LOULIS MILLS S.A.

Reg. No 506754440000

Reg. Address: Municipality of Sourpi, Prefecture of Magnesia (Loulis Port)

FINANCIAL STATEMENTS AND INFORMATION FOR THE YEAR 2016

The following data and information aim at providing a general overview of the financial status and results of LOULIS MILLS S.A. and LOULIS GROUP OF COMPANIES.
Readers, who require a complete picture of the Group's financial status and results, are advised to access the financial statements according to the International Accounting Standards, as well as the audit report by the certified auditor-accountant .
In such case, readers may refer to the Company's website, www.loulismills.gr, where such information is posted.

(Amounts in €)

STATEMENT OF FINANCIAL POSISTION

	GROUP		COMPANY	
ASSETS	**31.12.2016**	**31.12.2015**	**31.12.2016**	**31.12.2015**
NON - CURRENT ASSETS				
Tangible Fixed Assets	96.293.014	97.864.097	96.032.819	97.817.467
Investment Property	289.752	248.396	289.752	248.396
Other Intangible Assets	845.420	861.159	129.967	152.149
Investment in Subsidiaries	-	-	1.803.124	1.548.249
Other Non Current Receivables	31.265	234.055	31.265	234.055
	97.459.451	**99.207.707**	**98.286.927**	**100.000.316**
CURRENT ASSETS				
Inventories	20.179.125	21.622.079	19.622.637	21.556.537
Trade Receivables	33.664.319	33.451.684	32.499.605	31.962.427
Derivatives Financial Assets	51.690	10.520	51.690	10.520
Other Current Assets	8.297.694	6.370.577	4.077.159	3.811.344
Cash and Cash Equivalents	6.087.837	5.768.701	4.685.082	4.464.626
	68.280.665	**67.223.561**	**60.936.173**	**61.805.454**
TOTAL ASSETS	**165.740.116**	**166.431.268**	**159.223.100**	**161.805.770**
EQUITY & LIABILITIES				
Share Capital	16.097.558	16.097.558	16.097.558	16.097.558
Share Premium	34.603.383	35.630.886	34.603.383	35.630.886
Purchased Own Shares	(9.207)	-9.089	-9.207	(9.089)
Other Reserves	39.687.162	36.544.720	35.813.026	32.548.215
	90.378.896	**88.264.075**	**86.504.760**	**84.267.570**
Non Controlling Interest	501.192	467.809	-	-
Total Equity	**90.880.088**	**88.731.884**	**86.504.760**	**84.267.570**
LONG TERM LIABILITIES				
Long-Term Loans	533.299	6.000.000	533.299	6.000.000
Deferred Tax Liabilities	13.690.354	13.721.092	13.659.977	13.687.188
Provisions for Retirement Benefits	741.433	738.885	717.906	717.271
Other Long-term Liabilities	3.755.947	4.511.993	5.438.947	6.194.993
	18.721.033	**24.971.970**	**20.350.129**	**26.599.452**
CURRENT LIABILITIES				
Trade Payables	10.149.464	14.554.227	8.757.050	14.307.734
Short Term Loans	33.734.678	29.631.400	31.742.392	28.416.173
Derivatives Financial Liabilities	18.030	840	18.030	840
Tax Liabilities	2.385.325	1.149.888	2.223.273	1.012.854
Accrued and Other Current Liabilities	9.851.498	7.391.059	9.627.466	7.201.147
	56.138.995	**52.727.414**	**52.368.211**	**50.938.748**
TOTAL EQUITY & LIABILITIES	**165.740.116**	**166.431.268**	**159.223.100**	**161.805.770**

