 include affiliates, companies with common ownership and/or management of the company, associated companies, as well as the members of the Board and its management company. The company supplies goods and services to the related parties.

The company's sales to related parties are primarily sales. The sales prices, compared to the sales to third parties, are being set by the cost plus a minimized marginal profit.

Compensation to members of the Board relates to fees paid to the Executive Board members.

The remuneration of directors, relates to fees for services relating to subordination.

Below are presented some important transactions during the review by the company and related parties as defined by IAS 24:

The remuneration of directors and members of management of the Company amounted during 1.1-31.12.2016 to € 1.014.093,44 in comparison to € 1.009.495,63 last year. Broken down by type of expenditure the amounts granted are as follows:

Amounts are expressed in € '	**1/1-31/12/2016**	**1/1-31/12/2015**
Salaries and other compensation to BoD memebers	218.662,93	191.196,50
Salaries and other compensation to key management personnel	295.430,51	318.299,13
Compensation to BoD memebers approoved by the	500.000,00	500.000,00
Total	**1.014.093,44**	**1.009.495,63**

From the compensations presented above the amount due to related parties on 31/12/2016 was 128.858,89 euros (31/12/2015: 78.838,99 €) and is analyzed as follows:

Amounts are expressed in € '	**1/1-31/12/2016**	**1/1-31/12/2015**
Salaries and other compensation payable	43.266,09	25.089,49
Compensation to BoD memebers approoved by the General Meeting payable	85.592,80	53.749,50
Total	**128.858,89**	**78.838,99**

Finally, there are the following receivables from Company's executives:

Amounts are expressed in € '	**1/1-31/12/2016**	**1/1-31/12/2015**
Loans to related parties	15.983,61	15.600,66
Other receivables	9.000,00	892,50
Total	**24.983,61**	**16.493,16**

H. Explanatory Report of the Board

For the company "PAPERPACK INDUSTRIAL & COMMERCIAL S.A" in accordance with paragraphs 7 and 8 of Article 4 of Law 3556/2007

1. Share capital structure.

The share capital amounts to EUR 1.185.927,00 divided into 3.953.090 shares of nominal value 0,30 euros each. All shares are listed to the A.S.E.M., in the Main Market. The company's shares are common shares with voting rights.

2. Restrictions on transfer of shares of the company.

The transfer of the shares is as provided by law and there is no restriction.

3. Significant direct or indirect participations within the meaning of Articles 9 - 11 of Law 3556/2007

Mr. John P. Tsoukaridis had a rate of 67,92% stake in the company on 31/12/2016. No other natural or legal person owns more than 5% of the equity.

4. Holders of such shares providing special control rights.

There are no shares of the Company which provide their holders with special rights.

5. Restrictions/Veto on voting rights.

There is no provision in the statutes of limitations in the Company's voting rights.

6. Agreements between shareholders of company.

There are not known to the Company any agreements between shareholders, which imply restrictions on the transfer of shares or exercise voting rights attached to the shares.

7. Rules for appointing and replacing members of the Board and amend the statute.

The rules provided by the company' s statute for the appointment and replacement of board members and the amendment of its Articles are not deviated from the provisions of Law 2190/1920.

8. Responsibility of Directors of the Board of Directors or certain members to issue new shares or purchase of own shares

In accordance with paragraph c, Article 6 of the Statute of the Company by the General Assembly, under article 7b of CL 2190/1920, can be assigned to the Board of Directors the right, decision to be taken by a majority of two thirds (2/3) of the total members, to increase the share capital wholly or partly, by issuing new shares until the amount of capital that is paid on the date the Board granted this power.

In accordance with the provisions of paragraphs 5 to 13 of Article 16 of Law 2190/1920, the companies listed on the Athens Stock Exchange may, by decision of the General Assembly of shareholders, acquire own shares through the Athens Stock Exchange up to 10% of their shares and to the specific terms and procedures of the above paragraphs of Article 16 of K.N. 2190/1920. There is no contrary provision in the statutes of the Company.

9. Important agreement which is amended / terminated in case a change arises in the company's control following a public offer

There is no such agreement.

10. Agreement between the Company and BoD members or employees regarding the termination of their terms / employment

There is no agreement between the Company and the BoD members or staff providing for the payment of any compensation specifically for cases of resignation or dismissal without cause, or termination of their mandate or employment as a result of a Public Acquisition Offer.

I. Dividends proposal

The Board of Directors proposes to Annual General Meeting the formation of legal reserve amounting to € 68.566,83 and the distribution of dividends amounting € 474.370,80 i.e. 0,12 € earning per share.

J. Statement of Corporate Governance

of "PAPERPACK INDUSTRIAL & COMMERCIAL S.A" in accordance with Article 43a par 3 case d of Law 2190/1920)

The company has adopted the principles of corporate governance as defined by the current Greek Legislation and international practices, as far as these are applicable based on the size and organization of the company. Based on the objectives of transparency towards investors and protection of the interests of its shareholders and all those associated with it, the company is organized and managed by a set of rules, principles and control mechanisms that consist its corporate governance system.

The Corporate Governance Code is available to the public from the offices of the company and has been posted on the website of the company http://www.paperpack.gr/investor-relations/code-of-corporate-governance/.

GENERAL

The term "system of corporate governance" means the context of the statutory or non-rules by which governance is exercised by the company. Essential component of corporate governance is how governance of the company is executed by the competent organs and its impact on results. The most important reason for implementing effective corporate governance practices is the need for placing the special interests that characterize different Companies of stakeholders (managers, shareholders, board of directors, creditors, employees, tax authorities, etc.) in the general business interest. Corporate governance is exercised by the Board of Directors, whose acts are 'limited' by those who have direct or indirect interest in the company.

Law 2190/1920 contains the basic rules of organization and governance of public limited companies. The company complies with both the Law 2190 / 1920, and by Law 3016/2002 on corporate governance which requires the involvement of independent non-executive members of the Board, has developed sufficient Internal Regulations which include the organizational structure and activities and has organized departments of Internal Audit, Investor and Corporate Communications for the protection and better serve of the company's shareholders. The company complies with Law 3693/2008, which requires the composition of Audit Committee and significant responsibilities of disclosure to shareholders in the frame of their preparation for the General Assembly and by Law 3873/2010 that regards with annual and consolidated accounts of certain type. Finally, the company complies with Article 26 of Law 3091/2002, Law 3340/2005 on the protection of Capital, the Law 3556/2007 regarding with the information of investing public and all relevant resolutions of the Capital Market Commission for the protection of investors.

RISK MANAGEMENT

The company has developed specific risk management policies. These policies include the methodology of Identification, Assessment and Control of Market Risk, Credit Risk, Operational Risk and Liquidity Risk, to comply with the best Corporate Governance practices. Additionally, in order to adapt to the environment of increased risk regarding with the provision of credits to customers, conducted a review not only of its credit policy, but also of its procedures of credit rating of its customers, in order to safeguard its assets.

Generally, the company identifies the risks that characterize its operation in accordance with the internationally accepted COSO methodology, i.e. after the determination of its long and short term goals by its Board and sub-functions and activities, the association with strategic risks, operations, reliability of financial and other reports and those of non-compliance with laws and other regulatory provisions and internal policies and procedures of the company.

For all the risks identified by the Board of Directors, measures are taken by the company's management, which are implemented by the company's officials at all levels.

INTERNAL CONTROL SYSTEM (APR)

The company has adopted and implemented a comprehensive Internal Control System (ICS), which is reflected in its Internal Operation Regulations, but also in several other policies, procedures and instructions. Currently, the vast majority of the company's operations and activities are covered by written policies and procedures. The company's ICS consists of safeguards which aim to adequately address the risks that characterize the company and are implemented by all the company staff. The objectives of the company are achieved through the implementation of the aforementioned policies, procedures and instructions. Adequate functioning of the company's ICS ensures the credibility of the published financial statements, which are audited by the company's Certified Auditors - Accountants.

INTERNAL AUDIT

The company has established the Internal Audit Service with powers beyond the minimum requirements of Law 3016 / 2002. Internal Audit, in addition to monitoring the implementation of the Internal Regulation provided by this abovementioned Law, conducts audits of substance based on the relative risk assessment, in collaboration with management and under the supervision of the independent audit committee. In 2016, the Internal Audit Unit conducted audits of procedures, while it offered its consultation, whenever needed, in order to add value to the company. Internal controls of the company included controls of adequacy on the Financial Statements' preparation processes, human recourses, information systems as well as its corporate governance framework. The methodology used by the Internal Audit complies with International Professional Standards of Internal Audit. For all Internal Audit reviews, held the working papers in order to be possible to perform quality reviews of the work performed by an independent body within or outside the company. The Audit reports are submitted quarterly to the Audit Committee and the Management is responsible for the timely settlement of the proposed corrective actions.

Kifissia, March 30, 2017

On behalf of the BoD

The president

John Tsoukaridis

FINANCIAL STATEMENTS FOR THE YEAR 2016

according to

International Financial Reporting Standards

Statement of financial position

Amounts are expressed in € '	Note	COMPANY 31/12/2016	31/12/2015
ASSETS			
Non current assets			
Goodwill	**5**	265.128,99	265.128,99
Intangible assets	**6**	70.390,11	81.818,08
Tangible assets	**7**	2.842.063,86	2.745.327,76
Available for sale financial assets	**8.1**	178.727,00	178.727,00
Other non current assets	**8.2.1**	101.826,87	106.214,87
Deferred tax assets	**22.2**	67.759,98	78.760,13
Total non current assets		**3.525.896,81**	**3.455.976,83**
Current assets			
Inventories	**9**	1.962.102,26	1.984.530,25
Trade and other receivables	**8.2.2**	4.473.260,40	4.427.874,94
Other current assets	**10**	902.788,05	938.248,89
Cash and cash equivalents	**8.2.3**	2.623.321,89	2.425.923,30
Total current assets		**9.961.472,60**	**9.776.577,38**
Total assets		**13.487.369,41**	**13.232.554,21**
Equity and Liabilities			
Equity			
Share capital	**12**	1.185.927,00	1.185.927,00
Share premium	**13**	1.187.780,32	1.187.780,32
Reserves	**14**	609.569,80	543.971,16
Profit / (Losses) carried forward	**-**	2.110.468,98	1.459.553,99
Equity attributable to the shareholders of the parent		**5.093.746,10**	**4.377.232,47**
Total Equity		**5.093.746,10**	**4.377.232,47**
Long term liabilities			
Defined benefit liability	**15**	224.655,09	235.621,00
Long term loans	**16.1.1**	2.536.766,18	3.460.000,00
Other long term liabilities	**-**	800,00	0,00
Total long term liabilities		**2.762.221,27**	**3.695.621,00**
Short term liabilities			
Trade and other payables	**16.1.2**	1.952.984,09	1.961.235,22
Current tax liabilities	**22.1**	809.644,52	773.960,37
Short term loans	**16.1.1**	2.347.037,99	1.832.677,49
Other short term liabilities	**17**	521.735,44	591.827,66
Total short term liabilities		**5.631.402,04**	**5.159.700,74**
Total liabilities		**8.393.623,31**	**8.855.321,74**
Total shareholders' equity and liabilities		**13.487.369,41**	**13.232.554,21**

The notes on pages 23 to 63 form an integral part of these financial statements.

