

## DISPLAY ART PLC

### Consolidated Statement of Profit and Loss Account for the year ended 31 December 2016

	2016 €	2015 €
Income	1,111,626	943,768
Cost of sales	(725,652)	(876,301)
<b>Gross profit</b>	<b>385,974</b>	<b>67,467</b>
Other income	7,386	1,574
Distribution and sales expenses	(312,385)	(434,776)
Administrative costs	(274,769)	(335,641)
Fair value losses in financial assets at fair value through profit and loss	90	--
Impairment of financial assets available for sale	-	(46,764)
Impairment in the value of inventories	-	(79,222)
<b>Operating loss</b>	<b>(193,884)</b>	<b>(827,362)</b>
Finance income	3	-
Finance costs	(116,195)	(184,211)
Net finance costs	(116,192)	(184,211)
<b>Loss before taxation</b>	<b>(310,076)</b>	<b>(1,011,573)</b>
Taxation	19,371	(78,841)
<b>Net loss for the year</b>	<b>(290,705)</b>	<b>(1,090,414)</b>
<b>Net loss attributable to:</b>		
Company's shareholders	(290,705)	(1,090,414)
Minority interest	--	--
	<b>(290,705)</b>	<b>(1,090,414)</b>
<b>Loss per share:</b>		
Basic loss per share (cents)	(2.15)	(8.07)
Fully diluted loss per share (cents)	(2.15)	(8.07)

## DISPLAY ART PLC

### Consolidated Statement of Comprehensive Income for the year ended 31 December 2016

	2016 €	2015 €
<b>Net loss for the year</b>	<u>(290,705)</u>	<u>(1,090,414)</u>
<b>Other comprehensive income for the year</b>		
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>		
Deferred tax on revaluation of land and buildings	<u>6</u>	<u>(611)</u>
	6	(611)
<i>Items that will or may be reclassified to profit or loss in subsequent periods:</i>		
Financial assets available for sale – Loss transferred to net loss due to impairment in value	<u>-</u>	<u>46,764</u>
	-	46,764
<b>Other comprehensive income for the year after taxation</b>	<u>6</u>	<u>46,153</u>
<b>Comprehensive income for the year after taxation</b>	<u>(290,699)</u>	<u>(1,044,261)</u>

**DISPLAY ART PLC**  
**Consolidated Statement of Financial Position**  
**for the year ended 31 December 2016**

	2016 €	2015 €
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	4,126,400	4,382,007
Intangible assets	-	-
Financial assets available for sale	21,580	21,580
	<u>4,147,980</u>	<u>4,403,587</u>
<b>Current assets</b>		
Inventories	729,953	673,009
Trade and other receivables	360,379	521,604
Financial assets at fair value through profit and loss	196	286
Cash and cash equivalents	21,629	10,054
	<u>1,112,157</u>	<u>1,204,953</u>
<b>Total assets</b>	<u>5,260,137</u>	<u>5,608,540</u>
<b>Equity and liabilities</b>		
<b>Capital and reserves</b>		
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 reserve	2,679,740	2,679,734
Annuity reserve	(6,202,340)	(5,911,635)
	<u>1,191,504</u>	<u>1,482,203</u>
<b>Equity attributable to the Company's shareholders</b>	<u>1,191,504</u>	<u>1,482,203</u>
<b>Non-current liabilities</b>		
Borrowings	1,091,285	237,996
Deferred tax liabilities	514,730	534,384
	<u>1,606,015</u>	<u>772,380</u>
<b>Current liabilities</b>		
Trade and other creditors	1,377,337	1,386,810
Current tax liabilities	676	653
Borrowings	1,084,605	1,966,494
	<u>2,462,618</u>	<u>3,353,957</u>
<b>Total liabilities</b>	<u>4,068,633</u>	<u>4,126,337</u>
<b>Total equity and liabilities</b>	<u>5,260,137</u>	<u>5,608,540</u>

## DISPLAY ART PLC

### Consolidated Statement of Changes in Equity for the year ended 31 December 2016

	Share Capital €	Share premium reserve €	Difference from conversion of share capital into euro €	Revaluation reserve €	Annuity reserve €	Total €
<b>Balance as at 1 January 2015</b>	4,592,196	98,673	23,235	2,633,581	(4,821,221)	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)
<b>Balance as at 31 December 2015 / 1 January 2016</b>	4,592,196	98,673	23,235	2,679,734	(5,911,635)	1,482,203
Comprehensive income for the year after taxation	-	-	0	6	(290,705)	(290,699)
	-	-	-	6	(290,705)	(290,699)
<b>Balance as at 31 December 2016</b>	4,592,196	98,673	23,235	2,679,740	(6,202,340)	1,191,504

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.

## DISPLAY ART PLC

### Consolidated Statement of Cash Flows for the year ended 31 December 2016

	2016 €	2015 €
<b>Cash flow from operations</b>		
Loss for the year before taxation	(310,076)	(1,011,573)
Adjustments for:		
Depreciation of property, plant and equipment	296,374	391,248
Fair value losses in financial assets at fair value through profits and loss	90	-
Gain on sale of property, plant and equipment	-	(660)
Impairment of financial assets available for sale	-	46,764
Impairment of doubtful debts	206,574	344,866
Impairment of other receivables	-	85,863
Impairment in the value of inventories	-	79,222
Interest expenses	105,190	167,874
Profit from operations before changes in working capital	298,152	103,604
Changes in working capital:		
Inventories	(56,944)	6,252
Trade and other receivables	(45,349)	(24,987)
Trade and other creditors	(9,473)	4,264
<b>Cash from operations</b>	186,386	89,133
Tax paid	(254)	(614)
<b>Net cash from operations</b>	186,132	88,519
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(40,767)	(4,068)
Proceeds from sale of property, plant and equipment	-	701
<b>Net cash for investing activities</b>	(40,767)	(3,367)
<b>Cash flow from financing activities</b>		
Net proceeds of long-term borrowing	493,568	31,962
Interest paid	(105,190)	(167,874)
<b>Net cash from / (for) financing activities</b>	388,378	(135,912)
<b>Net increase / (decrease) in cash and bank overdrafts</b>	533,743	(50,760)
<b>Cash and bank overdrafts at beginning of year</b>	(1,491,611)	(1,440,851)
<b>Cash and bank overdrafts at end of year</b>	(957,868)	(1,491,611)