STATEMENT OF COMPREHENSIVE INCOME

	GROUP		COMPANY	
	01.01 - 31.12.2016	**01.01 - 31.12.2015**	**01.01 - 31.12.2016**	**01.01 - 31.12.2015**
Sales	101.330.254	104.962.287	96.536.741	101.371.750
Cost of Sales	(76.192.236)	(84.984.325)	(72.719.595)	(82.168.915)
Gross Profit	**25.138.018**	**19.977.962**	**23.817.146**	**19.202.835**
Other Income	3.373.245	3.524.252	3.382.490	3.462.358
Distribution Expenses	(14.887.736)	(14.597.470)	(14.071.236)	(14.231.770)
Administration Expenses	(3.662.941)	(3.186.062)	(3.347.157)	(2.828.976)
Derivatives Financial Assets	(102.570)	(102.045)	(102.570)	(102.045)
Other Expenses	(2.653.007)	(305.020)	(2.651.233)	(303.088)
Interest Income	68.774	80.449	106.264	8.898
Interest Expenses	(2.635.747)	(2.238.943)	(2.547.476)	(2.195.975)
Pre Tax Profit	**4.638.036**	**3.153.123**	**4.586.228**	**3.012.237**
Income Tax	(1.788.844)	(2.575.171)	(1.690.529)	(2.426.544)
Profit After Tax	**2.849.192**	**577.952**	**2.895.699**	**585.693**
Total Profit for the Year	**2.849.192**	**577.952**	**2.895.699**	**585.693**
Equity Shareholders	2.777.491	624.903	2.895.699	585.693
Non Controlling Interest	71.701	(46.951)	-	-
Other Comprehensive Income				
Revaluation of Non Current Assets	683.623	(754.458)	683.623	(754.458)
Remeasument Gain/Losses	6.174	(46.598)	6.067	(43.965)
Income tax related to other comprehensive income	(198.251)	218.793	(198.251)	218.793
Amounts that will be reclassified to Profit & Loss	**491.546**	**(582.263)**	**491.439**	**(579.630)**
Total Comprehensive Income	**3.340.738**	**(4.311)**	**3.387.138**	**6.063**
Profit for the Year Attributable to:				
Equity Shareholders	3.269.005	43.430	3.387.138	6.063
Non Controlling Interest	71.733	(47.741)	-	-
E.P.S.				
Basic	**0,1622**	**0,0365**	**0,1691**	**0,0342**
E.P.S. from Continuing Operations				
Basic	**0,1622**	**0,0365**	**0,1691**	**0,0342**
Depreciation	3.919.507	3.756.407	3.909.242	3.754.058
E.B.I.T.	7.307.579	5.413.662	7.130.010	5.301.359
E.B.I.T.D.A.	11.227.086	9.170.069	11.039.252	9.055.417

CASH FLOW STATEMENT

	GROUP		COMPANY	
Cash Flows from Operating Activities	**31.12.2016**	**31.12.2015**	**31.12.2016**	**31.12.2015**
Pre tax Profit	**4.638.036**	**3.153.123**	**4.586.228**	**3.012.237**
Adjustment for:				
Depreciation	3.919.507	3.756.407	3.909.242	3.754.058
Provisions	2.058.141	(1.038.291)	1.933.862	(1.420.620)
Interest Expense	2.635.747	2.238.943	2.547.476	2.195.975
Interest Income	(68.774)	(80.449)	(21.133)	(8.898)
Changes In Working Capital:				
Decrease / (Increase) in Inventories	1.192.943	512.513	1.683.900	588.152
Decrease / (Increase) in Trade and Other Receivables	(3.190.849)	(1.847.549)	(2.135.335)	126.399
(Decrease) / Increase in Payables (excluding Loans)	(2.117.502)	3.660.831	(3.080.107)	3.215.224
Less:	**-**	**-**	**-**	**-**
Interest Paid	(2.444.600)	(2.059.659)	(2.361.977)	(2.031.934)
Income taxes paid	(1.751.153)	(943.965)	(1.627.623)	(929.726)
Net Cash from Operating Activities (a)	**4.871.496**	**7.351.904**	**5.434.533**	**8.500.867**
Cash Flows from Investing Activities				
Acquisition of associates, JVs and other investments	(960)	(40.000)	(254.875)	(1.311.818)
Payments for Financial Investments	(175.000)	-	(175.000)	-
Purchase of Tangible and Intangible Assets	(1.906.634)	(2.515.649)	(1.678.161)	(1.757.660)
Proceeds from disposal of Tangible and Intangible Assets	76.208	18.789	78.008	18.789
Interest Received	21.303	6.323	21.133	6.256
Dividends Received	-	-	85.131	-
Net Cash from Investing Activities (b)	**(1.985.083)**	**(2.530.537)**	**(1.923.764)**	**(3.044.433)**
Cash Flow from Financing Activities				
Proceeds / (Payments) from Increase / Decrease of the Share Capital	(1.027.154)	(1.341.756)	(1.027.504)	(1.541.256)
Disposal / (Purchase) of Own Shares	-	(9.089)	-	(9.089)
Proceeds from Bank Borrowings	1.136.576	5.354.019	359.517	4.138.792
Repayment of Bank Borrowings	(2.500.000)	(5.000.000)	(2.500.000)	(5.000.000)
Dividends/Fees paid of the members of the Board	(176.699)	(122.326)	(122.326)	(122.326)
Net Cash used in Financing Activities (c)	**(2.567.277)**	**(1.119.152)**	**(3.290.313)**	**(2.533.879)**
Net Increase / (Decrease) in the Cash and Cash Equivalents (a + b+ c)	**319.136**	**3.702.215**	**220.456**	**2.922.555**
Cash & Cash Equivelants at the Beginning of the Year	**5.768.701**	**2.066.486**	**4.464.626**	**1.542.071**
Cash & Cash Equivelants at the End of the Year	**6.087.837**	**5.768.701**	**4.685.082**	**4.464.626**