Statement of comprehensive income

Amounts are expressed in € '	Note	1/1-31/12/2016	1/1-31/12/2015
Sales	18	15.247.338,05	14.136.463,28
Cost of sales	19	(10.905.938,40)	(9.828.640,26)
Gross profit		**4.341.399,65**	**4.307.823,02**
Other income	20	279.271,75	288.606,29
Administrative expenses	19	(1.660.165,53)	(1.563.904,50)
Distribution expenses	19	(766.638,59)	(788.649,52)
Research and development expenses	19	(820,00)	(820,00)
Other expenses	20	(1.048,24)	(6.340,10)
Earnings before taxes, financial and investing activities		**2.191.999,04**	**2.236.715,19**
Financial expenses	21	(263.445,74)	(307.518,79)
Financial income	21	2.906,47	9.125,70
Other financial results	21	0,00	(104.073,00)
Profit / (Loss) before tax		**1.931.459,77**	**1.834.249,10**
Tax	22.3	(578.981,45)	(579.649,24)
Net profit / (loss)		**1.352.478,32**	**1.254.599,86**
Net profits/ (losses) are distributed as follows:			
Equity holders of the parent	-	1.352.478,32	1.254.599,86
Non-controlling interests	-	0,00	0,00
Other comprehensive income			
Re-measurement gains (losses) on defined benefit plans	15	680,00	(14.720,00)
Income taxes attributable recognized in other income	22.3	(197,20)	4.268,80
Total comprehensive income (after tax)		**482,80**	**(10.451,20)**
Total comprehensive income		**1.352.961,12**	**1.244.148,66**
Total comprehensive income is distributed as follows:			
Equity holders of the parent	-	1.352.961,12	1.244.148,66
Non-controlling interests	-	0,00	0,00
Earnings / (losses) per share			
Basic (€ / share)	23	**0,3423**	**0,3147**
Impaired (€ / share)	-	**0,3423**	**0,3147**
Weighted average number of shares		**3.953.090**	**3.953.090**

The notes on pages 23 to 63 form an integral part of these financial statements.

Statement of changes in Equity

Amounts are expressed in € '	Share capital	Share premium	Reserves	Profit / (Losses) carried forward	Total Equity
Balance as at 31/12/2014	**1.185.927,00**	**1.187.780,32**	**515.097,26**	**509.136,26**	**3.397.940,84**
Changes in accounting policies	0,00	0,00	0,00	0,00	**0,00**
Balance as at 31/12/2014	**1.185.927,00**	**1.187.780,32**	**515.097,26**	**509.136,26**	**3.397.940,84**
Profit/ (Loss) for the period 1/1-31/12/2015	0,00	0,00	0,00	1.254.599,86	**1.254.599,86**
Other comprehensive income for the period 1/1-31/12/2015	0,00	0,00	(10.451,20)	0,00	**(10.451,20)**
Total comprehensive income 1/1-31/12/2015	**0,00**	**0,00**	**(10.451,20)**	**1.254.599,86**	**1.244.148,66**
Other changes in equity for the period 1/1/-31/12/2015					
Issue of reserves	0,00	0,00	39.325,10	(39.325,10)	**0,00**
Dividents of 2014	0,00	0,00	0,00	(264.857,03)	**(264.857,03)**
Total	**0,00**	**0,00**	**39.325,10**	**(304.182,13)**	**(264.857,03)**
Total changes in equity during the year	**0,00**	**0,00**	**28.873,90**	**950.417,73**	**979.291,63**
Balance as at 31/12/2015	**1.185.927,00**	**1.187.780,32**	**543.971,16**	**1.459.553,99**	**4.377.232,47**

The notes on pages 23 to 63 form an integral part of these financial statements.

Amounts are expressed in € '	Share capital	Share premium	Reserves	Profit / (Losses) carried forward	Total Equity
Balance as at 31/12/2015	**1.185.927,00**	**1.187.780,32**	**543.971,16**	**1.459.553,99**	**4.377.232,47**
Profit/ (Loss) for the period 1/1-31/12/2016	0,00	0,00	0,00	1.352.478,32	**1.352.478,32**
Other comprehensive income for the period 1/1-31/12/2016	0,00	0,00	482,80	0,00	**482,80**
Total comprehensive income 1/1-31/12/2016	**0,00**	**0,00**	**482,80**	**1.352.478,32**	**1.352.961,12**
Other changes in equity for the period 1/1/-31/12/2016					
Issue of reserves	0,00	0,00	65.115,84	(65.115,84)	**0,00**
Distribution of Divident	0,00	0,00	0,00	(636.447,49)	**(636.447,49)**
Total	**0,00**	**0,00**	**65.115,84**	**(701.563,33)**	**(636.447,49)**
Total changes in equity during the year	**0,00**	**0,00**	**65.598,64**	**650.914,99**	**716.513,63**
Balance as at 31/12/2016	**1.185.927,00**	**1.187.780,32**	**609.569,80**	**2.110.468,98**	**5.093.746,10**

The notes on pages 23 to 63 form an integral part of these financial statements.

Cash flow statement

Amounts are expressed in € '	Note	1/1/-31/12/2016	1/1/-31/12/2015
Cash flows from operations			
Profit / (Loss) before tax		1.931.459,77	1.834.249,10
Adjustments to profit / (loss)	-	427.253,91	430.311,09
		2.358.713,68	**2.264.560,19**
Changes in working capital			
(Increase) / decrease in inventories	9	22.427,99	(83.455,23)
(Increase) / decrease in receivables	-	30.649,93	(491.870,01)
Increase / (decrease) in liabilities	-	82.820,55	1.060.883,92
		135.898,47	**485.558,68**
Cash flows from operations		**2.494.612,15**	**2.750.118,87**
Minus: Payments for taxes	-	(518.298,31)	(804.231,58)
Interest paid		(263.221,27)	(296.091,61)
Net cash flows from operating activities		**1.713.092,57**	**1.649.795,68**
Cash flows from investing activities			
Purchase of tangible assets	7	(473.020,92)	(1.058.940,02)
Purchase of intangible assets	6	(52.414,91)	(10.415,72)
Sale of tangible assets	7	51.356,19	203.039,36
Interest received	21	2.906,47	4.208,60
Net cash flows from investing activities		**(471.173,17)**	**(862.107,78)**
Cash flows from financing activities			
Debt repayments	16	(864.703,51)	(1.061.500,00)
Net borrowings on short-term debt		455.830,19	304.460,58
Long term guaranties received	-	800,00	0,00
Dividends paid	-	(636.447,49)	(264.435,28)
Net cash flows from financing activities		**(1.044.520,81)**	**(1.021.474,70)**
Net increase / (decrease) in cash and cash equivalents		**197.398,59**	**(233.786,80)**
Cash and cash equivalents at the beginning of the period		2.425.923,30	2.659.710,10
Cash and cash equivalents at the end of the period		**2.623.321,89**	**2.425.923,30**

The notes on pages 23 to 63 form an integral part of these financial statements.

Adjustments to profit / (losses) are analyzed as follows:

Amounts are expressed in € '	**Note**	**1/1-31/12/2016**	**1/1-31/12/2015**
Adjustments to profit / (loss) for:			
Depreciation	**7**	376.238,36	257.525,93
Amortization	**6**	63.842,88	34.990,41
(Profit) / loss on disposal of fixed assets	**7**	(51.356,19)	(203.088,12)
Outflows to employee benefit obligations	**-**	(10.286,00)	19.701,47
(Gain) / loss from actuarial study	**-**	(680,20)	0,00
(Gain) / loss from changes in exchange rates	**-**	0,00	1.166,25
Provision for Impairment of financial assets available for sale	**8.1**	0,00	104.073,00
Revenues from interests	**-**	(2.906,47)	(4.208,60)
Interest expenses	**-**	258.497,89	295.156,72
Amortization of grants		(206.096,36)	(75.005,97)
Total Adjustments to profits		**427.253,91**	**430.311,09**

The notes on pages 23 to 63 form an integral part of these financial statements.

Notes to the financial statements

1 General information for the Company

1.1 The company

The Company "PAPERPACK INDUSTRIAL & COMMERCIAL S.A" is registered in the Ministry of Development by No. 35197/06/V/96/101 and its General Commercial Registry (G.E.M.I.) number is 004465901000.

The company's headquarters of both administrative services and the productive activity of the company is located in the Municipality of Kifissia, on road 24, Viltanioti str and Menexedon, 145 64.

The company's shares are listed to the Athens Stock Exchange since 2000 and also it participates in the indexes DOM, FTSEM, FTSEA, DVP and DMK.

1.2 Nature of activities

The company's activity is printing, paper and box board packaging, supplying mainly industrial units of cartons printed on the packaging to promote their products, such as cosmetics, foods, beverages, cigarettes, drugs and detergents.

More specifically, the Company PAPERPACK SA operates a fully integrated plant in which they realize the design, printing and production of cardboard boxes and documents with specific quality requirements with regard to raw materials and processing. The printing of products made with modern type offset machines. These activities belong in the Paper Packaging.

According to the bulletin of the Statistical Classification of Economic Activities 2008 (STAKOD '08) of the National Statistical Service of Greece (NSSG) , the main object of activity of the Company within the category of firms in " Manufacture of corrugated paper and paperboard and packaging of paper and cardboard "(No. 17.21).

Additionally, through the absorbed PROMOCARTON SA has expanded its activity and trade paper propellants (sector propellants), as displays, stands, etc. , so penetrating and commercial customers with a portfolio of primarily consumer products.

These activities are in the field of propellants .

The main activities of the Company have not been changed from the previous year.

2 Basis of preparation

2.1 Compliance with IFRS

The financial statements of "PAPERPACK INDUSTRIAL & COMMERCIAL S.A" comply with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and the interpretations issued by the Interpretations Committee (IFRIC) of the IASB, effective for annual periods ending 31 December 2016 and adopted by the European Union.

2.2 Basis of preparation of the financial statements

The financial statements PAPERPACK INDUSTRIAL & COMMERCIAL S.A have been prepared based on the principle of ongoing concern and the historical cost convention, as modified by the revaluation of certain assets and liabilities at fair value (Note 3).

2.3 Approval of the Financial Statements

These annual financial statements were approved by the Board of Directors on March 30, 2017 and are subject to final approval of the Annual General Meeting.

2.4 Period covered

These financial statements cover the period from 1 January 2016 and December 31, 2016.

2.5 Presentation of the Financial Statements

These financial statements are presented in €, which is the functional currency of the Company, the currency of the primary economic market in which the company operates. All amounts are presented in Euro (€) unless otherwise stated.

Please note that due to rounding, the actual sum of the amounts in the published summary data and the information may differ from the totals presented in these financial statements.

2.6 New standards, amendments to standards and interpretations

In note 2.6.1 are presented the new or revised standards and interpretations to existing standards adopted in the current period and endorsed by the European Union.

In note 2.6.2 are presented the new or revised standards and interpretations to existing standards that have not yet been adopted and endorsed by the EU.

2.6.1 New or revised standards and interpretations to existing standards that are mandatory for the current year

The following amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), adopted by the European Union, and their application is mandatory from or after 01/01/2016:

IAS 19: "Defined Benefit Plans: Employee Contributions"

In November 2013, the IASB published narrow scope amendments to IAS 19 "Employee Benefits" entitled Defined Benefit Plans: Employee Contributions. The narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

(effective for annual periods beginning on or after 1 February 2015)

Annual Improvements to IFRSs – 2010-2012 Cycle (effective for annual periods starting on

or after 01/02/2015). In December 2013, the IASB issued Annual Improvements to IFRSs - 2010-2012 Cycle, a collection of amendments to IFRSs, in response to seven issues addressed during the 2010-2012 cycle. The amendments are effective for annual periods beginning on or after 1 July 2014, although entities are permitted to apply them earlier. The issues included in this cycle are the following: **IFRS 2**: Definition of 'vesting condition', **IFRS 3**: Accounting for contingent consideration in a business combination, **IFRS 8**: Aggregation of operating segments, **IFRS 8**: Reconciliation of the total of the reportable segments' assets to the entity's assets, IFRS 13: Short-term receivables and payables, **IAS 16 /IAS 38:** Revaluation method—proportionate restatement of accumulated depreciation and **IAS 24**: Key management personnel services.

