

MITSIDES PUBLIC COMPANY LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT for the year ended 31 December 2015

	2015	2014
	€	€
Income	36,691,893	39,158,843
Cost of sales	(28,052,638)	(30,359,445)
Gross profit	8,639,255	8,799,398
Other losses	(151,039)	(219,713)
Other income	215,482	130,531
Sales and promotion expenses	(5,646,924)	(5,483,368)
Administrative costs	(3,848,922)	(3,675,231)
Operating loss	(792,148)	(448,383)
Finance costs	(1,049,432)	(1,544,881)
Loss before taxation	(1,841,580)	(1,993,264)
Tax credit	3,870	451
Loss for the year	(1,837,710)	(1,992,813)
Net loss attributable to:		
Company shareholders	(1,837,710)	(1,992,813)
Loss per share attributable to Company shareholders (cent per share)- basic	(22.41)	(24.30)

MITSIDES PUBLIC COMPANY LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 December 2015

	2015	2014
	€	€
Loss for the year	(1,837,710)	(1,992,813)
Other comprehensive income:		
Items not to be reclassified to profit and loss		
Adjustment for deferred tax	(3,530)	(357)
Exchange difference from the conversion of subsidiary company into euro	(31,785)	(269,094)
Items not to be reclassified to profit and loss	(35,315)	(269,451)
Items that may subsequently be reclassified to profit and loss		
Change in the fair value of financial assets available for sale	(1,670)	1,015
Items that may subsequently be reclassified to profit and loss	(1,670)	1,015
Other comprehensive income for the year, after taxation	(36,985)	(268,436)
Comprehensive loss for the year	(1,874,695)	(2,261,249)
Comprehensive loss for the year attributable to:		
Company shareholders	(1,874,695)	(2,261,249)

MITSIDES PUBLIC COMPANY LIMITED

CONSOLIDATED BALANCE SHEET as at 31 December 2015

	2015 €	2014 €
Assets		
Non-current assets		
Property, plant and equipment	26,670,566	26,541,669
Investment property	3,360,898	4,208,933
Intangible assets	822,952	815,297
Financial assets available for sale	20,604	25,090
Deferred tax claims	394,735	396,914
Non-current receivables	-	21,747
	31,269,755	32,009,650
Current assets		
Inventories	7,536,295	6,119,974
Short-term part of non-current receivables	22,943	-
Trade and other receivables	10,218,936	11,213,967
Tax refundable	180,228	159,660
Cash and bank deposits	567,961	1,599,743
	18,526,363	19,093,344
Total assets	49,796,118	51,102,994
Equity and liabilities		
Capital and reserves		
Share capital	8,446,000	8,446,000
Fair value reserves	8,571,205	8,698,502
Exchange difference reserves	(1,405,894)	(1,384,344)
Earnings retained	5,870,889	7,635,392
	21,482,200	23,395,550
Non-current liabilities		
Borrowings	4,376,549	2,886,322
Deferred tax liabilities	3,331,495	3,395,755
	7,708,044	6,282,077
Current liabilities		
Trade and other creditors	7,073,021	6,952,067
Current tax liabilities	125,759	120,702
Borrowings	13,407,094	14,352,598
	20,605,874	21,425,367
Total liabilities	28,313,918	27,707,444
Total equity and liabilities	49,796,118	51,102,994

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2015

	Share capital €	Fair value reserve (2) €	Exchange difference reserves €	Earnings retained (1) €	Total €
Balance as at 31 December 2013 / 1 January 2014	8,446,000	8,910,094	(1,217,920)	9,601,795	25,739,969
Comprehensive income					
Loss for the year	-	-	-	(1,992,813)	(1,992,813)
Other comprehensive income					
Land and buildings:					
Transfer of depreciation, after taxation	-	(109,580)	-	109,580	-
Adjustment for deferred tax	-	(357)	-	-	(357)
Financial assets available for sale:					
Fair value gains	-	1,015	-	-	1,015
Exchange difference from conversion of subsidiary	-	(102,670)	(166,424)	-	(269,094)
Other total comprehensive income for the year	-	(211,592)	(166,424)	109,580	(268,436)
Comprehensive income for the year	-	(211,592)	(166,424)	(1,883,233)	(2,261,249)
Transactions with owners					
Contribution for defence in deemed dividend distribution	-	-	-	(83,170)	(83,170)
Total transactions with owners	-	-	-	(83,170)	(83,170)
Balance as at 31 December 2014	8,446,000	8,698,502	(1,384,344)	7,635,392	23,395,550

