

**LAFCO LEADER ASIAN FOOD
COMPANY LTD**

REPORT AND FINANCIAL STATEMENTS
31 December 2016

Οι οικονομικές καταστάσεις είναι
πιστά αντίγραφα αυτών που ετέθησαν
ενώπιον της Γενικής Συνέλευσης.

BIZSERVE MANAGEMENT LIMITED

.....Διευθυντής

BIZSERVE SECRETARIAL SERVICES LIMITED ας

LAFCO LEADER ASIAN FOOD COMPANY LTD

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2016

CONTENTS	PAGE
Board of Directors and other officers	1
Report of the Liquidator	2
Independent auditor's report	3 - 5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10 - 17

LAFCO LEADER ASIAN FOOD COMPANY LTD

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:

Blzserve Management Ltd (resigned on 19.01.2017)

Company Secretary:

Blzserve Secretarial Services Ltd (resigned on 19.01.2017)

Independent Auditors:

Baker Tilly Kiltou
Corner C.Hatzopoulou and 30 Griva Digheni Avenue
1066 Nicosia
Cyprus

Liquidator:

Antonis Vasiliou

Registered office:

11 Boumpoullinas
1060 Nicosia
Cyprus

LAFCO LEADER ASIAN FOOD COMPANY LTD

REPORT OF THE LIQUIDATOR

The Liquidator presents its report and audited financial statements of the Company for the year ended 31 December 2016.

Principal activities

The principal activity of the Company, which is unchanged from last year, is the holding of investments and provision of financing.

Review of current position, future developments and significant risks

The Company's development to date, financial results and position as presented in the financial statements are not considered satisfactory and the Liquidator is making an effort to reduce the Company's losses.

The main risks and uncertainties faced by the Company and the steps taken to manage these risks, are described in note 3 of the financial statements.

Going concern basis

The financial statements have not been prepared on a going concern basis since it is the intention of the Board of Directors to liquidate the Company on 19 January 2017.

Results

The Company's results for the year are set out on page 6. The net loss for the year is carried forward.

Share capital

There were no changes in the share capital of the Company during the year under review.

Board of Directors

The sole member of the Company's Board of Directors as at 31 December 2016 and at the date of this report is presented on page 1. Bizserve Management Ltd resigned from Director of the Company on 19 January 2017 and Mr. Antonis Vasiliou was appointed as Liquidator.

In accordance with the Company's Articles of Association the sole Director presently member of the Board continues in office.

There were no significant changes in the remuneration of the Board of Directors.

Events after the reporting period

Any significant events that occurred after the end of the reporting period are described in note 16 to the financial statements.

By order of the Liquidator,

BIZSERVE MANAGEMENT LIMITED


Bizserve Management Ltd
(ex Director - signing as authorised by the liquidator)

Nicosia, 14 February 2017

**BAKER TILLY****20**
YEARS
OF EXCELLENCE

Baker Tilly Kilitou & Partners Ltd
Corner C. Hatzopoulou & 30 Griva Digheni Avenue
1066 Nicosia, Cyprus
P.O. Box 27783, 2433 Nicosia, Cyprus
T: +357 22 458500 | F: +357 22 751648
info@bakertillykilitou.com
www.bakertillykilitou.com

Independent Auditor's Report

To the Members of Lafco Leader Asian Food Company Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Lafco Leader Asian Food Company Ltd (the "Company"), which are presented in pages 6 to 17 and comprise the statement of financial position as at 31 December 2016, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2016, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Material Uncertainty Related to Going Concern

We draw attention to note 2 to the financial statements where it is indicated that the financial statements have not been prepared on a going concern basis since it is the intention of the Management to liquidate the Company on 19 January 2017. Our opinion is not qualified in respect of this matter.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Liquidator is responsible for the other information. The other information comprises the information included in the report of the Liquidator, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Liquidator for the Financial Statements

The Liquidator is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Liquidator determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Offices:

Cyprus
Nicosia T: +357 22 458500
Limassol T: +357 25 591515
Larnaca T: +357 24 663299

Greece
Athens, Thessaloniki
T: +30 215 500 6060

Bulgaria
Sofia T: +359 2 9990980

Romania
Bucharest T: +40 21 3156100

Moldova
Chisinau T: +373 22 233003



Independent Auditor's Report (continued)

To the Members of Lafco Leader Asian Food Company Ltd

In preparing the financial statements, the Liquidator is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Liquidator either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Liquidator is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Liquidator.
- Conclude on the appropriateness of the Liquidators' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Liquidator regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Independent Auditor's Report (continued)

To the Members of Lafco Leader Asian Food Company Ltd

Report on Other Legal Requirements

Pursuant to the additional requirements of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 to 2016, we report the following:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of these books.
- The Company's financial statements are in agreement with the books of account.
- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Cyprus Companies Law, Cap. 113, in the manner so required.
- In our opinion, the management report, has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap 113, and the information given is consistent with the financial statements.
- In our opinion, and in the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the management report.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 34 of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 to 2016 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