IFRS 11: "Accounting for Acquisitions of Interests in Joint Operations	In May 2014, the IASB issued amendments to IFRS 11. The amendments add new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business and specify the appropriate accounting treatment for such acquisitions. *(effective for annual periods beginning on or after 1 January 2016)*
IAS 16 and IAS 38: "Clarification of Acceptable Methods of Depreciation and Amortisation"	In May 2014, the IASB published amendments to IAS 16 and IAS 38. IAS 16 and IAS 38 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. *(effective for annual periods beginning on or after 1 January 2016)*
IAS 16 and IAS 41: "Agriculture: Bearer Plants"	In June 2014, the IASB published amendments that change the financial reporting for bearer plants. The IASB decided that bearer plants should be accounted for in the same way as property, plant and equipment in IAS 16. Consequently, the amendments include bearer plants within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41. *(effective for annual periods beginning on or after 1 January 2016)*
IAS 27: "Equity Method in Separate Financial Statements"	In August 2014, the IASB published narrow scope amendments to IAS 27. Under the amendments, entities are permitted to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate Financial Statements – an option that was not effective prior to the issuance of the current amendments. *(effective for annual periods beginning on or after 1 January 2016)*

Annual Improvements to IFRSs – 2012-2014 Cycle (effective for annual periods starting on or after 01/01/2016). In September 2014, the IASB issued Annual Improvements to IFRSs - 2012-2014 Cycle, a collection of amendments to IFRSs, in response to four issues addressed during the 2012-

2014 cycle. The amendments are effective for annual periods beginning on or after 1 January 2016, although entities are permitted to apply them earlier. The issues included in this cycle are the following: **IFRS 5**: Changes in methods of disposal, **IFRS 7**: Servicing Contracts and Applicability of the amendments to IFRS 7 to condensed interim financial statements, **IAS 19**: Discount rate: regional market issue, and **IAS 34**: Disclosure of information "elsewhere in the interim financial report".

IAS 1: "Disclosure Initiative"	In December 2014, the IASB issued amendments to IAS 1. The aforementioned amendments address settling the issues pertaining to the effective presentation and disclosure requirements as well as the potential of entities to exercise judgment under the preparation of financial statements. *(effective for annual periods beginning on or after 1 January 2016)*
IFRS 10, IFRS 12 and IAS 28: "Investment Entities: Applying the Consolidation Exception"	In December 2014, the IASB published narrow scope amendments to IFRS 10, IFRS 11 and IAS 28. The aforementioned amendments introduce explanation regarding accounting requirements for investment entities, while providing exemptions in particular cases, which decrease the costs related to the implementation of the Standards. *(effective for annual periods beginning on or after 1 January 2016)*

2.6.2 New or revised standards and interpretations to existing standards that are mandatory for the subsequent years

The following new Standards 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 14 "Regulatory Deferral Accounts"	In January 2014, the IASB issued a new Standard, IFRS 14. The aim of this interim Standard is to enhance the comparability of financial reporting by entities that are engaged in rate-regulated activities. Many countries have industry sectors that are subject to rate regulation, whereby governments regulate the supply and pricing of particular types of activity by private entities. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have. The above have not been adopted by the European Union, until the issuance of the final Standard. *(effective for annual periods beginning on or after 1 January 2016)*

IFRS 15 "Revenue from Contracts with Customers"	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 Company 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 01/01/2018. *(effective for annual periods beginning on or after 1 January 2018)*
IFRS 9 "Financial Instruments"	*I*n 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 Company 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 01/01/2018. *(effective for annual periods beginning on or after 1 January 2018)*
IFRS 10 and IAS 28: "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	In September 2014, the IASB published narrow scope amendments to IFRS 10 and IAS 28. The objective of the aforementioned amendments is to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. In December 2015, the IASB postponed the effective date of these amendments indefinitely pending the outcome of its research project on the equity method of accounting. The Company 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 16 "Leases"	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 recognise assets and liabilities arising from a lease. The Company 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. *(effective for annual periods beginning on or after 1 January 2019)*
IAS 12: " Recognition of Deferred Tax Assets for Unrealized Losses	In January 2016, the IASB published narrow scope amendments to IAS 12. The objective of the amendments is to clarify the accounting for deferred tax assets for unrealized losses on debt instruments measured at fair value. The Company 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. *(effective for annual periods beginning on or after 1 January 2017)*

IAS 7: "Disclosure Initiative"	In January 2016, the IASB published narrow scope amendments to IAS 7. The objective of the amendments is to enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments will require entities to provide disclosures that enable investors to evaluate changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes. The Company 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. *(effective for annual periods beginning on or after 1 January 2017)*
IFRS 15 "Revenue from Contracts with Customers"	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. The Company 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. *(effective for annual periods beginning on or after 1 January 2018)*
IFRS 2: "Classification and Measurement of Share-based Payment Transactions"	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 Company 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. *(effective for annual periods beginning on or after 1 January 2018)*
IFRS 4: "Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts"	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 Company 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. *(effective for annual periods beginning on or after 1 January 2018)*

Annual Improvements to IFRSs – 2014-2016 Cycle (effective for annual periods starting on or after 01/01/2017 and 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 are the following: **IFRS 12:** Clarification of the scope of the Standard, **IFRS 1:** Deletion of short-term exemptions for first-time adopters, **IAS 28:** Measuring an associate or joint venture at fair value. The amendments are effective for annual periods beginning on or after 1 January 2017 for IFRS 12, and 1 January 2018 for IFRS 1 and IAS 28. The Company 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.

IFRIC 22 "Foreign Currency Transactions and Advance Consideration"	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 Company 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. *(effective for annual periods beginning on or after 1 January 2018)*
IAS 40: "Transfers of Investment Property"	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 Company 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. *(effective for annual periods beginning on or after 1 January 2018)*

It should be noticed that the preparation of financial statements in accordance with the IFRS requires estimates and judgements on behalf of the management, in applying company's accounting policies. These assumptions have been adopted by the management for the application of company's accounting policies have been highlighted, were appropriate.

2.7 Significant accounting judgments and Management's estimations

The preparation of financial statements in accordance with International Financial Reporting Standards, requires making judgments on events that have already occurred and expectations of future events that may affect the reported amounts of assets and liabilities and disclosures.

Estimates and judgments made by management are based on historical data and expectations of future events that are reasonable under the existing data.

These disclosures are given to individual disclosures of assets and liabilities related to (Notes 5 and 32).

3 Summary of accounting policies

The significant accounting policies that have been adopted by the Company for the preparation of financial statements are summarized below.

3.1 Foreign currency translation

Transactions in foreign currencies are translated into the functional currency, by using the exchange rates at the transaction date.

Gains and losses from foreign exchange differences arising from the settlement of such transactions during the period, from the conversion of monetary items denominated in foreign currency by using the exchange rates at the balance sheet date, are recognized in the results.

Foreign currency translation differences on non-monetary items measured at fair value are considered as part of the fair value and thus are recorded the same way as the fair value differences.

3.2 Segment reporting

As an operating segment is defined a Company activity from where the Company

- ✓ earns revenues and expenses
- ✓ whose results are reviewed regularly by the Company
- ✓ and for which there is available sufficient financial data.

Functions identified and reported on the internal classification assessed by the management Company. Functions used to evaluate the progress of the Company are:

- Carton Packaging
- Promotional Materials

3.3 Goodwill

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

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. The Company tests goodwill for impairment annually or more frequently if events or changes in circumstances indicate that goodwill might be impaired.

3.4 Intangible assets (excluding goodwill)

Intangible assets include the acquired software used in the production or administration.

The acquired licenses related to software capitalized on the basis of costs incurred for the acquisition and installation of the software.

The costs associated with maintenance of computer software costs are recognized in the period in which they occur.

The costs capitalized, are amortized on a straight-line method over the estimated useful lives (three to five years). In addition, the acquired software is reviewed for impairment.

3.5 Tangible assets

Fixed assets are reported in the financial statements at acquisition cost or deemed cost, as determined based on fair values as at the transition dates, less accumulated depreciations and any impairment suffered by the assets.

The acquisition cost and the related accumulated depreciation of tangible assets retired or sold, is transferred from these accounts at the time of sale or retirement, and any possible gain or loss is included in the results.

The mechanical equipment and other tangible assets are reported at acquisition cost less accumulated depreciation and any impairment losses.

The acquisition cost includes all the directly attributable expenses for the acquisition of the assets. Subsequent expenditure is added to the carrying value of the tangible fixed assets or is booked as a separate fixed asset only if it is probable that future economic benefits will flow to the Company and their cost can be accurately and reliably measured. The repair and maintenance cost is booked in the results when such is realized.

Self-constructed tangible assets constitute an addition to the acquisition cost of tangible assets at values that include the direct cost of personnel participating in their construction, cost of materials and other general costs.

Depreciation of tangible fixed assets is calculated using the straight line method over their useful life, as follows:

Plant buildings and structures	12,5 – 25 years
Machinery	5 - 12,50 years
Transportation	6,67 – 10 years
Other equipment	3,3 – 10 years

The residual values and useful economic life of tangible fixed assets are subject to reassessment at each balance sheet date. When the book value of tangible fixed assets Annual Financial Report for the period from 1st of January to the 31st of December 2015 exceeds their recoverable amount, the assets or cash generating units are impaired to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of their net selling price and value in use. To calculate the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the related risks to the asset.
When the book value of tangible assets exceeds their recoverable value, the difference (impairment) is immediately recognized as an expense in the income statement.

3.6 Non-current assets held for sale

The assets available for sale also include other assets (including Goodwill) and tangible fixed assets that the Company intends to sell within one year from the date they are classified as "Held for sale". These elements can form an integral part of the company, a group of assets and liabilities or an independent non-current asset.

The assets classified as "Held for sale" are valued at the lowest value between their book value and their fair value less the sale cost. Assets classified as "Held for sale" are not subject to depreciation. The profit or loss that results from the sale or the reassessment of assets "Held for sale" is included in "other income" and "other expenses" respectively, in the statement of comprehensive income.

3.7 Financial assets

The assets of the Company classified in the following asset classes:
• loans and receivables
• financial assets at fair value through profit
• Available for sale financial assets, and
• Investments held to maturity.

Financial assets are separated into different categories by management according to their characteristics and the purpose for which acquired.

The category in which each financial instrument is classified differs from the others, depending on the category it will be entered, as different rules apply with respect to valuation but also on how to recognize each designated outcome either in statement of comprehensive income or directly in equity. Financial assets are recognized at the application of accounting date of the transaction.

3.7.1 Investments held to maturity

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Financial assets are classified as held to maturity investments, unless management has the intention and ability to hold until their maturity.

After initial recognition, investments that fall into this category are measured at amortized cost using the effective interest method. The amortized cost is the amount at which the financial asset or financial liability was initially measured, minus the principal repayments, plus or minus the accumulated amortization of any difference between that initial amount and the maturity amount calculated using the effective method rate and after deducting any devaluation. The calculation includes all fees paid or received between parties that are an integral part of the effective interest rate transaction costs and any other other premiums or discounts.

Moreover, if there is objective evidence that a financial asset's value has been reduced, then the investment is measured at the present value of its projected cash flows and any difference with the book value of the investment is recognized in the income statement as a loss.

3.7.2 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed and determinable payments and which are not quoted in an active market. Created when the Company provides money, goods or services directly to a debtor with no commercial intent.

Loans and receivables are measured at amortized cost using the effective interest method less any provision for impairment. Any change in value of loans and advances are recognized when the loans and receivables are removed or reduced in value as well as implementation of the effective interest method.

For some of the requirements, check for impairment is being conducted at individual requirement (for example, for each customer) where the collection of overdue debt has been classified at the date of the financial statements or in cases where objective evidence indicates the need to write them.

The other requirements are pooled and tested for impairment at the whole The grouping of requirements is based on some common credit risk characteristics that characterize them.

Claims and loans are included in current assets, except those maturing after twelve months from the balance sheet date. These are characterized as non-current assets. The balance sheet are classified as trade and other receivables and are the bulk of the financial assets of the Company.

3.7.3 Available for sale financial assets

Available for sale financial assets include non-derivative financial assets classified as held for sale or do not meet the criteria for inclusion in other categories of financial assets. All financial assets that fall into this category are measured at fair value if it can be determined reliably with changes in value are recognized in equity, after calculating any tax impact. If fair value cannot be determined reliably, these financial assets are measured at acquisition cost and tested for impairment.

At sale or impairment of available for sale assets, the cumulative gains or losses were recognized in equity in the income statement.

In case of permanent impairment, the cumulative amount of losses transferred from equity and recognized in profit or loss is the difference between purchase price and fair value. The impairment losses were recognized in the results for investment in an equity instrument classified as available for sale are not reversed through profit or loss.

Losses recognized in prior periods financial statements, which came from impairment of debt securities reversed through profit or loss if the increase (reversal of impairment) is associated with events occurring after the impairment was recognized in the income statement.

The financial assets classified by the Company in this category include investments in other companies not listed on a regulated market and they have been measured at acquisition cost less any impairment.