STATEMENT OF CHANGES IN EQUITY

	GROUP		COMPANY	
	01.01 - 31.12.2016	**01.01 - 31.12.2015**	**01.01 - 31.12.2016**	**01.01 - 31.12.2015**
Total Equity at the Beginning of the Year (1.1.2016 & 1.1.2015)	**88.731.884**	**90.292.344**	**84.267.570**	**85.977.157**
Total Comprehensive Income	3.340.738	(4.311)	3.387.138	6.063
Distributed Dividends	(176.700)	(165.305)	(122.326)	(165.305)
Equity Adjustments	11.787	524.565	(1)	888.862
Sales / (Purchases) of Own Shares	(118)	(9.089)	(118)	(9.089)
Reduction of Share Premium	(1.027.503)	(2.430.118)	(1.027.503)	(2.430.118)
Movement of non-controlling interests	0	523.798	0	0
Total Equity at the End of the Year (31.12.2016 & 31.12.2015)	**90.880.088**	**88.731.884**	**86.504.760**	**84.267.570**

ADDITIONAL ELEMENTS AND INFORMATION

1.The companies which have been consolidated in the above financial statements are presented in the following table with the corresponding ownership stakes

COMPANY NAME	DOMICILE - COUNTRY	PARTICIPATION PERCENTAGE	RELATIONSHIP WITH THE PARENT COMPANY	CONSOLIDATION METHOD	UNAUDITED TAX FISCAL PeriodS
LOULIS MILLS S.A.	Sourpi Magnesia-Greece	Parent	Parent	-	1
NUTRIBAKES A.E.	Keratsini Attica-Greece	70,00%	Direct	Full	1
GREEK SCHOOL BAKERY LIFELONG LEARNING CENTER LEVEL ONE SA	Keratsini Attica-Greece	99,67%	Direct	Full	2
LOULIS INTERNATIONAL FOODS ENTERPRISES (BULGARIA) Ltd.	Nicosia-Cyprus	100,00%	Direct	Full	9
LAFCO LEADER ASIAN FOOD COMPANY Ltd.	Nicosia-Cyprus	100,00%	Direct	Full	3
LOULIS MEL- BULGARIA EAD	Sofia-Bulgaria	100,00%	Indirect	Full	1
GRINCO HOLDINGS Ltd.	Nicosia-Cyprus	100,00%	Direct	Full	3
LOULIS LOGISTICS SERVICES S.A.	Sourpi Magnesia-Greece	99,67%	Direct	Full	1

2. The company has applied the same basic accounting principles with the previous year 2015.

3. Tangible assets of Loulis Mills S.A., up to the amount of EUR 38 million, are used as collateral in order to secure bank loans, worth of EUR 7 million.

4. There are no under arbitration cases of administrative bodies, which may have a material impact on the financial status of the Company. There are pending judicial cases whose final outcome cannot be predicted at this stage. Therefore, there is no relevant provision in this Period's financial statements.

5. The headcount at the end of 2016 for the Group is 245 and the Company is 225 , contrary to 240 for the Group and 225 for the Company .

6. Cumulative sales and purchases from the beginning of the year and the balances of receivables and liabilities of the Group and the parent company at the end of the current Year that have resulted from the transactions with the related parties, as defined by IAS 24 are as follows:

	GROUP	COMPANY
a) Sales of products and services	0	39.922
b) Purchases of products and services	0	1.490.113
c) Receivables	0	464.537
d) Liabilities	0	1.683.000
e) Transactions and salaries of managing officers and members of managing boards	746.061	702.824
f) Receivables from managing officers and members of managing boards	2.616	0
g) Liabilities to managing officers and members of managing boards	275	275

7. Investments in tangible fixed assets for the year reached the amount of EUR 1.907 thousand for the Group and EUR 1.678 thousand for the Company.

8. Earnings per share were calculated based on the weighted average number of total shares.

9. Any differences in totals are due to rounding.

10. The date of approval of the financial statements by the Board is the 21st of April 2017.

11. On February 23rd, 2016 a subsidiary company called LOULIS MEL - BULGARIA EAD, was established in Bulgaria. The 100% of the share capital of the company is held by LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA Ltd, which is 100% subsidiary of LOULIS MILLS SA. The new company has a founding capital of 50.000 BGN and its main purpose is to collect and trade of cereals.

