

MITSIDES PUBLIC COMPANY LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT for the year ended 31 December 2017

	2017	2016
	€	€
Income	34,921,002	35,325,058
Cost of sales	(27,983,644)	(27,100,237)
Gross profit	6,937,358	8,224,821
Other (losses) / profits	(246,294)	6,115
Other income	279,403	347,156
Sales and promotion expenses	(4,830,024)	(5,449,434)
Administrative costs	(3,874,623)	(3,059,488)
Operating (loss) / profit	(1,734,180)	69,170
Finance costs	(312,950)	(925,504)
Loss before taxation	(2,047,130)	(856,334)
Tax charge	(198,542)	(328,240)
Loss for the year	(2,245,672)	(1,184,574)
Net loss attributable to:		
Company shareholders	(2,245,672)	(1,184,574)
Loss per share attributable to Company shareholders (cent per share)- basic	(27.39)	(14.45)

MITSIDES PUBLIC COMPANY LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 December 2017

	2017	2016
	€	€
Loss for the year	(2,245,672)	(1,184,574)
Other comprehensive income:		
Items not to be reclassified to profit and loss		
Adjustment for deferred tax	127,123	(291)
Gain / (loss) from revaluation of land and buildings before taxation	591,972	(15,000)
Exchange difference from the conversion of subsidiary company into euro	35,403	(60.734)
Items not to be reclassified to profit and loss	754,498	(76,025)
Items that may subsequently be reclassified to profit and loss		
Change in the fair value of financial assets available for sale	-	(2,086)
Items that may subsequently be reclassified to profit and loss	-	(2,086)
Other comprehensive income for the year, after taxation	754,498	(78,111)
Comprehensive loss for the year	(1,491,174)	(1,262,685)
Comprehensive loss for the year attributable to:		
Company shareholders	(1,491,174)	(1,262,685)

MITSIDES PUBLIC COMPANY LIMITED

CONSOLIDATED BALANCE SHEET as at 31 December 2017

	2017 €	2016 €
Assets		
Non-current assets		
Property, plant and equipment	24,256,214	25,292,918
Investment property	3,686,582	3,664,012
Intangible assets	900,486	924,674
Financial assets available for sale	8,738	10,528
Deferred tax claims	28,041	126,102
	28,880,061	30,018,234
Current assets		
Inventories	6,601,900	7,165,975
Short-term portion of non-current receivables	20,960	24,205
Trade and other receivables	8,774,011	9,210,235
Tax refundable	168,801	165,838
Cash and bank deposits	417,781	480,646
	15,893,014	17,046,899
Assets available for sale	29,500	144,364
Total assets	44,893,014	47,209,497
Equity and liabilities		
Capital and reserves		
Share capital	8,446,000	8,446,000
Fair value reserves	9,069,933	8,408,493
Exchange difference reserves	(1,463,514)	(1,438,916)
Earnings retained	2,675,922	4,803,938
	18,728,341	20,219,515
Non-current liabilities		
Borrowings	3,556,501	2,304,112
Deferred tax liabilities	3,104,454	3,186,604
	6,660,955	5,490,716
Current liabilities		
Trade and other creditors	7,035,815	7,755,466
Current tax liabilities	117,630	144,936
Borrowings	12,350,273	13,598,864
	19,503,718	21,499,266
Total liabilities	26,164,673	26,989,982
Total equity and liabilities	44,893,014	47,209,497

MITSIDES PUBLIC COMPANY LIMITED**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
for the year ended 31 December 2017