3.8 Financial liabilities

The Company's financial liabilities include bank loans and overdraft accounts (overdraft) and trade and other obligations.

3.8.1 Financial liabilities (excluding loans)

The Company's financial liabilities (excluding loans) reflected on the balance sheet, the item "Long term financial liabilities" and the item "Other trading liabilities." Financial liabilities are recognized when the Company is involved in a contractual agreement of the instrument and are derecognised when the Company is exempted from or is canceled or expires.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost.

Gains and losses are recognized in the income statement when the liabilities are derecognised as well as the implementation of the effective interest method.

Dividends to shareholders are recognized in the item "Other current financial liabilities", when they are approved by the General Assembly.

3.8.2 Loans

The bank loans provide long-term financing of the operations of the Company. All loans are initially recognized at cost being the fair value of consideration received, excluding direct costs of issue.

After initial recognition, borrowings are measured at amortized cost using the effective interest rate method and any difference is recognized in the income statement, during the duration of the borrowings.

3.8.3 Other financial liabilities

3.8.3.1 Ordinary shares

The share capital issued by the company is identified as the product of recovery reduced the direct costs of issue, after the calculation of income tax attributable to them. When the Company acquires its own equity securities, those securities (the "treasury shares) are deducted from equity. During the purchase, sale, issue or cancellation of own equity instruments of the entity, no gain or loss is recognized in the income statement.

3.9 Inventories

Inventories include raw materials, equipment and other assets acquired for future sale. The cost of inventories is determined using the weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition and which are directly attributable to the production process, and some overhead costs associated with production , which is absorbed in the normal capacity of production facilities.

The cost of inventories does not include financing costs.

At the balance sheet date, inventories are valued at the lower between the acquisition cost and net realizable value.

3.10 Deferred income tax

3.10.1 The current tax asset

The current tax asset / liability includes those obligations or claims by tax authorities relating to current or previous reporting period and not paid up the balance sheet date. Taxes are calculated according to tax rates and laws that were applicable on the taxable income of each year. All changes to current tax assets or liabilities are recognized as expense in the income tax.

3.10.2 Deferred income tax

Deferred income tax is calculated on the liability method which focuses on temporary differences. This involves comparing the book value of assets and liabilities on the consolidated financial statements with their respective tax bases. Deferred tax assets are recognized to the extent that is likely to be offset against future income taxes. The Company recognizes a previously unrecognized deferred tax assets to the extent that it is probable that future taxable profit will allow the recovery of the deferred tax asset. Deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of this deferred tax asset. Deferred tax liabilities are recognized for all taxable temporary differences. Tax losses can be transferred to subsequent periods are recognized as deferred tax assets. Deferred tax assets and liabilities are measured at tax rates expected to apply to the period during which settled the claim or liability, based on tax rates (and tax laws) that have come into force or substantively enacted at the date of Balance Sheet. The changes in deferred tax assets or liabilities are recognized as a component of income tax in the income statement, except those resulting from specific changes in the assets or liabilities that are recognized directly in equity Company as a revaluation the property and result in the relative change in deferred tax assets or liabilities being charged / credited to the relevant equity account.

3.11 Government grants

The Company recognizes government grants, which cumulatively meet the following criteria: there is reasonable certainty that the company has complied or will comply with the terms of the grant and probable that the amount of the grant will be received. Government grants relating to acquisition of fixed assets are shown as deferred income and liabilities are recognized in comprehensive income in the account "other income" during the life of the assets concerned.

3.12 Retirement benefits and short-term employee benefits

3.12.1 Short-term benefits

Short term employee benefits (other than termination benefits of employment) in cash and in kind are recognized as an expense when accrued. Any unpaid amount is recorded as a liability and if the amount already paid exceeds the amount of benefits, the company recognizes the excess as an asset (prepaid expense) only to the extent that the prepayment will reduce future payments or return.

3.12.2 Retirement Benefits

The Company has both defined benefit and defined contribution plans.

3.12.2.1 Defined benefit plans

The liability in the balance sheet for defined benefit plans is the present value of the liability for the defined benefit under the Law 2112/20 and changes resulting from any actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method unit (projected unit credit method).

Actuarial gains and losses arising from experience adjustments and changes in proportional cases charged or credited with any deferred tax that relates to other comprehensive income.

Past service cost is recognized immediately in profit or loss unless the changes in pension plans are dependent on the retention of employees in service for a specified period of time (vesting date). In this case, past service cost is amortized on a consistent basis until the date of vesting of benefits.

3.12.2.2 Defined contribution plans

The staff Company is mainly covered by the main National Insurance Agency in relation to the private sector (IKA), which provides retirement and medical benefits. Each employee is required to contribute part of their monthly salary to the fund, part of the overall contribution is paid by the Company. Upon retirement, the pension fund responsible for paying pension benefits to employees. Consequently, the Company has no legal or constructive obligation to pay future benefits under this program. Under the defined contribution plan, the Company's obligation (legal or constructive) shall be limited to the amount agreed to contribute to the organization (eg fund) that manages contributions and provides benefits. Thus the amount of benefits the employee will receive is determined by the amount paid by the Company (or the employee) and paid by the investment of those contributions. The contribution payable by the Company in a defined contribution plan is recognized as a liability after deduction of the contribution paid and the corresponding output.

3.13 Other provisions

Provisions are recognized when a present obligation is likely to lead to an outflow of economic resources for the Company and can be reliably estimated. The timing or the amount of output can be elusive. A present obligation arising from the presence of a legal or constructive obligation resulting from past events. Each formed prediction is used only for expenses which were originally formed. Provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate. The forecasts are valued at anticipated costs required to settle the present obligation, based on the best evidence available at the balance sheet date, including the risks and uncertainties associated with this commitment. When the effect of the time value of money is significant, the amount of the provision is the present value of expenses expected to be required to settle the obligation. When using the method of discounting, the carrying amount of a provision increases each period to reflect the passage of time. This increase is recognized as interest expense in the results. When there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the probability of an outflow component included in the category of commitments is low. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, to provide reversed.

3.14 Contingent liabilities

Contingent liabilities are not recognized in financial statements but are disclosed unless the probability of outflow of resources embodying economic benefits are minimal.

3.15 Contingent assets

Possible inputs from economic benefits to the Company not yet met the criteria of an asset are considered contingent assets and disclosed in the notes to financial statements.

3.16 Leases

The assessments of whether a lease agreement contains a lease element take place at the beginning of the agreement, taking into account all available evidence and individual circumstances.

3.16.1 Company's company as lessee

3.16.1.1 - Financial Leases

The ownership of a leased asset is transferred to the lessee if transferred to him all the risks and benefits associated with the leased asset is independent of the legal form of contract. At the beginning of the lease asset is recognized at fair value or if lower the present value of minimum lease payments including extra payments if any, are borne by the lessee. A corresponding amount is recognized as an obligation of the lease regardless of whether some of the lease payments are paid upfront at the start of the lease.

The subsequent accounting for assets that are acquired through leasing contracts, eg The depreciation method used and the determination of useful life is the same as that applied to comparable acquired other leases, assets. The accounting treatment of the corresponding obligation on the gradual reduction, based on the minimum lease payments of less financial burden, which is recognized as an expense in finance costs. Finance charges are allocated over the lease term, and represent a constant periodic rate of interest on the outstanding obligation.

3.16.1.2 - Operating leases

All other leases are treated as operating leases. Payments on operating lease contracts are recognized in the income statement with the straight method (correlation between income and use of exit). The related costs such as maintenance and insurance, are recognized as expenses when incurred.

3.17 Revenue recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. Revenues are net of value added tax, discounts and rebates. Income between Company companies consolidated under the full consolidation method, are eliminated in full.

The recognition of revenue is as follows:

3.17.1 Services

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. Revenues are net of value added tax, discounts and rebates. Income between Company companies consolidated under the full consolidation method, are eliminated in full. The recognition of revenue is as follows: Services Revenue from service contracts with predetermined price identified by the stage of completion of the transaction at the balance sheet date. Under this method, revenue is recognized based on the proportion of services rendered to the date of financial statements in respect of all services to be performed. When the result of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognized only to the extent that the approved costs are recoverable. In cases of change of original estimates of revenues, expenditures or the level of integration, these changes may lead to increases or decreases in estimated revenues or costs and appear to revenue in the period.

3.17.2 Sales of goods

Revenue is recognized when the significant risks and rewards of ownership are transferred to the buyer.

3.17.3 Dividends

Dividends income is recognized when the right to receive payment

3.18 Borrowing Costs

Borrowing costs are recognized as an expense in the period incurred, except if related to an asset that is under construction.

4 Segment Reporting

4.1 Determination of functional segments

The company's main activity is the sale of various types of paper packaging and promotional products (propellants). As operating segment is a group of activities from which

- ✓ the company earns revenue and expenditure
- ✓ the results are regularly reviewed by the company and
- ✓ for which there are available sufficient financial data

Operating segments are recognized and presented on the basis of internal reporting which is evaluated by the company's management.

Operating segments are used to evaluate the company's progress are:

- Paper packing
- Promotional Instruments

Financial data for the company's operating segments are presented below.

4.2 Segmental results

The results of each operating segment are as follows:

Amounts are expressed in € '

Results per segment for the period 1/1-31/12/2016	**Carton Packaging**	**Promotional**	**Total**
Sales to external customers	14.688.729,24	558.608,81	15.247.338,05
Sales to other segments	0,00	0,00	0,00
Net sales	**14.688.729,24**	**558.608,81**	**15.247.338,05**
Earnings before taxes, financial and investing activities	**2.094.134,19**	**97.864,85**	**2.191.999,04**
Financial results	(260.539,27)	0,00	(260.539,27)
Share of profit / (loss) from associates	0,00	0,00	0,00
Profit / (Loss) before tax	**1.833.594,92**	**97.864,85**	**1.931.459,77**
Tax	(550.600,64)	(28.380,81)	(578.981,45)
Net profit / (loss)	**1.282.994,28**	**69.484,04**	**1.352.478,32**
Results per segment for the period 1/1-31/12/2015			
Sales to external customers	13.324.014,65	812.448,63	14.136.463,28
Sales to other segments	0,00	0,00	0,00
Net sales	**13.324.014,65**	**812.448,63**	**14.136.463,28**
Earnings before taxes, financial and investing activities	**2.105.144,17**	**131.571,02**	**2.236.715,19**
Financial results	(402.466,09)	0,00	(402.466,09)
Share of profit / (loss) from associates	0,00	0,00	0,00
Profit / (Loss) before tax	**1.702.678,08**	**131.571,02**	**1.834.249,10**
Tax	(541.493,64)	(38.155,60)	(579.649,24)
Net profit / (loss)	**1.161.184,44**	**93.415,42**	**1.254.599,86**

The accounting policies adopted for each operating segment are consistent with the accounting policies described in Note 3 Summary of accounting policies.

4.3 Assets and liabilities by operating segment

The assets and liabilities by operating segment are as follows:

Amounts are expressed in € '

Assets and Liabilities as at 31/12/2016	**Carton Packaging**	**Promotional**	**Unallocated**	**Total**
Segment Assets	12.776.148,39	464.734,04	246.486,98	13.487.369,41
Assets of associates	0,00	0,00	0,00	0,00
Total assets	**12.776.148,39**	**464.734,04**	**246.486,98**	**13.487.369,41**
Segment Liabilities	7.505.379,62	78.599,17	809.644,52	8.393.623,31
Liabilities to associates	0,00	0,00	0,00	0,00
Total liabilities	**7.505.379,62**	**78.599,17**	**809.644,52**	**8.393.623,31**
Assets and Liabilities as at 31/12/2015				
Segment Assets	12.299.425,46	675.641,62	257.487,13	13.232.554,21
Assets of associates	0,00	0,00	0,00	0,00
Total assets	**12.299.425,46**	**675.641,62**	**257.487,13**	**13.232.554,21**
Segment Liabilities	7.911.296,11	170.065,26	773.960,37	8.855.321,74
Liabilities to associates	0,00	0,00	0,00	0,00
Total liabilities	**7.911.296,11**	**170.065,26**	**773.960,37**	**8.855.321,74**

For monitoring the operating segments and the allocation of resources in each area:

✓ all assets be allocated to the operating area of concern, except:

- investments in associates
- other financial assets and
- the requirements of tax

✓ assets working together in functional areas are allocated to each sector according to income made.