12. The Annual Ordinary General Meeting of the Company's Shareholders dated 23.06.2016 voted a share capital increase of the company's share capital by Euro 1.027.503,72 , through an increase of the nominal value of each current share by Euro 0,06 (from Euro 0,94 to Euro 1,00) by capitalization of reserves «difference from issuance of share premium», simultaneously with a share capital decrease of the equal amount of Euro 1.027.503,72 , through a decrease of the nominal value of each share by Euro 0,06 (from Euro 1,00 to Euro 0,94), aiming for the share capital return to the shareholders amounting to Euro 1.027.503,72 , that is Euro 0,06 per share. The payment to shareholders was made on July 25th, 2016.

13. On July 21st, 2016, the Company announced the acquisition of 100% of the company LAFCO LEADER ASIAN FOOD COMPANY Ltd for Euro 1.600. Eventually LOULIS MILLS SA participates with 100% in the company GRINCO HOLDINGS LIMITED, an indirect participation of 60% through its subsidiary LAFCO LEADER ASIAN FOOD COMPANY Ltd and with direct participation of 40%.

transportation and distribution of products and the overall provision of port facilities to third parties.

15. The special tax audit of the Company and its subsidiary NUTRIBAKES SA ,for the year 2015, was completed.The special tax audit was conducted by the statutory auditors in accordance with article 65A of Law 4174/2013 as in force, and the corresponding Tax Compliance Reports were issued with a Conclusion without reservation.

16. In October 2016 LOULIS MILLS SA acquired the 60% stake of GRINCO HOLDINGS LIMITED for a price of Euro 960 from its 100% subsidiary LAFCO LEADER ASIAN FOOD COMPANY Ltd. Finally, LOULIs MILLS SA has a 100% direct participation at GRINCO HOLDINGS LIMITED.

17. On December 28th 2016, two contracts of jointly secured syndicated bond loans amounting to Euro 30 million and Euro 10 million respectively were signed with ALPHA BANK SA, a co-ordinating and managing bank. On the first bond loan of Euro 30 million, bondholders are ALPHA BANK SA , EUROBANK ERGASIAS SA And NATIONAL BANK OF GREECE SA, while in the second bond loan of Euro 10 million, the bondholders are the EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (EBRD) and ALPHA BANK SA. Both loans are of five years duration and their purpose is to refinance existing bank loans, as well as to finance general business purposes of the Company.

18.On January 8th 2017, LOULIS MILL'S SA share buyback program was completed / terminated .The program was approved in accordance with Article 16 of Law 2190/1920, as amended and the No. 2273/2003 Regulation of the European Communities and by the Extraordinary General Meeting of January 8, 2015. The Extraordinary General Meeting decided, inter alia, the acquisition by the Company through the Athens Exchange and within a period of twenty four (24) months from the date of that decision, a maximum of up to 1.712.506 ordinary registered shares, representing 10% of total shares, with a minimum value of one Euro (1 €) and a maximum value of five Euro (5 €) per share.During the above program and the implementation of that decision of the Extraordinary General Meeting of shareholders, the Company bought back a total of 4.782 treasury common shares at an average purchase price of Euro 1,9254 per share, corresponding to a percentage 0,028% of the share capital.

19. Following the preliminary contract transfer of shares of 06.02.2015 between «NUTRIBAKES SA Mixtures Production, Bakery and Confectionery "- a 70% subsidiary of " LOULIS MILLS SA "- and the shareholders of the company «Kenfood Trofognosia SA", the Board of «NUTRIBAKES SA Mixtures Production, Bakery and Confectionery " decided on the February 6, 2017, the merger by absorption of the company «Kenfood Trofognosia SA " in accordance with the provisions of Articles 68-77 of Codified 2190/1920 and no. 54 of I. 4172/2013.The transformation balance sheet will be the one that will be drafted by December 31, 2016.

20. The Company's Board of Directors will propose to the Ordinary General Meeting of Shareholders not to distribute dividends from the profits of the year 2016 due to the uncertain economic environment as well as for the liquidity of the Company. As a result, the non-distribution of dividends is subject to the approval of the Regular General Meeting of Shareholders.

Sourpi Magnesias, April 21st 2017

Chairman of the Board
Nikolaos Loulis

Vice President & CEO
Nikolaos Fotopoulos

Chief Accountant
Ioannis Louloudakis