Andreas Pittakas
Certified Public Accountant and Registered Auditor
for and on behalf of

Baker Tilly Kiltou
Certified Public Accountants and Registered Auditors

Corner C.Hatzopoulou and 30 Griva Digheni Avenue
1066 Nicosia
Cyprus

Nicosia, 14 February 2017

LAFCO LEADER ASIAN FOOD COMPANY LTD

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2016

	Note	2016 €	2015 €
Revenue	4	5,600	-
Administration expenses	5	(9,835)	(11,866)
Other expenses	6	<u>(101,390)</u>	<u>(350)</u>
Operating loss		<u>(105,625)</u>	<u>(12,216)</u>
Finance income		61	749
Finance costs		<u>(607)</u>	<u>(1,276)</u>
Net finance costs	7	<u>(546)</u>	<u>(527)</u>
(Loss) before tax		(106,171)	(12,743)
Tax	8	-	-
Net loss for the year		<u>(106,171)</u>	<u>(12,743)</u>
Other comprehensive income		-	-
Total comprehensive Income for the year		<u>(106,171)</u>	<u>(12,743)</u>

The notes on pages 10 to 17 form an integral part of these financial statements.

LAFCO LEADER ASIAN FOOD COMPANY LTD

STATEMENT OF FINANCIAL POSITION

31 December 2016

	Note	2016 €	2015 €
ASSETS			
Non-current assets			
Investment in subsidiary	9	-	832.200
		<u>-</u>	<u>832.200</u>
Current assets			
Receivables	11	708.045	772.220
Loans receivable	10	-	19.825
		<u>708.045</u>	<u>792.045</u>
Total assets		<u>708.045</u>	<u>1.624.245</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	12	1.600	1.600
Share premium		832.100	832.100
Accumulated losses		(125.655)	(19.484)
Total equity		<u>708.045</u>	<u>814.216</u>
Current liabilities			
Other payables	14	-	783.285
Borrowings	13	-	26.744
Total liabilities		<u>-</u>	<u>810.029</u>
Total equity and liabilities		<u>708.045</u>	<u>1.624.245</u>

On 14 February 2017 the Board of Directors of Lafco Leader Asian Food Company Ltd authorised these financial statements for issue.

BIZSERVE MANAGEMENT LIMITED

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Bizserve Management Ltd
(ex Director - signing as authorised by the liquidator)

The notes on pages 10 to 17 form an integral part of these financial statements.

LAFCO LEADER ASIAN FOOD COMPANY LTD

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2016

	Note	Share capital €	Share premium €	Accumula- ted losses €	Total €
Balance at 1 January 2015		1.500	-	(6.741)	(5.241)
Comprehensive Income					
Net loss for the year		-	-	(12.743)	(12.743)
Transactions with owners					
Issue of share capital	12	100	832.100	-	832.200
Balance at 31 December 2015/ 1 January 2016		1.600	832.100	(19.484)	814.216
Comprehensive Income					
Net loss for the year		-	-	(106.171)	(106.171)
Balance at 31 December 2016		1.600	832.100	(125.655)	708.045

Companies which do not distribute 70% of their profits after tax, as defined by the relevant tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defence at 17% will be payable on such deemed dividends to the extent that the ultimate shareholders are both Cyprus tax resident and Cyprus domiciled. 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.

The notes on pages 10 to 17 form an integral part of these financial statements.

LAFCO LEADER ASIAN FOOD COMPANY LTD

STATEMENT OF CASH FLOWS

For the year ended 31 December 2016

	Note	2016 €	2015 €
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) before tax		(106.171)	(12.743)
Adjustments for:			
Loss from the sale of investment in subsidiary		101.040	-
Interest income	7	(61)	(749)
Interest expense	7	82	1.000
		(5.110)	(12.492)
Changes in working capital:			
Decrease/(increase) in receivables		64.175	(771.684)
(Decrease)/increase in trade and other payables		(53.085)	780.414
Cash generated from/(used in) operations		5.980	(3.762)
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase of share capital of investment in subsidiary	9	-	(831.300)
Loans granted		-	(15.000)
Loans repayments received		19.825	-
Proceeds from disposal of subsidiary		960	-
Interest received		61	-
Net cash generated from/(used in) investing activities		20.846	(846.300)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		-	832.200
Repayments of borrowings		(26.826)	-
Proceeds from borrowings		-	17.500
Interest paid		-	(1.000)
Net cash (used in)/generated from financing activities		(26.826)	848.700
Net decrease in cash and cash equivalents		-	(1.362)
Cash and cash equivalents at beginning of the year		-	1.362

The notes on pages 10 to 17 form an integral part of these financial statements.