✓ all the obligations allocated to functional areas other than:

- other financial liabilities
- deferred tax liabilities and
- liabilities for income taxes

✓ obligations concerning joint operating segments are allocated to each sector according to the assets of each sector.

4.4 Other information by operating segment

Other items by operating segment are listed below:

Amounts are expressed in € '	Carton Packaging	Promotional materials	Unallocated	Total
1/1- 31/12/2016				
Depreciation	376.126,02	112,34	0,00	**376.238,36**
Amortization	63.634,15	208,73	0,00	**63.842,88**
Additions in tangibles	473.020,92	0,00	0,00	**473.020,92**
Additions in intangibles	52.415,00	0,00	0,00	**52.415,00**
Impairment in Goodwill	0,00	0,00	0,00	**0,00**
1/1- 31/12/2015				
Depreciation	257.250,50	275,43	0,00	**257.525,93**
Amortization	34.403,06	587,35	0,00	**34.990,41**
Additions in tangibles	1.058.940,02	0,00	0,00	**1.058.940,02**
Additions in intangibles	10.415,77	0,00	0,00	**10.415,77**
Impairment in Goodwill	0,00	0,00	0,00	**0,00**

4.5 Sales by product Company and services

The Company's sales by product Company and services listed below:

Amounts are expressed in € '	1/1- 31/12/2016	1/1- 31/12/2015
Resale of goods	770.313,85	1.040.583,27
Sale of products	13.655.876,26	12.271.240,34
Sale of raw materials	421.281,83	395.054,57
Revenues from services	399.866,11	429.585,10
Total Turnover	**15.247.338,05**	**14.136.463,28**

4.6 Information by geographical area

Data on sales and assets by geographic area are listed below:

Amounts are expressed in € '	1/1- 31/12/2016	1/1- 31/12/2015
Sales per region		
Greece	15.075.377,28	13.848.541,22
European Union	166.286,77	278.800,02
Other	5.674,00	9.122,04
Total	**15.247.338,05**	**14.136.463,28**
Assets per region	**31/12/2016**	**31/12/2015**
Greece	13.437.543,47	12.963.042,37
European Union	49.825,94	260.973,08
Other	0,00	8.538,76
Total	0,00	0,00
Total	**13.487.369,41**	**13.232.554,21**

5 Goodwill

Changes in the carrying value of goodwill in connection with the previous year, resulting from the impairment of goodwill are already recognized.

The carrying value of goodwill is as follows:

Amounts are expressed in € '	**PROMOCARTON AE**	**Total**
Gross book value as at 1/1/2015	265.128,99	265.128,99
minus: Accumulated amortization	0,00	0,00
Net book value as at 1/1/2015	**265.128,99**	**265.128,99**
Additions	0,00	0,00
Reductions	0,00	0,00
Amortization	0,00	0,00
Gross book value as at 31/12/2015	265.128,99	265.128,99
minus: Accumulated amortization	0,00	0,00
Net book value as at 31/12/2015	**265.128,99**	**265.128,99**
Additions	0,00	0,00
Merger of subsidiary	0,00	0,00
Reductions	0,00	0,00
Amortization	0,00	0,00
Gross book value as at 31/12/2016	265.128,99	265.128,99
minus: Accumulated amortization	0,00	0,00
Net book value as at 31/12/2016	**265.128,99**	**265.128,99**

The impairment loss of goodwill amount is included in the results line "Other financial expense” .

For purposes of assessing impairment of goodwill carried on the basic design elements of which are described below:

	Cash generation unit **Promotional materials** PROMOCARTON AE
Discount rate	13,73%
Average growth during next 5 years	0,00%
Growth after 5 years	0,50%
Period of net cash flows	386.134,87
Recoverable amount	712.910,47

6 Intangible assets

The intangible assets of the Company are mainly in software licenses and software. The analysis of the carrying amounts of intangible assets of the Company is shown in the tables below:

Amounts are expressed in € '	Software	Total
Gross book value as at 1/1/2015	337.026,56	337.026,56
minus: Accumulated amortization	(230.633,79)	(230.633,79)
Net book value as at 1/1/2015	**106.392,77**	**106.392,77**
Additions	10.415,77	10.415,77
Amortization	(34.990,46)	(34.990,46)
Gross book value as at 31/12/2015	347.442,33	347.442,33
minus: Accumulated amortization	(265.624,25)	(265.624,25)
Net book value as at 31/12/2015	**81.818,08**	**81.818,08**
Additions	52.415,00	52.415,00
Sales - reductions	(17.195,89)	(17.195,89)
Amortization	(63.842,88)	(63.842,88)
Amortization of sold or transferred items	17.195,80	17.195,80
Gross book value as at 31/12/2016	382.661,44	382.661,44
minus: Accumulated amortization	(312.271,33)	(312.271,33)
Net book value as at 31/12/2016	**70.390,11**	**70.390,11**

The amortization of intangible assets recognized in the income statement (note 19). The intangible assets of the company are not there any kind pledges to secure obligations.

7 Tangible assets

The book values of tangible assets for the periods presented are as follows:

Amounts are expressed in € '	Land	Buildings	Machinery and equipment	Transportation	Furniture and fixtures	Total
Gross book value as at 1/1/2015	6.796,76	1.055.463,74	11.864.215,86	267.877,42	682.271,52	13.876.625,30
minus: Accumulated amortization	0,00	(843.169,62)	(10.319.492,04)	(164.684,57)	(600.771,06)	(11.928.117,29)
Net book value as at 1/1/2015	**6.796,76**	**212.294,12**	**1.544.723,82**	**103.192,85**	**81.500,46**	**1.948.508,01**
Additions	0,00	16.500,00	970.338,42	41.134,05	30.967,55	1.058.940,02
Sales - reductions	0,00	0,00	(1.906.646,82)	(24.677,33)	(5.206,33)	(1.936.530,48)
Amortization	0,00	(14.805,18)	(197.264,18)	(16.674,47)	(28.782,10)	(257.525,93)
Depreciation of sold or transferred items	0,00	0,00	1.906.646,76	24.677,33	612,05	1.931.936,14
Gross book value as at 31/12/2015	6.796,76	1.071.963,74	10.927.907,46	284.334,14	708.032,74	12.999.034,84
minus: Accumulated amortization	0,00	(857.974,80)	(8.610.109,46)	(156.681,71)	(628.941,11)	(10.253.707,08)
Net book value as at 31/12/2015	**6.796,76**	**213.988,94**	**2.317.798,00**	**127.652,43**	**79.091,63**	**2.745.327,76**
Additions	0,00	56.078,00	336.017,95	6.900,00	74.024,97	473.020,92
Sales - reductions	0,00	0,00	(533.466,83)	0,00	(29.892,71)	(563.359,54)
Amortization	0,00	(22.661,01)	(276.190,17)	(17.410,31)	(59.976,87)	(376.238,36)
Depreciation of sold or transferred items	0,00	0,00	533.466,63	0,00	29.846,45	563.313,08
Gross book value as at 31/12/2016	6.796,76	1.128.041,74	10.730.458,58	291.234,14	752.165,00	12.908.696,22
minus: Accumulated amortization	0,00	(880.635,81)	(8.352.833,00)	(174.092,02)	(659.071,53)	(10.066.632,36)
Net book value as at 31/12/2016	**6.796,76**	**247.405,93**	**2.377.625,58**	**117.142,12**	**93.093,47**	**2.842.063,86**

Depreciation of tangible fixed assets recognized in the income statement (note 19). There no mortgages on land and buildings. There is a lien on equipment owned by the company, worth EUR 927.000,00, in order to secure bank loan.

8 Financial Assets

The financial assets of the Company are classified as follows:

Amounts are expressed in € '	Note	31/12/2016	31/12/2015
Loans and receivables	8.2	7.198.409,18	6.960.013,11
Available for sale financial assets	8.1	178.727,00	178.727,00
Total		**7.377.136,18**	**7.138.740,11**

8.1 Available for sale financial assets

Amounts are expressed in € '	AFOI VLAHOU AVEE	AFOI FOKA AVEE	Total
Balance as at1/1/2015	**54.000,00**	**0,00**	**54.000,00**
Movements during 2015			
Transfers of non-current assets available for sale	0,00	228.800,00	228.800,00
Disposals	0,00	0,00	0,00
Value Impairment	0,00	(104.073,00)	(104.073,00)
Balance as at 31/12/2015	**54.000,00**	**124.727,00**	**178.727,00**
Movements during 2016			
Transfers of non-current assets available for sale	0,00	0,00	0,00
Disposals	0,00	0,00	0,00
Value Impairment	0,00	0,00	0,00
Balance as at 31/12/2016	**54.000,00**	**124.727,00**	**178.727,00**

The financial assets included in this category relate to the company's participation at 6.18% in the share capital of the company Vlachos Bros SA based in Koropi and the participation at 35.00% in the share capital of the company Fokas Bros SA for which there is no relevant audit capability. Both companies, Vlachos Bros SA and Fokas Bros SA are not traded on any active market. As the fair value of the investments cannot be reliably estimated investments in Vlachos Bros SA and Fokas Bros SA are monitored at cost. In the previous year the company made impairment in Fokas Bros SA investment for an amount of € 104.073. During the current year, the company made no impairment for these investments.

There is a pledge of total occupied by the parent company shares of Vlachos Bros SA and of Fokas Bros SA, to secure bank loans.

8.2 Loans and receivables

This category includes the following financial assets:

Amounts are expressed in € '	Note	31/12/2016	31/12/2015
Other non current assets	8.2.1	101.826,87	106.214,87
Cash and cash equivalents	8.2.3	2.623.321,89	2.425.923,30
Trade and other receivables	8.2.2	4.473.260,40	4.427.874,96
Total		**7.198.409,16**	**6.960.013,13**

8.2.1 Other non-current assets

Amounts are expressed in € '	**31/12/2016**	**31/12/2015**
Guarantees	101.826,87	106.214,87
Total	**101.826,87**	**106.214,87**

These guarantees include guaranteed rents. As the balance is not important for the fair presentation of financial statements of the Company, it has not been adjusted to the value of these guarantees to the real interest rate.

8.2.2 Trade and other receivables

Trade and other receivables are analyzed as follows:

Amounts are expressed in € '	**31/12/2016**	**31/12/2015**
Receivables from customers	3.720.319,73	3.316.057,29
Receivables from foreign customers	102.777,60	102.777,60
Prepayments to suppliers	37.081,62	100.001,74
Cheques receivable	372.221,70	1.180.665,85
Cheques in banks as collateral	495.236,16	7.614,91
Total trade receivables	**4.727.636,81**	**4.707.117,39**
Minus: Bad debt provision	(254.376,41)	(279.242,45)
Total trade receivables (net)	**4.473.260,40**	**4.427.874,94**

All of these amounts are considered as short term. The fair value of short-term financial assets is not determined separately as the book value is considered to approximate their fair value. For all business requirements have been realized indications for possible impairment (note 19). The requirements are impaired mainly relate to the company's customers who are experiencing financial difficulties and balances estimated irrecoverable.

The maturity of impaired claims is as follows:

Amounts are expressed in € '	**31/12/2016**	**31/12/2015**
Days		
60-90	0,00	0,00
90-120	0,00	0,00
120-180	0,00	0,00
180-365	0,00	0,00
>365	254.376,41	279.242,45
Total receivables due	**254.376,41**	**279.242,45**

There are no overdue receivables which have not been impaired.

The movement in bad debt provision is analyzed as follows:

Amounts are expressed in € '	**31/12/2016**	**31/12/2015**
Balance at the beginning of the year	**279.242,45**	**279.242,45**
Reversals	(409,50)	0,00
Unused amounts reversed	(24.456,54)	0,00
Balance at the end of the year	**254.376,41**	**279.242,45**

8.2.3 Cash and cash equivalents

Cash equivalents include the following elements:

Amounts are expressed in € '	**31/12/2016**	**31/12/2015**
Cash in hand	1.034,97	1.438,88
Cash in bank	2.622.286,92	2.424.484,42
Short term deposits	0,00	0,00
Total cash and cash equivalents	**2.623.321,89**	**2.425.923,30**

There are no commitments on the Company's treasury.

