

DISPLAY ART PLC

Consolidated statement of profit and loss account for the year ended 31 December 2015

	2015 €	2014 €
Income	943.768	849.938
Cost of sales	(876.301)	(748.669)
Gross profit	67.467	101.269
Other income	1.574	21.326
Distribution and sales expenses	(434.776)	(209.598)
Administrative costs	(335.641)	(306.313)
Impairment of financial assets available for sale	(46.764)	-
Impairment in the value of inventories	(79.222)	(300.000)
Operating loss	(827.362)	(693.316)
Finance income	-	3
Finance costs	(184.211)	(155.908)
Net finance costs	(184.211)	(155.905)
Loss before taxation	(1.011.573)	(849.221)
Taxation	(78.841)	5.034
Net loss for the year	(1.090.414)	(844.187)
	=====	=====
Net loss attributable to:		
Company shareholders	(1.090.414)	(844.187)
Minority interest	-	-
	(1.090.414)	(844.187)
	=====	=====
Loss per share:		
Basic loss per share (cent)	(8,07)	(6,25)
	=====	=====
Fully diluted loss per share (cent)	(8,07)	(6,25)
	=====	=====

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Consolidated statement of comprehensive income for the year ended 31 December 2015

	2015 €	2014 €
Net loss for the year	(1.090.414)	(844.187)
Other comprehensive income for the year		
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>		
Revaluation of property, plant and equipment	-	(122.160)
Deferred tax on revaluation of land and buildings	(611)	45.902
	(611)	(76.258)
<i>Items that may or will be reclassified to profit or loss in subsequent periods:</i>		
Financial assets available for sale – Loss transferred to the net loss due to value impairment	46.764	-
	46.764	-
Other comprehensive income for the year after taxation	46.153	(76.258)
Comprehensive income for the year after taxation	(1.044.261)	(920.445)
	=====	=====

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Consolidated statement of changes in equity for the year ended 31 December 2015

	Share capital €	Share Premium reserve €	Difference from conversion of share capital into euro €	Revaluation reserves €	Annuity reserve €	Total €
Balance as at 1 January 2014	4.592.196	98.673	23.235	2.709.840	(3.977.035)	3.446.909
Comprehensive income for the year after taxation	-	-	-	(76.258)	(844.187)	(920.445)
	-	-	-	(76.258)	(844.187)	(920.445)
Balance as at 31 December 2014 / 1 January 2015	4.592.196	98.673	23.235	2.633.582	(4.821.222)	2.526.464
Comprehensive income for the year after taxation	-	-	-	46.153	(1.090.414)	(1.044.261)
	-	-	-	46.153	(1.090.414)	(1.044.261)
Balance as at 31 December 2015	<u>4.592.196</u>	<u>98.673</u>	<u>23.235</u>	<u>2.679.735</u>	<u>(5.911.636)</u>	<u>1.482.203</u>

Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for Defence Law of the Republic, within two years after the end of the relevant tax year, will be deemed to have distributed this amount as dividends. Special contribution for defence at 20% for the years 2012 and 2013 and 17% for 2014 onwards will be payable on such deemed dividends to the extent that the shareholders (individuals and companies), at the end of the period of two years following the end of the relevant tax year, are Cyprus tax residents and are deemed to be domiciled in Cyprus. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

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Consolidated statement of cash flows for the year ended 31 December 2015

	2015 €	2014 €
Cash flow from operations		
Loss for the year before taxation	(1,011,573)	(849,221)
Adjustments for:		
Depreciation of property, plant and equipment	391,248	298,214
Fair value gain on assets at fair value through profit and loss	-	(71)
Gain on sale of property, plant and equipment	(660)	(7,000)
Impairment of financial assets available for sale	46,764	-
Impairment of doubtful debts	344,866	100,000
Impairment of other receivables	85,863	-
Impairment in the value of inventories	79,222	300,000
Interest expenses	167,874	147,674
Profit / (loss) from operations before changes in working capital	103,604	(10,404)
Changes in working capital:		
Inventories	6,252	(18)
Trade and other receivables	(24,987)	81,082
Trade and other creditors	4,264	35,915
Cash from operations	89,133	106,575
Tax paid	(614)	(1,387)
Net cash from operations	88,519	105,188
Cash flow from investing activities		
Purchase of property, plant and equipment	(4,068)	(8,442)
Proceeds from the sale of property, plant and equipment	701	7,000
Net cash for investing activities	(3,367)	(1,442)
Cash flow from financing activities		
Net proceeds / (payments) of long-term borrowing	31,962	(28,831)
Interest paid	(167,874)	(147,674)
Net cash for financing activities	(135,912)	(176,505)
Net decrease in cash and bank overdrafts	(50,760)	(72,759)
Cash and bank overdrafts at beginning of year	(1,440,851)	(1,368,092)
Cash and bank overdrafts at end of year	(1,491,611)	(1,440,851)

DISPLAY ART PLC

Consolidated statement of financial position as at 31 December 2015

	2015 €	2014 €
Assets		
Non-current assets		
Property, plant and equipment	4,382,007	4,769,228
Intangible assets	-	-
Financial assets available for sale	21,580	21,580
	<u>4,403,587</u>	<u>4,790,808</u>
Current assets		
Inventories	673,009	758,483
Trade and other receivables	521,604	927,346
Financial assets at fair value through profit and loss	286	286
Cash and cash equivalents	10,054	2,969
	<u>1,204,953</u>	<u>1,689,084</u>
Total assets	<u>5,608,540</u>	<u>6,479,892</u>
Equity and liabilities		
Capital and reserves		
Share capital	4,592,196	4,592,196
Share premium reserve	98,673	98,673
Difference from conversion of share capital into euro	23,235	23,235
Revaluation reserves	2,679,735	2,633,582
Annuity reserve	(5,911,636)	(4,821,222)
	<u>1,482,203</u>	<u>2,526,464</u>
Equity attributable to the Company's shareholders	<u>1,482,203</u>	<u>2,526,464</u>
Non-current liabilities		
Borrowings	237,996	435,631
Deferred tax liabilities	534,384	455,186
	<u>772,380</u>	<u>890,817</u>
Current liabilities		
Trade and other creditors	1,386,810	1,382,546
Current tax liabilities	653	1,013
Borrowings	1,966,494	1,679,052
	<u>3,353,957</u>	<u>3,062,611</u>
Total liabilities	<u>4,126,337</u>	<u>3,953,428</u>
Total equity and liabilities	<u>5,608,540</u>	<u>6,479,892</u>