LAFCO LEADER ASIAN FOOD COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

1. Incorporation and principal activities

Country of incorporation

The Company Lafco Leader Asian Food Company Ltd (the "Company") was incorporated in Cyprus on 10 July 2014 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 11 Boumpoulinas, 1060 Nicosia, Cyprus.

Principal activities

The principal activity of the Company, which is unchanged from last year, is the holding of investments and provision of financing.

2. Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

Going concern basis

The financial statements have not been prepared on a going concern basis since it is the intention of the Board of Directors to liquidate the Company on 19 January 2017.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap.113. The financial statements have been prepared under the historical cost convention.

The Company is not obliged by the Companies Law, Cap. 113, to prepare consolidated financial statements because the ultimate parent publishes consolidated financial statements according to Generally Acceptable Accounting Principles in Greece and the Company does not intend to issue consolidated financial statements for the year ended 31 December 2016.

Since the 7th European Directive allows the preparation of consolidated financial statements in accordance with the Directive or in a manner equivalent to the Directive and where the Companies Law, Cap. 113 provides the above exception, the requirement of International Financial Reporting Standard 10 "Consolidated financial statements" to notify the entity of the group that publishes consolidated financial statements in accordance with IFRS does not apply.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Adoption of new and revised IFRSs

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2016. This adoption did not have a material effect on the accounting policies of the Company.

LAFCO LEADER ASIAN FOOD COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

2. Significant accounting policies (continued)

Adoption of new and revised IFRSs (continued)

At the date of approval of these financial statements, standards and Interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Liquidator expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

Subsidiary companies

Subsidiaries are entities controlled by the Company. Control exists where the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investments in subsidiary companies are stated at cost less provision for impairment in value, which is recognised as an expense in the period in which the impairment is identified.

Revenue recognition

Revenue comprises the invoiced amount for the sale of goods and services net of Value Added Tax, rebates and discounts. Revenues earned by the Company are recognised on the following bases:

- **Rendering of services**

Sales of services are recognised in the accounting period in which the services are rendered by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Finance income

Interest income is recognised on a time-proportion basis using the effective method.

Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Loans granted

Loans originated by the Company by providing money directly to the borrower are categorised as loans and are carried at amortised cost. This is defined as the fair value of cash consideration given to originate those loans as is determined by reference to market prices at origination date. All loans are recognised when cash is advanced to the borrower.

An allowance for loan impairment is established if there is objective evidence that the Company will not be able to collect all amounts due according to the original contractual terms of loans. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows including amounts recoverable from guarantees and collateral, discounted at the original effective interest rate of loans.

LAFCO LEADER ASIAN FOOD COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

2. Significant accounting policies (continued)

Financial Instruments (continued)

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash at bank.

Borrowings

Borrowings are recorded initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Other payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

Share capital

Ordinary shares are classified as equity. The difference between the fair value of the consideration received by the Company and the nominal value of the share capital being issued is taken to the share premium account.

LAFCO LEADER ASIAN FOOD COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

3. Financial risk management

Financial risk factors

The Company is exposed to interest rate risk, liquidity risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

3.1 Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company's income and operating cash flows are substantially independent of changes in market interest rates as the Company has no significant interest-bearing assets. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

3.2 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

3.3 Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from last year.

Fair value estimation

The fair values of the Company's financial assets and liabilities approximate their carrying amounts at the reporting date.

4. Revenue

	2016	2015
	€	€
Consultancy fees	5,600	-
	<u>5,600</u>	<u>-</u>

5. Administration expenses

	2016	2015
	€	€
Courier expenses	-	119
Auditors' remuneration	607	1,190
Accounting fees	2,380	2,380
Other professional fees	4,973	8,177
Liquidation expenses	1,875	-
	<u>9,835</u>	<u>11,866</u>

LAFCO LEADER ASIAN FOOD COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

6. Other expenses

	2016	2015
	€	€
Registrar of companies annual levy	350	350
Loss from sale of investment in subsidiary	101,040	-
	<u>101,390</u>	<u>350</u>

7. Finance income/cost

	2016	2015
	€	€
Interest income	61	749
Finance income	<u>61</u>	<u>749</u>
Interest expense	(92)	(1,000)
Sundry finance expenses	(515)	(276)
Finance costs	<u>(607)</u>	<u>(1,276)</u>
Net finance costs	<u>(546)</u>	<u>(527)</u>

8. Tax

The tax on the Company's results before tax differs from the theoretical amount that would arise using the applicable tax rates as follows:

	2016	2015
	€	€
(Loss) before tax	<u>(106,171)</u>	<u>(12,743)</u>
Tax calculated at the applicable tax rates	(13,271)	(1,593)
Tax effect of expenses not deductible for tax purposes	(1)	776
Tax effect of allowances and income not subject to tax	13,272	-
Tax effect of tax loss for the year	-	817
Tax charge	<u>-</u>	<u>-</u>

The corporation tax rate is 12,5%.