9 Inventories

Inventories are analyzed as follows:

Amounts are expressed in € '	**31/12/2016**	**31/12/2015**
Goods for resale	9.317,73	11.971,84
Finished and semi finished goods	518.977,40	399.708,97
Raw materials	1.433.807,13	1.572.849,44
Total gross value	**1.962.102,26**	**1.984.530,25**
Minus: Provisions	0,00	0,00
Total net value	**1.962.102,26**	**1.984.530,25**

The amount of inventories recognized as an expense during the year included in cost of sales (Note 19).

There is a lien on inventories up to EUR 1 million.

10 Other current assets

Other current assets are analyzed as follows:

Amounts are expressed in € '	**31/12/2016**	**31/12/2015**
Taxes receivable	568.077,60	531.891,05
Other debtors	37.063,88	17.505,76
Prepayments	35.654,41	4.317,19
Prepaid purchases of materials	182.481,89	345.005,91
Deferred expenses	79.510,27	39.528,98
Total other current assets (gross)	**902.788,05**	**938.248,89**
Minus: Provisions	0,00	0,00
Total other current assets (net)	**902.788,05**	**938.248,89**

11 Non-current assets held for sale

The company had an active plan of sale, but wasn't able to conclude it within the specified time, in order to find a buyer for the participation of the company AFOI FOKA AVEE that holds. Therefore, in accordance with IFRS 5, the company in the previous year stopped the presentation of its participation in this company in "Non-current assets held for sale" assets and classified it to "Financial Assets available for sale".

Amounts are expressed in € '	ΑΦΟΙ ΦΩΚΑ ΑΒΕΕ	Total
Balance as at1/1/2015	**228.800,00**	**228.800,00**
Movements during 2015		
Transfer to available for sale financial assets	(228.800,00)	(228.800,00)
Value Impairment	0,00	0,00
Balance as at 31/12/2015	**0,00**	**0,00**
Movements during 2016		
Transfer to available for sale financial assets	0,00	0,00
Balance as at 31/12/2016	**0,00**	**0,00**

12 Share capital

The company's share capital consists of 3.953.090 ordinary shares of nominal value € 0,30. All shares carry the same rights to receive dividends and the repayment of capital and represent a vote in the General Assembly of shareholders.

Amounts are expressed in € '	31/12/2016		31/12/2015	
	Number of shares	**Par value**	**Number of shares**	**Par value**
Number of shares authorised				
Common shares	3.953.090	0,30	3.953.090	0,30
Preference shares	0,00		0,00	
Number of fully paid shares				
Common shares	3.953.090	0,30	3.953.090	0,30
Preference share	0,00		0,00	

The movement of share capital is as follows:

Amounts are expressed in € '	31/12/2016	31/12/2015
Share capital at the beginning of the year	**1.185.927,00**	**1.185.927,00**
Increse of capital	0,00	0,00
Capital decrease	0,00	0,00
Share capital at the end of the year	**1.185.927,00**	**1.185.927,00**

The share capital of the company amounts to 1,185,927 Euros (1,185,927.00) divided into 3,000,950 thousand and ninety-three (3,953,090) ordinary shares of nominal value of thirty cents (0.30) Euro each.

The company's shares are listed on the Athens Stock Exchange, in the main market with the code PPAK. Each share carries one voting right.

13 Share premium

Movement in share premium is analyzed as follows:

Amounts are expressed in € '	31/12/2016	31/12/2015
Share capital at the beginning of the year	**1.187.780,32**	**1.187.780,32**
Capital increase	0,00	0,00
Share capital at the end of the year	**1.187.780,32**	**1.187.780,32**

The amounts received, additional to the par value of shares issued during the year are included in equity under the heading "Share premium" after deduction of registration fees, legal fees and other related tax benefits.

14 Other reserves

Movement in other reserves is analyzed as follows:

Amounts are expressed in € '	Legal reserve	Extraordinary reserves	Non taxed reserves	Other reserves	Total
Balance as at 1/1/2015	**177.657,26**	**2.219,00**	**335.221,00**	**0,00**	**515.097,26**
Actuarial reserve	0,00	0,00	0,00	(10.451,20)	(10.451,20)
Reserves from profits	39.325,10	0,00	0,00	0,00	39.325,10
Balance as at 31/12/2015	**216.982,36**	**2.219,00**	**335.221,00**	**(10.451,20)**	**543.971,16**
Reserves from profits	65.115,84	0,00	0,00	0,00	65.115,84
Actuarial reserve	0,00	0,00	0,00	482,80	482,80
Balance as at 31/12/2016	**282.098,20**	**2.219,00**	**335.221,00**	**(9.968,40)**	**609.569,80**

Legal reserves

Under Greek corporate law, companies are required to form the 5% of profits of the year, as legal reserve, until it reaches one third of the outstanding share capital. During the life of the company prohibited the distribution of the reserve.

Tax-free reserves:

The tax-free reserves concern reserves derived from investment laws and reserves from tax-exempt income for which tax has been withheld tax at source.

15 Employees defined benefit liability

The Company recognizes a liability for employee benefits due to retirement, the present value of the legal commitment of the lump sum compensation to staff retiring. The liability was calculated on an actuarial study conducted by an independent actuary. Specifically , the study involved the examination and calculation of actuarial methods required by the standards set by the International Accounting Standards (IAS 19) and must be recorded on the balance sheet and income statement for each company.

The Company companies have not been activated, either formally or informally, no specific benefit plan for employees, which is committed to withdrawing benefits employees. The only program that is in force is a contractual obligation under applicable law and N.2112/1920 3198/1955 to provide a lump sum in case of retirement plan.

The obligation of the Company is as follows:

Amounts are expressed in € '	31/12/2016	31/12/2015
Present value of obligation	224.655,09	235.621,00
Net defined benefit liability recognised in the statement of financial posistion	**224.655,09**	**235.621,00**

Movement in the present value of the obligation is as follows:

Amounts are expressed in € '	**31/12/2016**	**31/12/2015**
Net defined benefit liability at the beginning	235.621,00	205.420,81
Current service cost	16.295,10	13.431,19
Interst expense	4.948,05	4.725,00
Benefits paid	(88.009,79)	(8.650,00)
Other staff costs	56.480,93	5.974,00
Actuarial loss / (gain)	(680,20)	14.720,00
Net defined benefit liability at the end of the year	**224.655,09**	**235.621,00**

Movement in defined benefit liability recognized in Statement of Financial Position is as follows:

Amounts are expressed in € '	**31/12/2016**	**31/12/2015**
Net defined benefit liability at the end of the year	224.655,09	235.621,00
Net defined benefit liability at the end of the year	**224.655,09**	**235.621,00**

The amounts recognized in the income statement are as follows:

	31/12/2016	**31/12/2015**
Amounts are expressed in € '		
Current service cost	16.295,10	13.431,00
Interest cost on benefit obligation	4.948,05	4.725,00
Cost of termination benefits	56.480,93	5.974,00
Total expenditure for the Income Statement	**77.724,08**	**24.130,00**

The amounts recognized in the statement of “Other Comprehensive Income” are as follows:

Movements in Other Comprehensive Income	**31/12/2016**	**31/12/2015**
Amount recognized in OCI	680,20	(14.720,00)
Cumulative Amount recognized in OCI	40.691,82	40.012,00

Interest expenses are included in the item "Financial Expenses" in the Income Statement (note 21). All other expenses related with employee benefits included in the income statement.

The main actuarial assumptions used for accounting purposes these are:

	31/12/2016	**31/12/2015**
Inflation rate	2,00%	2,00%
Salary increase	2,00%	2,00%
Discount rate	1,80%	2,10%

Demographic Assumptions:

Mortality

- ✓ has used the Swiss EVK 2000 mortality table for men and women

Percentage departures (Turnover)

- ✓ The percentage of exits (turnover) was equal with 0%.

Normal retirement ages

- ✓ have used the terms of withdrawal of social security funds owned by each worker, as they have been shaped with recent legislation.

Below is the analysis of the sensitivity of the results of the actuarial liability, per scenario change on the discount rate and the expected salary increases:

	Actuarial Liability	Dif %
Discount rate increase by 0,5%	204.861,00	-9%
Discount rate decrease by 0,5%	246.946,00	10%
Increase on expected salary increase by 0,5%	244.061,00	9%
Decrease on expected salary increase by	205.205,00	-9%

16 Financial liabilities

Financial liabilities are classified as follows:

Amounts are expressed in € '	**Note**	**31/12/2016**	**31/12/2015**
Financial liabilities at amortized cost	**16.1.**	6.836.788,26	7.253.912,71
Total		**6.836.788,26**	**7.253.912,71**

16.1 Financial liabilities at amortized cost

This category includes:

Amounts are expressed in € '	**Note**	**31/12/2016**	**31/12/2015**
Borrowings	**16.1.1**	4.883.804,17	5.292.677,49
Trade and other payable	**16.1.2**	1.952.984,09	1.961.235,22
Total		**6.836.788,26**	**7.253.912,71**

16.1.1 Borrowings

Borrowings are analyzed as follows:

Amounts are expressed in € '	**31/12/2016**	**31/12/2015**
Corporate bonds	2.536.766,18	3.460.000,00
Total long term loans	**2.536.766,18**	**3.460.000,00**

Short term loans

Amounts are expressed in € '	**31/12/2016**	**31/12/2015**
Corporate bonds (short term portion)	1.238.530,31	1.180.000,00
Bank loans (working capital)	1.108.507,68	652.677,49
Total short term loans	**2.347.037,99**	**1.832.677,49**
Total borrowings	**4.883.804,17**	**5.292.677,49**

The total debt of the company is analyzed as follows:

Borrowings as at 31/12/2016

Amounts are expressed in € '	**Corporate bonds**	**Long term bank loans**	**Other**	**Total**
1 year and less	1.238.530,31	0,00	1.108.507,68	2.347.037,99
Between 1 and 5 years	2.536.766,18	0,00	0,00	2.536.766,18
More than 5 years	0,00	0,00	0,00	0,00
	3.775.296,49	**0,00**	**1.108.507,68**	**4.883.804,17**
Minus: fair value adjustments	0,00	0,00	0,00	0,00
	3.775.296,49	**0,00**	**1.108.507,68**	**4.883.804,17**

Borrowings as at 31/12/2015

Amounts are expressed in € '	**Corporate bonds**	**Long term bank loans**	**Other**	**Total**
1 year and less	1.180.000,00	0,00	652.677,49	1.832.677,49
Between 1 and 5 years	3.460.000,00	0,00	0,00	3.460.000,00
More than 5 years	0,00	0,00	0,00	0,00
	4.640.000,00	**0,00**	**652.677,49**	**5.292.677,49**
Minus: fair value adjustments	0,00	0,00	0,00	0,00
	4.640.000,00	**0,00**	**652.677,49**	**5.292.677,49**

Interest rates are analyzed as follows:

Amounts are expressed in € '	**31/12/2016**	**31/12/2015**
Euribor 3m+5,50%	0,00	581.718,43
Euribor 3m+5,00%	0,00	2.600.000,00
Euribor 3m+4,85%	70.970,49	70.959,06
Euribor 3m+4,40%	308.685,54	0,00
Euribor 3m+4,1%	0,00	2.040.000,00
Euribor 3m+4,25%	1.900.000,00	0,00
Euribor 3m+4,00%	1.560.000,00	0,00
Euribor 3m+3,80%	1.037.537,19	0,00
Fixed rate 9,6%	6.610,95	0,00
Total borrowings	**4.883.804,17**	**5.292.677,49**

Borrowings in 31/12/2016	**Total borrowings**	**Interest charge**	**Increase in Euribor by 0,5%**	**Decrease in Euribor by -0,5%**
Borrowings using 3months Euribor	**4.883.804,17**	258.497,89	282.916,91	234.078,87
Borrowings using 1month Euribor	**0,00**	0,00	-	-
	4.883.804,17	**258.497,89**	**282.916,91**	**234.078,87**

Borrowings in 31/12/2015	**Total borrowings**	**Interest charge**	**Increase in Euribor by 0,5%**	**Decrease in Euribor by -0,5%**
Borrowings using 3months Euribor	**4.710.959,06**	296.710,33	320.265,13	273.155,53
Fixed 5,07%	**581.718,43**	0,00	2.908,59	-2.908,59
	5.292.677,49	**296.710,33**	**323.173,72**	**270.246,94**

To secure the bank loans between the company and the Bondholders, the Company has set up a pledge :

o At 132.300 bearer shares in the share capital of " ‘FOKAS BROS SA '

o Over 1,520 unregistered shares in the share capital of " VLACHOU BROS SA" o On deposit accounts maintained by the company in the banks of Bondholders , with zero balance

o On paper stock owned by the company, at least equal to 1.000.000,00 Euros throughout the duration of the loan ,

o On equipment owned by the company, worth at least 927.000,00 Euros, namely on the following and, finally,

o On the receivables of the Company of the policy holders of these stocks and machinery.