	Share capital €	Fair value reserve (2) €	Exchange difference reserves €	Earnings retained (1) €	Total €
Balance as at 1 January 2016	8,446,000	8,571,205	(1,405,894)	5,870,889	21,482,200
Comprehensive income					
Loss for the year	-	-	-	(1,184,574)	(1,184,574)
Other comprehensive income					
Land and buildings:					
Loss from revaluation – gross	-	(15,000)	-	-	(15,000)
Transfer of depreciation, after taxation	-	(117,623)	-	117,623	-
Adjustment for deferred tax	-	(291)	-	-	(291)
Financial assets available for sale:					
Fair value loss	-	(2,086)	-	-	(2,086)
Exchange difference from conversion of subsidiary	-	(27,712)	(33,022)	-	(60,734)
Other total comprehensive income for the year	-	(162,712)	(33,022)	117,623	(78,111)
Comprehensive income for the year	-	(162,712)	(33,022)	(1,066,951)	(1,262,685)
Balance as at 31 December 2016	8,446,000	8,408,493	(1,438,916)	4,803,938	20,219,515

MITSIDES PUBLIC COMPANY LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY **for the year ended 31 December 2017 (continued)**

	Share capital €	Fair value reserve (2) €	Exchange difference reserves €	Earnings retained (1) €	Total €
Balance as at 31 December 2016 / 1 January 2017	8,446,000	8,408,493	(1,438,916)	4,803,938	20,219,515
Comprehensive income					
Loss for the year	-	-	-	(2,245,672)	(2,245,672)
Other comprehensive income					
Land and buildings:					
Loss from revaluation – gross	-	591,972	-	-	591,972
Transfer of depreciation, after taxation	-	(117,656)	-	117,656	-
Adjustment for deferred tax	-	127,123	-	-	127,123
Exchange difference from conversion of subsidiary	-	60,001	(24,598)	-	35,403
Other total comprehensive income for the year	-	(661,440)	(24,598)	117,656	754,498
Comprehensive income for the year	-	(661,440)	(24,598)	(2,128,016)	(1,491,174)
Balance as at 31 December 2017	8,446,000	9,069,933	(1,463,514)	2,67,922	18,728,341

(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 2017**

	2017 €	2016 €
Cash flow from operations		
Loss before taxation	(2,047,130)	(856,334)
Adjustments for:		
Depreciation of property, plant and equipment	1,537,564	1,559,898
Depreciation of software programmes	41,343	25,417
Fair value loss in investment property	269,727	39,730
Income from dividends	(4,256)	(41)
Credit interest	(11,596)	(2,107)
Debit interest	631,379	789,502
Change in the provision for impairment of trade receivables	186,005	13,316
Loss on sale of property, plant and equipment	(23,433)	(45,845)
Impairment of property, plant and equipment	523,270	-
Exchange differences	(330,407)	88,476
	772,466	1,612,012
Changes in working capital:		
Inventories	564,075	370,320
Trade and other receivables	250,219	541,423
Trade and other creditors	(719,652)	682,444
Cash from operations	867,108	3,206,199
Tax paid	(120,557)	(159,097)
Net cash from operations	746,551	3,047,102
Cash flow for investing activities		
Purchase of property, plant and equipment	(325,076)	(350,565)
Purchase of software programmes	(10,671)	(128,503)
Purchase of investment property	-	(113,467)
Purchase of financial assets available for sale	(785)	-
Proceeds from sale of property, plant and equipment	40,566	119,580
Proceeds from return of capital in financial assets available for sale	-	8,075
Proceeds from sales of financial assets available for sale	2,575	-
Proceeds from sale of assets available for sale	102,207	-
Interest received	593	591
Dividends received	4,256	41
Receipts from repayment of loans to third parties	4,500	-
Net cash for investing activities	(181,835)	(464,248)
Balance carried forward	564,716	2,582,854

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CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31 December 2017 (continued)

	2017	2016
	€	€
Balance brought forward	564,716	2,582,352
Cash flow for financing activities		
Net borrowings	1,000,000	3,000,000
Repayments of bank borrowings	(2,056,399)	(4,040,816)
Interest paid	(631,379)	(789,502)
Net cash for financing activities	(1,687,778)	(1,830,318)
Net increase / (decrease) in cash and bank overdrafts	(1,123,062)	752,536
Cash and bank overdrafts at beginning of year	(9,494,003)	(10,246,539)
Cash and bank overdrafts at end of year	(10,617,065)	(9,494,003)