Under certain conditions, interest income may be subject to defence contribution at the rate of 30%. In such cases, this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 17%.

LAFCO LEADER ASIAN FOOD COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

9. Investments in subsidiaries

	2016	2015
	€	€
Balance at 1 January	832.200	900
Additions	-	831.300
Reduction in value (1)	(730.200)	-
Disposal (2)	(102.000)	-
Balance at 31 December	-	832.200

The details of the subsidiaries are as follows:

<u>Name</u>	<u>Country of Incorporation</u>	<u>Principal activities</u>	2016 Holding %	2015 Holding %	2016 €	2015 €
Grinco Holdings Ltd	Cyprus	Holding	-	60	-	832.200
					-	832.200

(1) During 2016 Grinco Holdings Ltd (Grinco) proceeded in a reduction of its share premium and as a result the value of the investment decreased in Grinco by €730.200.

(2) All shares held in Grinco by the Company were transferred to Loulis Mills S.A. for €960 resulting in a loss of €101.040 (note 5).

10. Non-current loans receivable

	2016	2015
	€	€
Balance at 1 January	19.825	4.076
New loans granted	-	15.000
Repayments	(19.881)	-
Interest charged	56	749
Balance at 31 December	-	19.825

	2016	2015
	€	€
Loan to own subsidiary (Note 15.1)	-	19.825
	-	19.825

The fair values of loans receivable approximate to their carrying amounts as presented above.

11. Receivables

	2016	2015
	€	€
Current shareholders' current account (Note 15.4)	708.045	-
Previous shareholders' current account (Note 15.4)	-	772.220
	708.045	772.220

The fair values of other receivables due within one year approximate to their carrying amounts as presented above.

LAFCO LEADER ASIAN FOOD COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

12. Share capital

	2016 Number of shares	2016 €	2015 Number of shares	2015 €
Authorised				
Ordinary shares of €1 each	<u>10,000</u>	<u>10,000</u>	10,000	10,000
Issued and fully paid				
Balance at 1 January	1,600	1,600	1,500	1,500
Issue of shares	-	-	100	100
Balance at 31 December	<u>1,600</u>	<u>1,600</u>	1,600	1,600

13. Borrowings

	2016 €	2015 €
Balance at 1 January	26,744	8,244
Additions	-	17,500
Repayments	(26,826)	-
Interest charged	<u>82</u>	1,000
Balance at 31 December	<u>-</u>	<u>26,744</u>

	2016 €	2015 €
Current borrowings		
Loan from previous parent company (Note 15.3)	-	26,744
	<u>-</u>	<u>26,744</u>

14. Trade and other payables

	2016 €	2015 €
Accruals	-	5,206
Other creditors	-	6,674
Payables to subsidiary (Note 15.2)	-	771,405
	<u>-</u>	<u>783,285</u>

The fair values of other payables due within one year approximate to their carrying amounts as presented above.

15. Related party transactions

The Company since 7 September 2016 is controlled by Loulis Mills S.A., which is incorporated in Cyprus and owns 100% of the Company's shares. Previously the Company was controlled by Lowchen Investments Limited and Loulis International Foods Enterprises (Bulgaria) Ltd, which are incorporated in Cyprus and owned 60%, and 40% respectively of the Company's shares.

LAFCO LEADER ASIAN FOOD COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

15. Related party transactions (continued)

The following transactions were carried out with related parties:

15.1 Loans to subsidiary (Note 10)

		2016	2015
	<u>Nature of transactions</u>	€	€
Grinco Holding Ltd	Finance	-	19,825
		<u>-</u>	<u>19,825</u>

The loan to subsidiary company was provided with 4% interest, and is to be repaid until 31.12.2016.

15.2 Payables to subsidiary (Note 14)

		2016	2015
<u>Name</u>		€	€
Grinco Holding Ltd		-	771,405
		<u>-</u>	<u>771,405</u>

15.3 Loans from previous parent company (Note 13)

		2016	2015
	<u>Terms</u>	€	€
Loulis International Foods Enterprises (Bulgaria) Ltd	Finance	-	26,744
		<u>-</u>	<u>26,744</u>

The loan from previous parent company was provided with 4% interest, and was to be repaid until 31.12.2016.

15.4 Shareholders' current accounts - debit balances (Note 11)

		2016	2015
		€	€
Loulis Mills S.A.		708,045	-
Lowchen Investments Limited		-	499,320
Loulis International Foods Enterprises (Bulgaria) Ltd		-	272,900
		<u>708,045</u>	<u>772,220</u>

The shareholders' current accounts are interest free, and have no specified repayment date.

16. Events after the reporting period

The Company went into voluntary liquidation on 19 January 2017.

Independent auditor's report on pages 3 and 5