Besides the above there are no mortgages or any other encumbrances on the company's assets.

For long-term debt of the company there is an obligation to comply with specific financial terms which they are met entirely.

16.1.2 Trade and other payable

Trade and other payables are analyzed as follows:

Amounts are expressed in € '	**31/12/2016**	**31/12/2015**
Suppliers	1.795.471,25	1.929.823,62
Prepayments from customers	16.207,59	11.979,30
Cheques payable	20.159,27	19.432,30
Notes payable	121.145,98	0,00
Total	**1.952.984,09**	**1.961.235,22**

All of the above liabilities are considered to be short term. The fair value of short-term financial liabilities is considered to approximate their carrying value.

17 Other current liabilities

Other current liabilities include:

Amounts are expressed in € '	**31/12/2016**	**31/12/2015**
Salaries payable	133.030,56	149.335,44
Amounts due to social security funds	147.340,89	143.126,04
Government grants	27.961,47	53.584,70
Accrued interest	10.180,63	14.904,01
Accrued expenses	27.202,99	25.851,13
Other creditors	176.018,90	205.026,34
Total	**521.735,44**	**591.827,66**

18 Turnover

Turnover is analyzed as follows:

Amounts are expressed in € '	1/1 - 31/12/2016	1/1 - 31/12/2015
Sales of goods	770.313,85	1.040.583,27
Sales of products	13.655.876,26	12.271.240,34
Sales of other inventories	421.281,83	395.054,57
Revenue from services	399.866,11	429.585,10
Total	**15.247.338,05**	**14.136.463,28**

19 Expense analysis

Operating expenses are analyzed as follows:

	1/1- 31/12/2016				
Amounts are expressed in € '	Cost of sales	Distribution expenses	Administrative expenses	Research and development expenses	Total
Cost of raw materials and goods for resale	7.000.537,01	0,00	0,00	0,00	7.000.537,01
Demolition of raw materials and goods for resale	(14.411,28)	0,00	0,00	0,00	(14.411,28)
Bad debt provision	0,00	0,00	0,00	0,00	0,00
Depreciation	338.713,70	7.238,22	30.286,44	0,00	376.238,36
Amortization	12.077,71	567,61	50.377,56	820,00	63.842,88
Payroll and related expenses	2.440.033,33	341.238,77	529.441,29	0,00	3.310.713,39
Third parties fees	11.470,44	116.054,53	662.739,96	0,00	790.264,93
Operating leases and rents	342.296,58	49.681,79	150.251,47	0,00	542.229,84
Repairs and maintenance	281.484,94	42.546,64	75.905,92	0,00	399.937,50
Insurance premiums	20.540,39	17.053,72	25.833,43	0,00	63.427,54
Heat, electricity, telecommunications,	240.271,92	22.046,25	21.131,68	0,00	283.449,85
Duties and taxes	57.904,86	11.306,09	28.344,26	0,00	97.555,21
Sundry expenses	175.018,80	158.904,97	85.853,52	0,00	419.777,29
Advertising Costs	0,00	0,00	0,00	0,00	0,00
Total	**10.905.938,40**	**766.638,59**	**1.660.165,53**	**820,00**	**13.333.562,52**

	1/1- 31/12/2015				
Amounts are expressed in € '	Cost of sales	Distribution expenses	Administrative expenses	Research and development expenses	Total
Cost of raw materials and goods for resale	6.702.514,35	0,00	0,00	0,00	6.702.514,35
Impairment of sctocks	0,00	0,00	0,00	0,00	0,00
Demolition of raw materials and goods for resale	(2.678,15)	0,00	0,00	0,00	(2.678,15)
Bad debt provision	0,00	0,00	0,00	0,00	0,00
Depreciation	224.551,97	6.500,44	26.473,53	0,00	257.525,94
Amortization	8.775,59	1.005,08	24.389,74	820,00	34.990,41
Payroll and related expenses	2.051.088,02	393.790,67	482.794,17	0,00	2.927.672,86
Third parties fees	34.226,30	93.490,33	652.059,40	0,00	779.776,03
Operating leases and rents	262.596,58	51.932,46	164.402,14	0,00	478.931,18
Repairs and maintenance	179.035,95	42.613,45	69.067,21	0,00	290.716,61
Insurance premiums	20.637,08	16.781,71	27.350,02	0,00	64.768,81
Heat, electricity, telecommunications, etc	224.734,85	23.259,80	22.591,10	0,00	270.585,75
Duties and taxes	34.969,81	9.399,39	23.768,31	0,00	68.137,51
Sundry expenses	88.187,91	149.876,19	71.008,88	0,00	309.072,98
Advertising Costs	0,00	0,00	0,00	0,00	0,00
Total	**9.828.640,26**	**788.649,52**	**1.563.904,50**	**820,00**	**12.182.014,28**

Employee benefits recognized in profit and loss statement are as follows:

Amounts are expressed in € '	31/12/2016	31/12/2015
Salaries	2.558.964,79	2.300.731,46
Distributions to social security	657.370,32	586.365,59
Current service cost	16.295,10	4.781,00
Dismisal costs	58.147,60	14.624,10
Interest charge on defined benefit plans	4.948,05	4.725,00
Other expenses	19.935,58	21.170,71
Total	**3.315.661,44**	**2.932.397,86**

The number of employees for both periods presented is as follows:

	31/12/2016	31/12/2015
White collar	38	43
Blue collar	92	81
Total	**130**	**124**

20 Other income and expenses

Other income is analyzed as follows:

Amounts are expressed in € '	1/1-31/12/2016	1/1-31/12/2015
Revenues from rentals	20.450,00	10.512,20
Gains on sale of tangible assets	51.356,19	203.088,12
Government grants	25.623,23	27.663,03
Other grants	1.369,20	0,00
Other income	180.473,13	47.342,94
Total	**279.271,75**	**288.606,29**

Other expenses are analyzed as follows:

Amounts are expressed in € '	1/1-31/12/2016	1/1-31/12/2015
Penalties and fines	1.048,24	6.340,10
Total	**1.048,24**	**6.340,10**

21 Financial results

Financial expenses are analyzed as follows:

Amounts are expressed in € '	1/1-31/12/2016	1/1-31/12/2015
Interest expenses	258.497,69	295.156,88
Interest charge on defined benefit plans	4.948,05	4.725,00
Loss on foreign currency translation	0,00	6.083,30
Other expenses	0,00	1.553,61
Total	**263.445,74**	**307.518,79**

The bank interest expenses derive from company's loans.

Financial income is analyzed as follows:

Amounts are expressed in € '	**1/1-31/12/2016**	**1/1-31/12/2015**
Interest received	573,39	4.208,60
Gains on foreign currency exchange difference	2.333,08	4.917,21
Total	**2.906,47**	**9.125,81**

Other financial results are analyzed as follows:

Amounts are expressed in € '	**1/1-31/12/2016**	**1/1-31/12/2015**
Impairment of financial assets available for sale	0,00	104.073,00
Impairment of non current assets available for sale	0,00	0,00
Total	**0,00**	**104.073,00**

22 Income taxes

22.1 Current tax liabilities

Current tax liabilities are analyzed as follows:

Amounts are expressed in € '	**31/12/2016**	**31/12/2015**
Tax on income payable	604.264,14	518.197,80
VAT payable	137.417,81	149.802,29
Withholding taxes payable	65.394,09	105.955,28
Other taxes payable	2.568,48	5,00
Total	**809.644,52**	**773.960,37**

22.2 Deferred tax assets and liabilities

Deferred tax arising from temporary differences and tax losses recognized, is as follows:

Amounts are expressed in € '	31/12/2016		31/12/2015		31/12/2016	31/12/2015
	Receivables	Liabilities	Receivables	Liabilities	Revenue / (Expense)	Revenue / (Expense)
Intangible assets	(3.709,65)	3.710,14	(3.710,14)	(535,43)	4.245,66	(535,43)
Tangible assets	1.892,75	0,00	7.098,34	0,00	(5.205,59)	(3.431,30)
Bad debt receivables	1.266,17	0,00	8.126,42	0,00	(6.860,25)	840,67
Defined benefit liability	65.149,50	0,00	68.329,87	0,00	(3.180,37)	14.921,00
Recognition of tan loss	(548,93)	0,00	(548,93)	0,00	0,00	0,00
Total	**64.049,84**	**3.710,14**	**79.295,56**	**(535,43)**	**(11.000,55)**	**11.794,94**
Offseting	**3.710,14**	**(3.710,14)**	**(535,43)**	**535,43**	**-**	**-**
Deferred tax receivable / (payable)	**67.759,98**	**0,00**	**78.760,13**	**0,00**		
Other adjustments						
Obligation of absorved subsidiaries					0,00	0,00
Tax on equity					**0,00**	**0,00**
Tax in other revenues					**0,00**	**0,00**
Tax presented in the statement of comprehensive income (n.22.3)					**(11.000,55)**	**11.794,94**

Deferred tax assets are recognized for tax losses carried forward to the extent possible the realization of related tax benefit through future taxable profits. For the calculation of deferred tax a 29% rate has been applied.

22.3 Income tax recognized in income statement

The tax which recognized in income statement was as follows:

Amounts are expressed in € '	**1/1- 31/12/2016**	**1/1- 31/12/2015**
Current tax		
Tax for the year	(568.178,10)	(587.175,38)
Total	**(568.178,10)**	**(587.175,38)**
Deferred tax		
From temporary differences	(11.197,81)	16.063,74
From temporary differences to Other Comprehensive Income	197,26	(4.268,80)
Total	**(11.000,55)**	**11.794,94**
Grand total	**(579.178,65)**	**(575.380,44)**
Tax rate	**29%**	**29%**
Profit / (Loss) before tax	**1.932.139,77**	**1.819.529,10**
Tax based on tax rate (1)	**(560.321,00)**	**(527.663,00)**
Tax amounts are distributed among		
Addidtional tax on income from land and	0,00	36,00
Effect of tax rate	0,00	(860,68)
Permanent differences on expenses	(22.549,34)	(21.904,30)
Non taxable revenues	3.691,69	30.181,17
Tax from tax inspections	0,00	(55.169,63)
Total (2)	**(18.857,65)**	**(47.717,44)**
Grand total (1+2)	**(579.178,65)**	**(575.380,44)**

23 Earnings per share

Earnings per share are calculated as follows:

Amounts are expressed in € '	1/1-31/12/2016	1/1-31/12/2015
Profit / (loss) of the period	1.352.961,12	1.244.148,66
Weighted average of shares outstanding	3.953.090,00	3.953.090,00
Basic (€ / share)	**0,3423**	**0,3147**

Weighted average of shares outstanding have been calculated as follows:

	1/1-31/12/2016	1/1-31/12/2015
Number of shares as at 1/1	3.953.090,00	3.953.090,00
Number of shares as at 31/12	3.953.090,00	3.953.090,00
Weighted average of shares outstandi	***3.953.090,00***	***3.953.090,00***

24 Dividends

Dividends to shareholders are proposed by Board of Directors at each year end and are subject to approval by the Annual General Meeting. During the year 2016, the Board of Directors proposed and the Annual General Meeting of 19/04/2016 approved, the formation of legal reserve amounted to € 65.115,84 and the distribution of dividend amount of € 434.839,90, i.e. 0,11 earning per share. Additionally, the Extraordinary General Meeting of 25/10/2016 approved the distribution of extraordinary dividend, resulting from profits of previous years, amounting to € 201.607,59, i.e. 0,051 € earning per share.