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2015 (continued)

	Share capital €	Fair value reserve (2) €	Exchange difference reserves €	Earnings retained (1) €	Total €
Balance as at 31 December 2014 / 1 January 2015	8,446,000	8,698,502	(1,384,344)	7,635,392	23,395,550
Comprehensive income					
Loss for the year	-	-	-	(1,837,710)	(1,837,710)
Other comprehensive income					
Land and buildings:					
Transfer of depreciation, after taxation	-	(111,862)	-	111,862	-
Adjustment for deferred tax	-	(3,530)	-	-	(3,530)
Financial assets available for sale:					
Fair value loss	-	(1,670)	-	-	1,670
Exchange difference from conversion of subsidiary	-	(10,235)	(21,550)	-	(31,785)
Other total comprehensive income for the year	-	(127,297)	(21,550)	111,862	(36,985)
Comprehensive income for the year	-	(127,297)	(21,550)	(1,725,848)	(1,874,695)
Transactions with owners					
Contribution for defence in deemed dividend distribution	-	-	-	(38,655)	(38,655)
Total transactions with owners	-	-	-	(38,655)	(38,655)
Balance as at 31 December 2015	8,446,000	8,571,205	(1,405,894)	5,870,889	21,482,200

- (1) 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 15% will be payable on such deemed dividends to the extent that the shareholders, at the end of the period of two years following the end of the relevant tax year, are Cyprus tax residents. The percentage of the special contribution for defence increased to 17% of profits for tax year 2009 and to 20% of profits for tax years 2010 and 2011 and was then reduced to 17% of profits for the tax years 2012 onwards. 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.
- (2) Fair value reserves are distributable as dividends.

MITSIDES PUBLIC COMPANY LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS **for the year ended 31 December 2015**

	2015	2014
	€	€
Cash flow from operations		
Loss before taxation	(1,841,580)	(1,993,264)
Adjustments for:		
Depreciation of property, plant and equipment	1,578,363	1,577,772
Depreciation of software programmes	28,412	24,563
Fair value loss in investment property	154,561	223,184
Income from dividends	(36)	(29)
Credit interest	(3,506)	(3,723)
Debit interest	973,181	1,275,579
Change in the provision for impairment of trade receivables	570,573	475,501
Loss on sale of property, plant and equipment	(3,522)	(3,471)
Exchange differences	27,538	310,285
	1,483,984	1,886,397
Changes in working capital:		
Inventories	(1,416,321)	413,128
Trade and other receivables	431,269	(571,484)
Trade and other creditors	165,469	1,315,275
Cash from operations	664,401	3,043,316
Tax paid	(72,449)	(190,053)
Net cash from operations	591,952	2,853,263
Cash flow for investing activities		
Purchase of property, plant and equipment	(1,124,148)	(558,736)
Purchase of software programmes	(36,495)	(20,038)
Purchase of investment property	(1,434)	-
Proceeds from sale of property, plant and equipment	48,271	12,741
Proceeds from return of capital in financial assets available for sale	46	-
Interest received	1,618	2,093
Dividends received	36	29
Loans granted to third parties	-	(21,000)
Net cash for investing activities	(1,112,106)	(584,911)
Balance carried forward	(520,154)	2,268,352

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CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31 December 2015 (continued)

	2015	2014
	€	€
Balance brought forward	(520,154)	2,268,352
Cash flow for financing activities		
Net borrowings/(repayments of bank borrowings) - net	(236,532)	350,655
Interest paid	(973,181)	(1,275,579)
Contribution for defence in deemed dividend distribution	(83,170)	(119,087)
Net cash for financing activities	(1,292,883)	(1,044,011)
Net (decrease)/increase in cash and bank overdrafts	(1,813,037)	1,224,341
Cash and bank overdrafts at beginning of year	(8,433,502)	(9,657,843)
Cash and bank overdrafts at end of year	(10,246,539)	(8,433,502)