25 Risk management policies

The Company's activities generate a variety of financial risks, including risks and interest rate, credit and liquidity risks. The overall risk management program of Company's movements focuses in financial markets and seeks to minimize potential adverse effects of these fluctuations on the financial performance of the Company.

The risk management policy is handled by the Finance Division in cooperation with other departments directly involved in the Company. Through this policy, the access is coordinate to domestic and international stock markets and managed the financial risks, associated with the activities of the Company. The Company does not perform speculative transactions or transactions is not related to trade, investment and lending activities of the Company.

The financial instruments used by the Company consist mainly of deposits in banks, transactions in foreign currency or current prices or commodity futures, bank overdrafts, accounts receivable and payable, loans to and from subsidiaries, investments in securities, dividends payable and obligations arising from financial leases.

25.1 Risk of changes in exchange rates

The Company's exposure to foreign exchange risk mainly arises from actual or anticipated cash flows in foreign currency (import / export). This risk is managed within approved policy.

The book values of assets and liabilities in foreign currency, included in the statement of financial position are:

31/12/2016

Amounts are expressed in € '	**USD**	**SEK**
Trade and other receivables	0,00	0,00
Cash and cash equivalents	41.475,87	0,00
Trade and other payables	(6.500,00)	0,00
Total	**34.975,87**	**0,00**

31/12/2015

Amounts are expressed in € '	**USD**	**SEK**
Trade and other receivables	0,00	0,00
Cash and cash equivalents	38.079,02	0,00
Trade and other payables	(7.816,49)	62.185,83
Total	**30.262,53**	**62.185,83**

Currency risk that Company facing stems from the exchange rates of USD.

In table that follows, present the sensitivity of the results and equity of the Company, in a variation of 10% of these exchange rates. This change is the best estimate of the administration in changing of the above rates.

		% Change in exchange rate	**Effect in profits**	**Effect in equity**
Year 2016	**USD**	10%	3.318,08	3.318,08
		-10%	(3.318,08)	(3.318,08)
	SEK	10%	0,00	0,00
		-10%	0,00	0,00
Year 2015	**USD**	10%	2.721,45	2.721,45
		-10%	(2.721,45)	(2.721,45)
	SEK	10%	670,39	670,39
		-10%	-670,39	-670,39

The sensitivity analysis includes only the balances of assets and liabilities at the date of financial statements and adjust the rest been measured at + / -10%

25.2 Risk of changes in interest rates

The operating results and cash flows from operating activities of the Company are sensitive to fluctuations in interest rates.

Exposure to interest rate risk on liabilities and investments is monitored on a proactive basis. The finance Company has been formed in accordance with a predetermined combination of fixed and floating interest rates to mitigate the risk of changing interest rates. The financial management forms the index fixed-floating rate net debt of the Company according to market conditions, strategy and financial needs. It can also be used occasionally, interest rate derivatives, only as a means to mitigate this risk and to change the above combination of stable - fluctuating interest rates, if necessary. In 2016, the Company has not used any interest rate derivatives.

Company policy is to constantly monitor the trends in interest rates and term financial needs. Thus, decisions about the course and the relationship between fixed and variable costs of a new loan for each individual case. Therefore, all short term borrowings are at floating rates. The medium-term loans have been either fixed or floating rates.

The sensitivity analysis presented in the following table include all financial instruments affected by interest rate changes based on the assumption that the balance of these financial instruments at the end of the period remained unchanged throughout the period of use.

The sensitivity to interest rate risk has been identified in a 0.5% change in interest rates, which is the best estimate of management for the possible change.

	Interest	Borrowings with floating interest rate	% Change in interest rate	Effect in profits	Effects in equity
Year 2016	**Euribor**	4.877.193	0,50%	24.385,97	17.314,04
			-0,50%	(24.385,97)	(17.314,04)
Year 2015	**Euribor**	5.292.677	0,50%	26.463,39	18.789,01
			-0,50%	(26.463,39)	(18.789,01)

25.3 Credit Risk Analysis

The Company has no significant credit risk. Receivables from customers mainly come from a broad customer base. The financial situation of clients is constantly monitored by the Company.

Where necessary, additional insurance coverage as a credit guarantee. Special computer application controls the size of the provision of credit and the credit limits of accounts. For specific credit risk provisions made for possible impairment losses. At year end, the administration found that there is no significant credit risk, which is not already covered by insurance as credit guarantee or doubtful debt provision.

Potential credit risk exists in cash and cash equivalents and investments. In these cases, the risk may arise from failure of counterparty to meet its obligations to the Company. To minimize this credit risk, the Company deals only with recognized financial institutions of high credit rating.

The Company's maximum exposure to credit risk is as follows:

Amounts are expressed in € '	31/12/2016	31/12/2015
Available for sale financial assets	178.727,00	178.727,00
Other non current assets	101.826,87	106.214,87
Trade and other receivables	4.473.260,42	4.427.874,94
Cash and cash equivalents	2.623.321,89	2.425.923,30
Total	**7.377.136,18**	**7.138.740,11**

The commercial risk which is associated with the concentration of turnover in a small number of clients, is addressed through the effort of the company's management to expand its customer list and to develop its activities to new markets.

25.4 Liquidity risk analysis

Prudent liquidity management is achieved by an appropriate mix of cash and bank credit.

The Company manages the risks that may arise from lack of adequate liquidity by ensuring that there is always secured bank credit to use. The existing available bank loans approved in the Company are sufficient to meet any potential shortfall in cash.

The following table summarizes the maturity profile of financial liabilities of the Company shown in the consolidated balance sheet at discounted prices, based on its payments under the relevant loan contracts or agreements with suppliers.

Financial liabilities as at 31/12/2016

Amounts are expressed in € '	<6 months	6 months to 1 year	1 to 5 years	5 years <	Adjustment to fair value	Total
Trade and other payables	1.627.486,74	325.497,35	0,00	0,00	0,00	1.952.984,09
Borrowings	1.238.530,31	1.108.507,68	2.536.766,18	0,00	0,00	4.883.804,17
	2.866.017,05	**1.434.005,03**	**2.536.766,18**	**0,00**	**0,00**	**6.836.788,26**

Financial liabilities as at 31/12/2015

Amounts are expressed in € '	<6 months	6 months to 1 year	1 to 5 years	5 years <	Adjustment to fair value	Total
Trade and other payables	1.634.362,68	326.872,54	0,00	0,00	0,00	1.961.235,22
Borrowings	1.180.000,00	652.677,49	3.460.000,00	0,00	0,00	5.292.677,49
	2.814.362,68	**979.550,03**	**3.460.000,00**	**0,00**	**0,00**	**7.253.912,71**

This table reflects the repayment of existing liabilities of the Company the date of financial statements in accordance with relevant agreements with the contractors. The amounts reported on the interest and capital repayment. For interest-bearing liabilities with floating interest rate was used the last compounding rate used.

26 Policies and procedures for capital management

The Company manages its capital to ensure smooth operation, while ensuring an adequate return to shareholders through the optimization of the relationship between foreign and equity.

The Company monitors capital using the ratio of net total liabilities (total liabilities minus cash) to equity.

Amounts are expressed in € '	31/12/2016	31/12/2015
Total net liabilities	5.770.301,01	6.429.398,44
Shareholders' equity (sharoholders of the parent)	5.093.746,16	4.377.232,47
Total Debt / Equity	**1,13**	**1,47**

The Board of Directors periodically examines the capital structure of the Company and takes into account the cost of capital and the risks associated with it to determine the follow up strategy to follow.

27 Transactions and balances with related parties

27.1 Balances with related parties

There are no balances with related parties for commercial activity.

27.2 Compensation to key management personnel

The benefits to key management Company and company are as follows:

Amounts are expressed in € '	1/1-31/12/2016	1/1-31/12/2015
Salaries and other compensation to BoD memebers	218.662,93	191.196,50
Salaries and other compensation to key management personnel	295.430,51	318.299,13
Compensation to BoD memebers approoved by the	500.000,00	500.000,00
Total	**1.014.093,44**	**1.009.495,63**

27.3 Receivables and payables to key management personnel

Amounts are expressed in € '	1/1-31/12/2016	1/1-31/12/2015
Loans to related parties	15.983,61	15.600,66
Other receivables	9.000,00	892,50
Total	**24.983,61**	**16.493,16**

Liabilities to related parties

	COMPANY	
Amounts are expressed in € '	1/1-31/12/2016	1/1-31/12/2015
Salaries and other compensation payable	43.266,09	25.089,49
Compensation to BoD memebers approoved by the General Meeting payable	85.592,80	53.749,50
Total	**128.858,89**	**78.838,99**

28 Commitments

28.1 Operating lease commitments

28.1.1 Company's company as lessee

The minimum lease payments (net of the annual updates) for operating lease agreements for transportation means which cannot be canceled without penalty will be made as follows:

Amounts are expressed in € '	**31/12/2016**	**31/12/15**
< 1 year	63.481,35	55.073,88
1-5 years	99.953,96	111.493,00
5 years <	0,00	0,00
	163.435,30	**166.566,88**

The minimum lease payments (without taking into consideration the annual adjustments) for operating leases for buildings will be determined as follows:

Amounts are expressed in € '	**31/12/2016**	**31/12/15**
> 1 year	490.193,16	490.193,16
1-5 years	1.960.772,64	1.960.772,64
5 years <	1.146.932,65	1.643.934,05
	3.597.898,45	**4.094.899,85**

29 Liens on the property and pledges

To secure the bank loans between the company and the Bondholders ,the Company has set up a pledge:

o At 132.300 bearer shares in the share capital of "FOCAS BROS SA”

o Over 1,520 unregistered shares in the share capital of " VLACHOU BROS SA"

o On deposit accounts maintained by the company in the banks of Bondholders, with zero balance

o On raw materials owned by the company , at least equal to 1.000.000,00 Euro throughout the duration of the loan ,

o On equipment owned by the company , worth at least 927.000,00 Euros , namely on the following and , finally ,

o On the receivables of the Company of the policyholders of these stocks and machinery.

No liens and guarantees granted to secure the obligations of the Company to its creditors

30 Contingent assets and liabilities

30.1 Contingent Liabilities

30.1.1 Litigations

There are no pending cases that may have a significant impact on the financial statements of the

Company.

30.1.2 Tax audits

The Company companies listed in the following table have not been audited by the tax authorities as follows:

Name	Years
PAPERPACK TSOUKARIDES J. ABEE	2010
PROMOCARTON AE	2010

The Company establishes provisions for the additional taxes that might arise from future tax audits, based on historical data on the outcome of the respective inspections.

The Company has been audited for the years 2011, 2012 and 2013, in certificates of tax compliance, with an unqualified opinion in accordance with Article 82 par.5 of Law 2238/1994. For the years 2014 and 2015 the company has been audited by its statutory auditors, in certificate of tax compliance, with an unqualified opinion, in accordance with the provisions of the Article 65A of Law 4174/2013.

For the year 2016, the tax audit is in progress and the relevant tax certificate to be granted after the publication of the financial statements year 2016. Upon the completion of the audit, the company's management does not expect any significant liabilities, other than those already recorded and disclosed in the financial statements

30.2 Contingent Assets

There are requirements that are not shown in the Financial Statements or should be disclosed otherwise.

31 Audit fees

The total fees charged during the financial year 2016, by the statutory audit firm are as follows:

Type of fees	THE COMPANY
Fees for statutory audit of financial Statements	20.500,00
Fees for other audit procedures	7.000,00
Total	**27.500,00**

32 Subsequent events

There are no other significant events, subsequent to December 31, 2016, which should be publicized or could differentiate the items of the published financial statements.

Kifissia, 30 March 2017

President and CEO	Vice-President	Member of the Board	Chief Financial Officer
John Tsoukaridis	Korina Fasouli	Juliana Tsoukaridis	Nikolaos Zetos
ID No. AM 644642	ID No. P 110434	ID No. T 196593	ID No. AE 519511